

Basis of Preparation



SunCon publishes this annual sustainability statement in respect of financial year ended 31 December 2024 (SS2024) to provide readers with a comprehensive account of SunCon's environmental, social and governance (ESG) performance. This includes performance achieved on material ESG topics as measured against key performance indicators and targets set for the financial year. Details of our key targets and the progress made are elaborated in the respective sections of this Sustainability Statement.

SunCon's previous sustainability report was published on 30 April 2024, in respect of financial year ended 31 December 2023. SunCon provides disclosures on its ESG performance on an annual basis in accordance to the following sustainability reporting frameworks and standards:

- Bursa Malaysia Sustainability Reporting Guide 3rd Edition
- Global Reporting Initiative (GRI)
- FTSE4Good Bursa Malaysia Index (FTSE4Good)
- IFRS S2 IFRS® Sustainability Disclosure Standard: Climate-related Disclosures
- Sector Specific Disclosures (SASB)
- United Nations Sustainability Development Goals (UNSDGs)

Basis of Preparation

1

SCOPE AND BOUNDARY (DETERMINATION OF CONTENT)

The scope and boundary for determining content for inclusion in SS2024 are based on equity and operational control, that is the inclusion of the activities, processes, controls of the listed entity as well as all associate companies. Excluded are subsidiary companies or companies in which SunCon has no operational control and no responsibility for management decisions.


A further consideration in determining content for inclusion has been the use of the GRI principles of accuracy, balance, clarity, comparability, reliability and timeliness, stakeholder inclusiveness, sustainability context, and completeness. In essence, data and information are assessed against the GRI threshold to ensure suitability for disclosure.

SunCon also adheres to the principle of materiality and hence, information is also considered from the perspectives of both financial and impact materiality. If information is deemed material from either both or one perspective, SunCon has endeavoured to make such disclosures accordingly.

2

ASSURANCE

As in previous years, SS2024 has been independently assured by SIRIM QAS International Sdn. Bhd.

 The assurance is provided on pages 346 to 349 of IAR2024. Financial information has been audited and assured by Messrs BDO Malaysia PLT.

Data is also internally verified by SunCon's Group Internal Audit Department (GIAD).

3

BOARD OVERSIGHT

Apart from a detailed management review, SS2024 has been reviewed and approved by the Board of Directors during a Board meeting on 28 March 2025.

4

RESTATEMENTS OF INFORMATION

SS2024 may contain restatements of information, where new information, data or disclosures have come to light during the financial year or when new methodologies for calculation of expansion of scope and boundary were undertaken (for specific disclosures in 2024). Such restatements have been mentioned accordingly in the relevant sections of SS2024.

5

FORWARD LOOKING STATEMENTS


SS2024 may contain forward-looking statements or make reference to future-based performance including aspirations or expectations to implement specific strategies, programmes, action plans or to achieve specific results and outcomes going forward. SunCon wishes to explicitly state that such information has been developed based on available information at the time and is in response to the external operating environment, which is beyond the control of SunCon and may have changed by the time of publication of SS2024.

Hence, readers are advised to practice caution and undertake due diligence prior to making any investment or other decisions based on the information presented in SS2024. Forward-looking information does not serve as guarantees of future operational or financial results or any other kind of outcome.

6

FEEDBACK AND DISTRIBUTION

Feedback, suggestions or enquiries related to SunCon's sustainability performance or any matters pertaining to SS2024 may be sent to: sunconcoesus@sunway.com.my

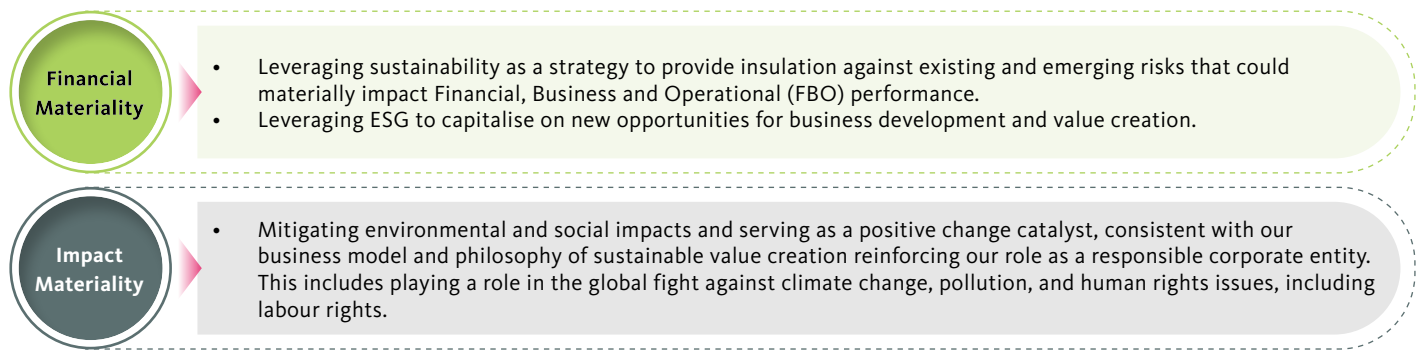
 A digital version of this report and past reports are available for download using the QR below:



Scan the QR code to view the Integrated Annual Report 2024.
<https://www.sunwayconstruction.com.my/annual-report-2024/>

Progressing on the Sustainability Journey

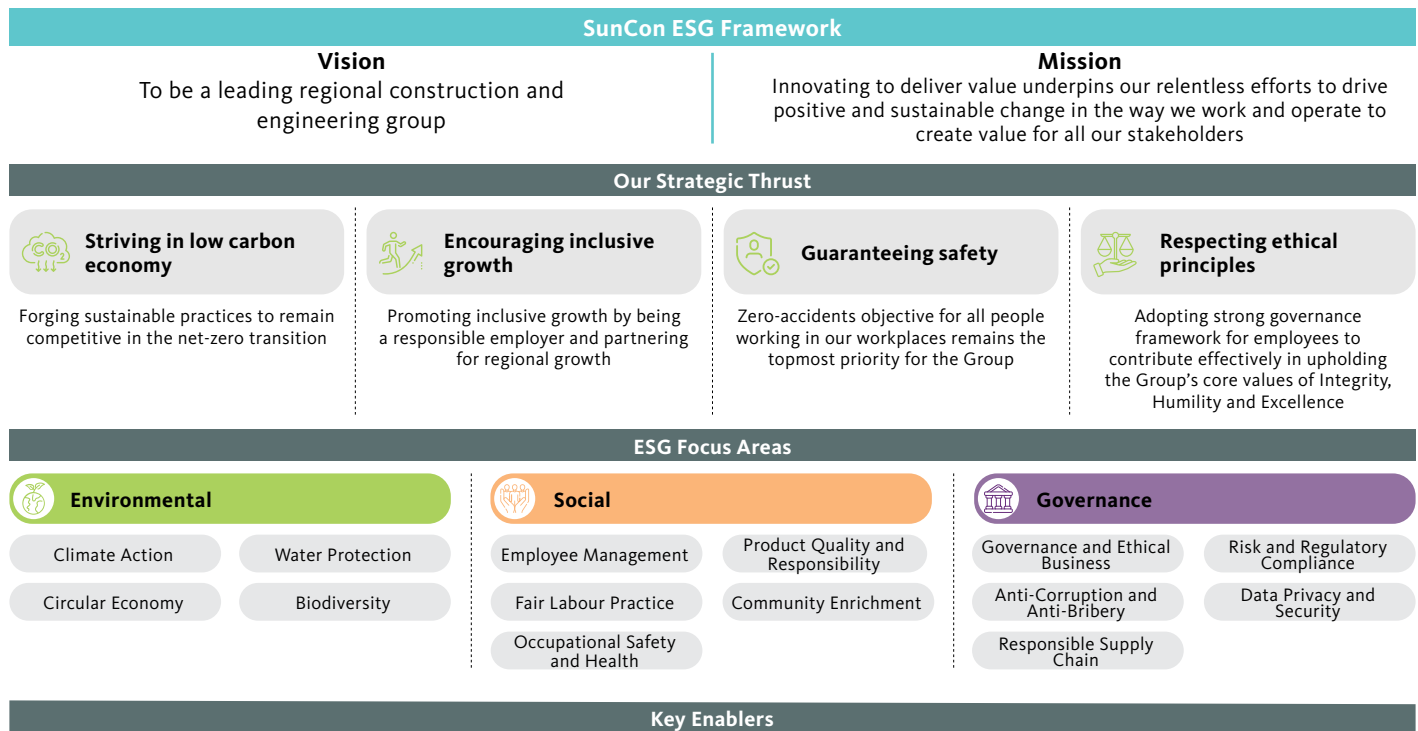
2024 has seen SunCon continue to make encouraging progress on its sustainability journey. SunCon’s overall approach to sustainability is driven by both financial and impact materiality considerations as follows:



The Board and Management of SunCon are fully cognisant of the importance of prioritising sustainability, from both financial and impact materiality perspectives.

In essence, improvements in sustainability performance as well as being ready to mitigate ESG risks are increasingly linked to sustained FBO performance. This includes reducing risk exposures, achieving improvements in cost and operational efficiencies, gaining access to financing and new markets, building more robust supply chain and ultimately, creating a more resilient business model.

As such, ESG provides a business case for SunCon as evidenced in the SunCon ESG Framework. As part of our continuous sustainability journey, FY2024 marked a significant milestone in strengthening our Greenhouse Gas (GHG) emissions accounting. We integrated the latest emission factors and expanded our Scope 3 coverage to include 6 out of 15 categories as part of our transition to IFRS S2. These enhancements have improved the accuracy and transparency of our carbon footprint assessment, underscoring our commitment to data-driven climate action and reinforcing our efforts to drive meaningful decarbonisation across our value chain.



Progressing on the Sustainability Journey

AWARDS AND RECOGNITION

In recognition of SunCon’s steadfast dedication to sustainability, the company is pleased to announce its continued acknowledgment by prominent ESG and financial indices. SunCon has maintained its MSCI AA ESG Rating, which signifies its consistent excellence in environmental, social, and governance practices. Additionally, SunCon has recently been included in the MSCI Malaysia Small Cap Index and the FTSE Bursa Malaysia Mid 70 Index for the fiscal year 2024, underscoring its growing market presence and the confidence investors have in the company.



CONTRIBUTION TO THE UNSDGs AND UNGLOBAL COMPACT INDEX (UNGCI)

As SunCon focuses on ESG from a financial materiality perspective, SunCon continues to prioritise the importance of serving as a responsible corporate citizen. Hence, SunCon remains committed to aligning our impact with selected UNSDGs and the UNGCI.







Progressing on the Sustainability Journey

MEMBERSHIP OF ASSOCIATIONS

SunCon is a member of the following industry bodies and professional associations, where SunCon continues to leverage these platforms to lobby for improved ESG practices within the industry, particularly in relation to supply chains, human and labour rights, improved employment conditions and also in promoting decarbonisation and resource consumption efficiency, recycling and waste management.

- Construction Industry Development Board (CIDB)
- Master Builder Association Malaysia (MBAM)
- Human Resource Development Corporation (HRDC)
- National Institute of Occupational Safety and Health (NIOSH)

Association	SunCon's Membership & Contribution
 Construction Industry Development Board (CIDB)	Since the establishment of CIDB in 1995, SunCon has been actively contributing in advancing CIDB’s objective to build the capacity and capability of the construction industry. Through its various policies, industry standards and programmes, SunCon has improved by leaps and bounds, especially its quality, safety, and health performance through the adoption of industry best practices and continual improvement.
 Master Builders Association Malaysia (MBAM)	Our involvement with MBAM centres around collaborative efforts to enhance construction standards and workforce competencies within Malaysia. By participating in MBAM’s various committees and workshops, SunCon plays an instrumental role in driving innovation and advocating for regulatory reforms that benefit the entire industry.
 Human Resource Development Corporation (HRDC)	Through participation in HRDC-certified training and development programmes, SunCon contributes to fostering a skilled, knowledgeable, and future-ready construction workforce that is essential for the continued growth and sustainability of the industry and our Company.
 National Institute of Occupational Safety and Health (NIOSH)	SunCon recognises that occupational safety and health remains one of the key material issues and has continually dedicated efforts to minimise and mitigate the risks and consequences of undesirable events. Our engagement with NIOSH includes participating in safety training programmes, as well as continuously developing the expertise of our competent personnel.

Governance

GRI 205, 206, 308, 414, 415, 418



Good governance is the foundation for effective implementation of ESG practices as well as for the realisation of a high-performing organisation. Beyond policies, systems, processes and internal controls, good governance at SunCon is also driven by an unequivocal commitment to upholding corporate integrity and ethical practices.

Good governance is intrinsic to developing a conducive organisational culture, in establishing desired ways of working and practices, in achieving and retaining efficiency and competitive edge and developing a working environment centred on meritocracy and excellence.

It also strengthens internal and external stakeholder trust and credibility in the SunCon brand, while reducing exposure to risks of corruption, unethical business practices and more. The emphasis of good governance is also progressively being cascaded across SunCon's supply chains.

Governance Focus Area:

Governance and Ethical Business

Anti-Corruption and Anti-Bribery

Responsible Supply Chain

Risk and Regulatory Compliance

Data Privacy and Security

Performance on Governance KPIs and Targets:

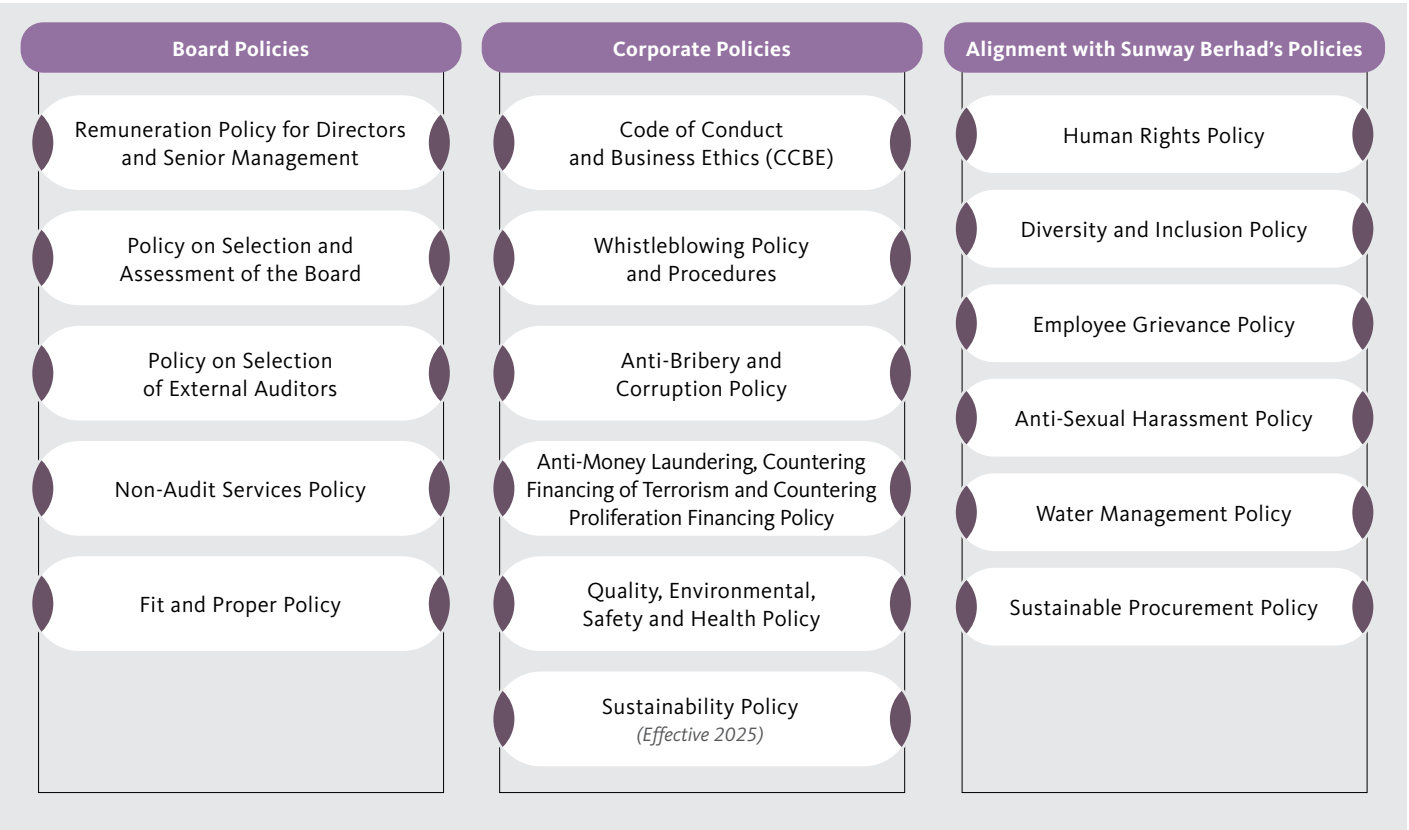
SUSTAINABILITY MATTERS	TARGET	BURSA INDICATOR	2022	2023	2024
Governance and Ethical Business	No confirmed major non-compliance to all SunCon Code of Conducts	N/A	Zero non-compliance	Zero non-compliance	Zero non-compliance
Anti-Corruption and Anti-Bribery	Maintain 100% employees trained in compliance (including new hires)	C1(a)	100%	100%	100%
	Zero confirmed bribery and corruption incidents	C1(c)	Zero confirmed cases	Zero confirmed cases	Zero confirmed cases
Data Privacy and Security	Zero confirmed incidents on breach of customer privacy and losses of customer data	C8(a)	Zero confirmed incident	Zero confirmed incident	Zero confirmed incident
Responsible Supply Chain	Suppliers and subcontractors to complete Environmental and Social Assessment	S6(b) & S7(b)	Work in progress	Work in progress	330 responses
	Include ESG criteria in major suppliers' selection process by 2026	N/A	At data compilation stage	At data compilation stage	At data compilation stage
	Percentage of new suppliers screened using environmental and social criteria	S6(a) & S7(a)	100%	100%	100%
Risk and Regulatory Compliance	Zero non-compliance to all regulatory requirements and guidelines	N/A	41 notices received from authorities. All closed	33 notices received from authorities. All closed	16 notices received from authorities. All closed

GOVERNANCE AND ETHICAL BUSINESS

ADVANCING GOVERNANCE THROUGH ROBUST POLICY IMPLEMENTATION

SunCon upholds strong corporate governance through clear policies that define conduct, internal controls, and processes. These policies are reviewed annually, with key ones presented to the Board to ensure alignment with regulations, stakeholder expectations, and industry trends. This strengthens governance, enhances transparency, and fosters accountability.

To reinforce its commitment to sustainability, SunCon has introduced a new Sustainability Policy, embedding ESG principles across its operations and subsidiaries. Effective 2025, the policy drives improvements in sustainability practices, supplier engagement, and responsible business operations.



These policies, along with our broader corporate governance framework, are publicly available on our website, reinforcing our commitment to transparency for stakeholders. Additionally, as a subsidiary of Sunway Group, SunCon adheres closely to the policies established by our parent company, ensuring alignment with group-wide governance standards.

Governance

SUNCON ESG GOVERNANCE STRUCTURE

SunCon has established an organisation-wide governance structure with delineated roles and responsibilities, beginning with the Board of Directors, followed by senior management and subsequently, cascaded across all management and operational levels of SunCon.

In essence, governance is viewed as a collective responsibility with corporate integrity, ethical conduct and adherence to good work practices being a requisite for all internal stakeholders, and where relevant, external stakeholders such as SunCon's suppliers and business partners.

As previously mentioned, the tone of good governance commences from the top with the Board playing a direct and active role through comprehensive oversight mechanisms, active deliberation and decision-making.

Besides, we have integrated sustainability components into the performance evaluations and remuneration-linked Key Performance Indicators (KPIs) of our GMD and Senior Management since 2022. These KPIs encompass ESG targets, including increasing waste diversion from landfills, improving occupational safety and health practices, reducing carbon emissions, and elevating ESG rating scores which directly influence their overall performance assessment and remuneration. This approach reinforces SunCon's commitment to corporate responsibility, ethical governance, and sustainable business growth, ensuring that leadership remains accountable for driving ESG performance.

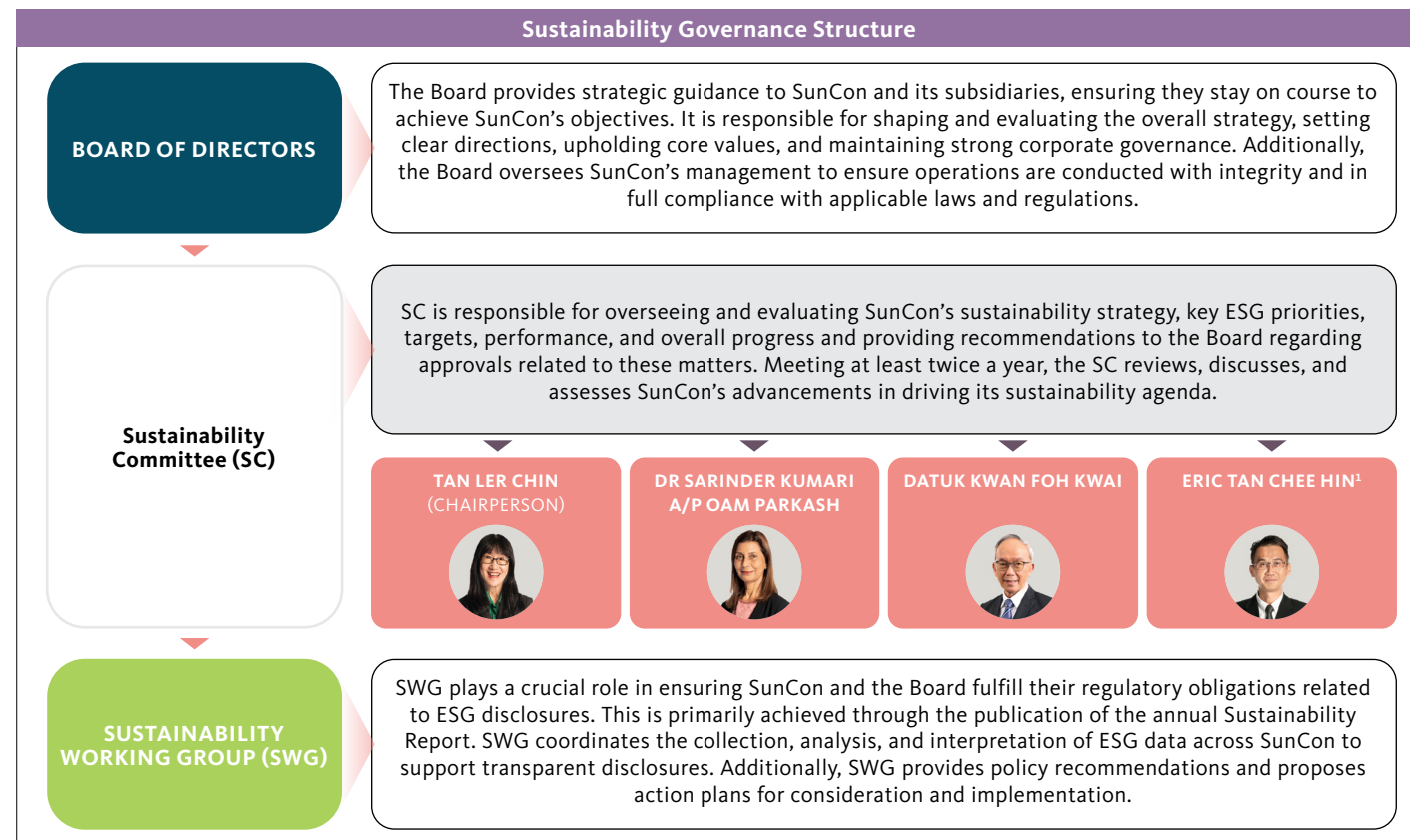
Board effectiveness is maintained and strengthened by emphasising continuous enhancement of directors' capabilities, notably on emerging trends and

developments such as climate change, and also by focusing on cultivating Board diversity. SunCon upholds its commitment to gender diversity, fully aligning with the Malaysian Code on Corporate Governance (MCCG) guidelines, with women representing 33% of our Board of Directors.

Specific information on the roles and responsibilities of the Board and other aspects of the governance structure is provided in the Corporate Governance Overview Statement section of IAR2024; as well as the Terms of Reference for the Board and Sustainability Committee (SC).



Scan the QR code to view our Sustainability Committee Terms of Reference.
<https://ir2.chartnexus.com/suncon/doc/cg/Terms-of-Reference-of-Sustainability-Committee.pdf>



¹ Appointment of Mr Eric Tan Chee Hin as a member of SC in place of Mr Liew Kok Wing effective on 3 March 2025

Governance

Through this mechanism, the Board via its dedicated Sustainability Committee (SC) maintains oversight of all material ESG topics. This includes climate change.

ANTI-BRIBERY AND CORRUPTION

ZERO TOLERANCE APPROACH TO CORRUPTION

SunCon upholds a strict zero tolerance policy on corruption, recognising it as a serious threat to all stakeholders. Corruption erodes trust, credibility, and meritocracy, undermines operational effectiveness, and ultimately weakens the foundation of a sustainable business model and stakeholder value. It distorts supply chains, disrupts cost competitiveness, and inflates the true cost of doing business.

Equally important, SunCon's strict anti-corruption stance is driven by impact materiality considerations, particularly as promoting corruption-free operations and ethical stakeholder engagements indirectly supports several Sustainable Development Goals (SDGs) and national objectives, such as:



The strict position taken with regard to corruption is echoed throughout the organisation and has also been extended to SunCon's stakeholders including its supply chains.

To reinforce this commitment, we have established a comprehensive Anti-Bribery and Corruption (ABC) Policy, alongside with our Anti-Money Laundering, Countering Financing of Terrorism and Countering Proliferation Policy (AML / CFT / CPF Policy). The ABC Policy has been developed in compliance with local laws, specifically

Specific information on the Board and Senior Management's oversight, roles and responsibilities pertaining to climate risks and opportunities are provided in the dedicated IFRS S2 Climate Disclosures subsection of this statement.

Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009, including its 2018 amendment. The company's standard operating procedures and internal controls are also aligned with the MACC Act 2009. This policy is reviewed and approved by the Board and the Board-level Audit Committee, which is responsible for periodically assessing its relevance and effectiveness in meeting the Group's requirements and ensuring compliance with local regulations. The policies are publicly available on our website and can be accessed via the QR code.



Scan the QR code to view the SunCon's policies and corporate governance framework.
<https://www.sunwayconstruction.com.my/investor-relations/corporate-governance/>

While the Board and Audit Committee's involvement ensures strong oversight, implementation of the policy comes under the purview of Senior Management, who reports to the Board regularly on the progress of implementation, actions taken to maintain a zero-corruption workplace and any corruption risks identified as well as mitigation measures put in place.

In addition to the ABC Policy, SunCon has established robust mechanisms and systems to uphold anti-corruption compliance. The adoption and certification of the ISO 37001 Anti-Bribery Management System demonstrates SunCon's commitment to ethical business practices, requiring substantial financial investment in system development, employee training, independent audits, and continuous monitoring. These measures ensure strict adherence to regulatory standards and reinforce a culture of integrity across the organisation. Moving forward, SunCon will further strengthen its anti-corruption framework with the adoption and certification of ISO 37001:2016 Anti-Bribery Management Systems (ABMS), set to take effect in May 2025. This initiative represents a significant investment in system development, employee training, audits, and continuous monitoring to uphold compliance. Additionally, SunCon has established a whistleblowing channel, an Internal Audit function, external auditor access, and a designated Anti-Bribery and Corruption (ABC) Compliance Officer—a role created in 2020 to actively monitor and mitigate bribery and corruption risks. Through these continuous improvements, we reinforce our unwavering stance on ethical business practices and a corruption-free workplace.

Governance

Anti-Corruption Performance Data

SunCon continues to review corruption risk assessments annually to ensure compliance with legal requirements for corruption prevention.

Assessments are conducted by the CCO with the findings presented to Management and the Audit Committee. Assessments cover six key areas:

Anti-corruption, good governance practices and matters of corporate integrity and ethical business conduct are also further reinforced through the Employee Handbook which is provided to all employees and is also easily accessible by employees via SunCon's intranet portal. Constant reminders to employees on the importance of refraining from corrupt acts and practices are also provided via email, company notice boards and other communication channels.

As of 31 December 2024, 100% of employees have received anti-corruption training, including new joiners. Additionally, all employees have signed the annual Code of Conduct and Business Ethics (CCBE) and the Anti-Bribery and Corruption Declaration Form, reaffirming their commitment to a corruption-free workplace.


Cascading Anti-Corruption Among the Supply Chain


SunCon is of the view that its no-compromise, zero tolerance stance on anti-corruption should also be extended to its supply chains, and where relevant, other stakeholders. This is in keeping with the rationale that if external stakeholders are not held to the same high standards, there are potential vulnerabilities for corruption risks to develop over time.


The focus on strengthening anti-corruption practices across the supply chain is part of SunCon's larger approach to developing responsible and more sustainable supply chains for its business operations.

To reinforce this, we actively communicate our Anti-Bribery and Corruption (ABC) Policy to all suppliers and business partners. All new business partners are required to register in the e-Supplier Registration and Evaluation (e-SRE) portal and submit relevant Anti-Corruption Declarations before engaging in business with SunCon. Additionally, Anti-Corruption, Anti-Money Laundering, and Economic Sanctions clauses have been integrated into our Supply Sub-Contract terms and conditions to ensure compliance.


As of 31 December 2024, 100% of new suppliers have submitted their respective Anti-Corruption Declarations, confirming their awareness of and commitment to SunCon's ABC Policy in all business dealings. Moving forward, we will further strengthen supplier accountability by conducting engagement sessions, including a supplier town hall, where business partners will be required to provide written affirmations of their commitment to the policy.

 Awards of contracts to subcontractors, suppliers or consultants

 Hampers, gifts and other appreciation tokens from external parties

 Hosting of customers, clients, suppliers and service providers


 Appointment of third parties as intermediaries (for liaison with authorities and service providers)

 Direct hiring through recommendations without going through due process and direct liaison with employees

- Early / premature certification of payment to subcontractors / suppliers (High)


Areas of concern, if identified, are specifically highlighted for further deliberation and action. These assessments and audits adhere to the T.R.U.S.T principles, as set forth in the Guidelines on Adequate Procedures under Section 17A(5) of the Malaysian Anti-Corruption Commission Act 2009.


Periodic audits are also carried out across various business units to ensure adherence to SunCon's ABC policies and procedures.

 For a more comprehensive overview of these efforts, please refer to the Audit Committee Report, which can be found on pages 168 to 176.

In 2024, 74% of SunCon's operations were assessed for corruption risks—a slight reduction in coverage due to the inclusion of new projects—revealing relatively unchanged exposure, particularly in procurement and contracts management aspects of operations are potentially more exposed to corruption. Existing safeguards have been reviewed and reconfirmed as robust in providing sufficient check and balances.

Other strategies that continue to be implemented include preference of awarding contracts through tender processes with multiple bids as opposed to direct negotiation engagements, comprehensive background checks on suppliers prior to being added to the approved vendor list and;

 Ensuring multiple levels of approval for contract sums of a certain value or higher.

 Continued strengthening of ISO 37001 certified Groupwide ABMS, with a certification target set for May 2025.

 Working with regulatory authorities to promote anti-corruption awareness. In 2024, SunCon organised an event with the Malaysian Anti-Corruption Commission for its employees.

Contractors are also asked to confirm their readiness in implementing anti-bribery and corruption, anti-money laundering and economic sanction compliance best management practices. If deemed necessary, desktop and physical audits may also be performed as part of the approach to ensuring that no element of corruption has been factored in the hiring of contractors.

Supply Chain Bribery and Corruption Risk Areas	Risk Level
1. Awarding of contracts to subcontractors / suppliers / consultants	 Moderate
2. Hampers, gifts and other appreciation tokens from external parties	 Low
3. Hosting of customers, clients, suppliers, and service providers	 Moderate
4. Appointment of third parties as intermediaries for liaison with authorities and service providers	 Low
5. Direct hiring through recommendations without going through due process and direct liaison with employees	 Low
6. Early / premature certification of payment to subcontractors / suppliers	 Low

SunCon's vigilant and strict approach to corruption in 2024 has resulted in another year of zero substantiated corruption incidents.

The absence of corruption-related reports filed through SunCon's whistleblowing channel indicates that vulnerabilities in terms of exposure to corruption remain low.

SunCon's FY2024 anti-corruption data has been audited by Group Internal Audit Department (GIAD) – a testament to the effectiveness of our rigorous anti-corruption measures and the ethical integrity of our workforce.

WHISTLEBLOWING POLICY AND PROCEDURES

SunCon has established a whistleblowing mechanism aligned with Sunway Berhad's comprehensive framework. This confidential reporting channel allows anyone to file complaints or concerns securely, reinforcing SunCon's commitment to good governance and responsiveness to stakeholder feedback.

Reports can be lodged via our whistleblowing hotlines and will be thoroughly investigated in accordance with SunCon's Whistleblowing Policy.



 Scan the QR code to view our Whistle Blowing Policy and Procedures.
[https://ir2.chartnexus.com/suncon/doc/cg/Whistle Blowing Policy.pdf](https://ir2.chartnexus.com/suncon/doc/cg/Whistle%20Blowing%20Policy.pdf)

Governance

Upon receiving a whistleblowing report, SunCon’s Group Internal Audit Department (GIAD) leads an independent inquiry and investigation into the matter. If the investigation reveals a material case of misconduct, corruption or non-compliance, the case is escalated to the Chairman of the Audit Committee for review and necessary action. To protect whistleblowers, all reports are treated with the strictest confidentiality, ensuring full anonymity unless disclosure is required by law or necessary for legal proceedings. Aside from anonymity, whistleblowers are also guaranteed immunity so long as the report was filed in good faith.

In 2024, SunCon recorded zero reported incidents of corruption through its whistleblowing channel, demonstrating its commitment to accountability, governance best practices, and transparency in business operations.

Whistleblowing Hotlines

 T: (603) 5639 8025

 E: whistleblowing@sunway.com.my

DATA PRIVACY AND SECURITY

ENSURING PROTECTION OF DATA AND PRIVACY

At SunCon, safeguarding data privacy and security is a key priority as we manage a large volume of personal and confidential stakeholder information essential for our business operations. Our focus is on maintaining strict compliance with the Personal Data Protection Act (PDPA) 2010, ensuring data confidentiality throughout its collection, processing, use, and storage.

To strengthen our data protection measures, we have implemented strict access controls, allowing data usage only for its intended purpose, with access granted to relevant users for a limited time

and only with the prior consent of the data owner. Additionally, we have consistently invested in and upgraded our data infrastructure systems to enhance resilience against existing and emerging cybersecurity threats.


Moving forward, we remain committed to further strengthening our cybersecurity framework and proactively identifying and mitigating potential risks. In 2024, our efforts resulted in zero reported cases of data breaches, theft, loss, or misuse, reinforcing our commitment to safeguarding stakeholder information.

RISK & REGULATORY COMPLIANCE

Risk and Regulatory Compliance is a vital element to SunCon’s governance. Strong compliance procedures not only guard against legal and financial problems but also preserve our reputation and FBO performance in an environment of changing risks and regulations.

Hence, the continued vigilance on achieving operational excellence is reflected in a high level of compliance, in accordance with regulatory requirements for environmental, social and governance performance.

In 2024, SunCon and our subsidiaries registered 16 cases of regulatory non-compliance. Six of the cases were related to vector control, amounting to RM37,000 in fines and has been resolved accordingly. The remaining 10 cases did not result in any fines or summons.

 Additional information on SunCon's business risks and mitigation measures in particular to regulatory compliance is provided in the Statement on Risk Management and Internal Control on pages 183 to 189.

Governance

Tax Jurisdiction	FY2022		FY2023		FY2024	
	Income Tax (Current Year)	Income Tax ((Over)/Under Provision in Prior Years)	Income Tax (Current Year)	Income Tax ((Over)/Under Provision in Prior Years)	Income Tax (Current Year)	Income Tax ((Over)/Under Provision in Prior Years)
Malaysia	36,088,277	8,094,838	42,541,538	(1,192,405)	46,342,644	35,537,332
India	5,721,528	833,822	6,961,850	(758,661)	5,772,788	1,513,363
Singapore	-	-	476,573	-	-	34,793
Total	41,809,805	8,928,660	49,979,961	(1,951,066)	52,115,432	37,085,488

RESPONSIBLE SUPPLY CHAIN

SunCon is committed to achieving its sustainability aspirations, recognising that supplier engagement is key to integrating ESG considerations for long-term value creation. To address the challenge of managing a diverse supplier base, SunCon actively engages suppliers to drive positive financial and impact materiality outcomes. Strong supply chain governance ensures quality, compliance, and the development of a robust, sustainable value chain that meets industry standards and regulatory requirements.

Hence, towards this purpose that beyond cost competitiveness, suppliers are increasingly being assessed for sustainability related risks, for green products and services, as well as performance on human and labour rights and environmental topics.

In FY2024, SunCon strengthened its commitment to sustainability with a comprehensive environmental and social assessment (EASA) of its supply chain, engaging 330 suppliers and contractors. Since 2023, we have conducted social assessments, ensuring compliance with ethical labour standards, including forced labour,

human rights, and worker accommodations. This year, we reached a key milestone with our first assessment for our supply chain on environmental impact expanding our focus to energy use, water, wastewater, and emissions.

Moving forward, SunCon’s focus for the next two years is to actively engage all suppliers and subcontractors to influence, collaborate and synergise in further integrating sustainability risk assessments into the existing supply chain tender and selection processes and capturing a more accurate representation of our carbon footprint arising from purchased goods and services.

Environmental

GRI 301, 302, 303, 304, 305, 306



On the environmental front, SunCon is driven by numerous opportunities to leverage its vertically integrated capabilities, notably as a catalyst for redefining possibilities in sustainable development and construction. SunCon continues to pursue efforts to transform its conventional resource-intensive model to a greener, cleaner and more sustainable approach that produces less emissions and waste, reduces dependence on natural resources and supports the preservation of physical environments and biodiversity.

The world today faces existential challenges such as climate change, water and resource scarcity, rising temperatures and other environmental concerns. Despite these challenges, the construction industry has the potential to offer many critical solutions. SunCon, as a leading construction player in Malaysia, intends to galvanise its business model towards serving society as a purveyor of answers and possibilities that will enable a brighter future for all stakeholders.

Key aspects of SunCon’s approach to managing environmental footprint include the increased emphasis on consumption efficiency, waste reduction and repurposing, embarking on decarbonisation in line with SunCon’s net zero carbon emissions by 2050 (NZC 2050) roadmap and more.

SunCon’s NZC has been established in accordance with the recommendations of the Science Based Targets Initiative (SBTi). Reflecting its commitment to decarbonisation, SunCon has set an accelerated target of a 5% annual reduction in Scope 1 and 2 emissions, comparatively higher than the SBTi’s recommendation of 4.2%.

Environmental Focus Area

Climate Action

Circular Economy

Water Protection

Biodiversity

Furthermore, SunCon’s approach is also aligned with Malaysia’s National Energy Transition Roadmap (NETR). SunCon is integrating key NETR elements, including emissions reduction targets, into management KPIs to reinforce our commitment to a sustainable energy transition.

SunCon’s operations are governed by our ISO 14001-certified Quality, Environmental, Safety, and Health (QESH) Policy and Management System, which guides our approach to environmental management and preservation. In FY2024, 5 out of 7 (71%) of our operations are certified under ISO 14001:2015.

SunCon adheres to the Environmental Quality Act (EQA) 1974 and adheres to the DOE’s Environmental Impact Assessment (EIA) Conditions of Approval (COA). As a result of these rigorous efforts, no environmental fines or penalties were incurred in FY2024.

Performance on Environmental KPIs and Targets:

SUSTAINABILITY MATTERS	TARGET	INTERIM TARGET 2024	BURSA INDICATOR	2022	2023	2024	LEGEND TRACKING
Climate Action	Reduce Scope 1 emission by 40% by 2030 compared with 2020 levels (2020: 9,713 tonnes CO ₂ e)	20% reduction	C11(a)	6,998 tonnes	7,440 tonnes	12,283 tonnes	26.5% increased from 2020 levels
	Reduce Scope 2 emission by 40% by 2030 compared with 2020 levels (2020: 3,724 tonnes CO ₂ e)	20% reduction	C11(b)	6,007 tonnes	6,997 tonnes * 3,692 tonnes after offset	6,729 tonnes * 2,327 tonnes after offset	80.7% increased from 2020 levels 37.5% reduced from 2020 levels after offset
Circular Economy	10% waste diversion from landfill by 2030 by improving Segregation strategy	6% diversion	C10(a)	22.5%	19.9%	26%	Achieved
Water Protection	Reduce demand on potable water by 30% from 2020 levels by 2030 (2020: 392,726 m ³)	12% reduction	C9(a)	314,821 m ³ (20.8%)	298,366 m ³ (24.0%)	264,628 m ³	32.6% reduction from 2020 levels
	Alternate water source (rainwater harvesting / water recycling) of at least 10% of total water withdrawn by 2030	6%	N/A	11.2%	12.3%	16.0%	Achieved
	Zero non-compliance on water discharge quality	Zero non-compliance	N/A	Achieved	Not achieved	Not achieved	-
Biodiversity	Zero environmental incidents with severe environmental damage	Zero incident	N/A	Achieved	Achieved	Achieved	-

Legend: Progress Tracking

Meeting interim target, maintain performance towards meeting 2030 target

Falling short of interim target for one year, review current practices

Falling short of interim target for more than two years, review and revise target (if necessary)

CLIMATE ACTION

CLIMATE CHANGE

Climate change remains one of the most existential threats to our modern economy and lifestyle. The physical and transition risks outlined in various temperature and sea level rise (SLR) scenarios pose significant disruptive effects on nations, economies, industrial sectors and communities. Hence, continued and accelerated concerted action by all stakeholders is imperative to ensure the world does not surpass the point of no return; That is maintaining global temperature rise below 1.5°C.

Our commitment to achieving net zero carbon emissions by 2050 is at the heart of our strategy. By proactively addressing both climate risks (adaptation) and carbon reduction (mitigation), we

strengthen operational resilience while supporting global climate goals. In alignment with the Paris Agreement’s 1.5°C target, our approach is guided by the SunCon Sustainability Policy, which includes strategic carbon reduction plans.

SunCon views climate change to be a material ESG topic based on the aforementioned impact materiality ramifications as well as in terms of the direct and indirect risks and impacts it poses to SunCon’s vertically integrated business model and operations. These extend to the various physical and transition risks associated with climate change.

Environmental

Environmental

In response to climate change, SunCon is actively pursuing decarbonisation within its operations and across its supply chains. The principal strategies focus on driving energy and resource efficiency, increasing the use of Renewable Energy (RE), particularly solar energy, and focusing on green building and infrastructure development. SunCon's utilisation of VDC, low carbon materials, resource and energy efficient designs and eco-friendly construction methodologies and technologies are central to its ambitions of providing sustainable construction solutions.

Beyond reducing its own carbon footprint, SunCon leverages its financial, intellectual, and manufactured capitals to develop construction solutions that enable clients to minimise energy and resource consumption, thereby lowering their carbon footprint. This includes the provision of sustainable energy solutions and the development of district cooling systems, thermal energy storage, green data centres and more.

SunCon is committed to achieving resilience and thriving within a low carbon economy. This will ensure business relevance while sustaining financial and business operational (FBO) performance, over the short, medium and long-term perspectives.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The Task Force on Climate-related Financial Disclosures (TCFD) aims to enhance transparency in climate-related financial reporting by providing companies with a structured framework for delivering consistent and reliable climate-related information. This enables organisations to integrate climate considerations into their financial planning and reporting processes, allowing stakeholders to make more informed decisions. The globally recognised framework focuses on four key areas: Governance, Strategy, Risk Management, and Metrics and Targets.

In FY2024, we took a significant step forward by integrating the Task Force on Climate-related Financial Disclosures (TCFD). This marks our initial year of embedding TCFD principles into our reporting, strengthening transparency and alignment with global climate disclosure standards. To ensure continuous improvement in our climate disclosures, we actively stay updated with the latest developments in international climate reporting frameworks. We recognise that the International Financial Reporting Standards (IFRS S1 and IFRS S2), released by the International Sustainability Standards Board (ISSB), have incorporated TCFD recommendations.

As part of our transition to IFRS, we have already aligned our disclosures with selected IFRS S2 (Climate Change Disclosure) indicators in our climate report. Moving forward, our goal is to fully align our reporting with IFRS S1 and S2. Additionally, by 2025/2026, we will integrate ESG and climate-related reporting in line with the recently announced National Sustainability Reporting Framework (NSRF) by the Ministry of Finance.

RISK MANAGEMENT

In 2024, Jeffrey Sachs Center on Sustainable Development (JSC) was appointed to conduct a climate Value at Risk (VaR) assessment on SunCon's two permanent buildings and four active construction sites. The objective of the assessment is to evaluate the implications of both physical and transition risks on the organisation's financial position, performance, and cash flows, in alignment with the IFRS S2 Climate-Related Disclosures.

GHG EMISSIONS INVENTORY

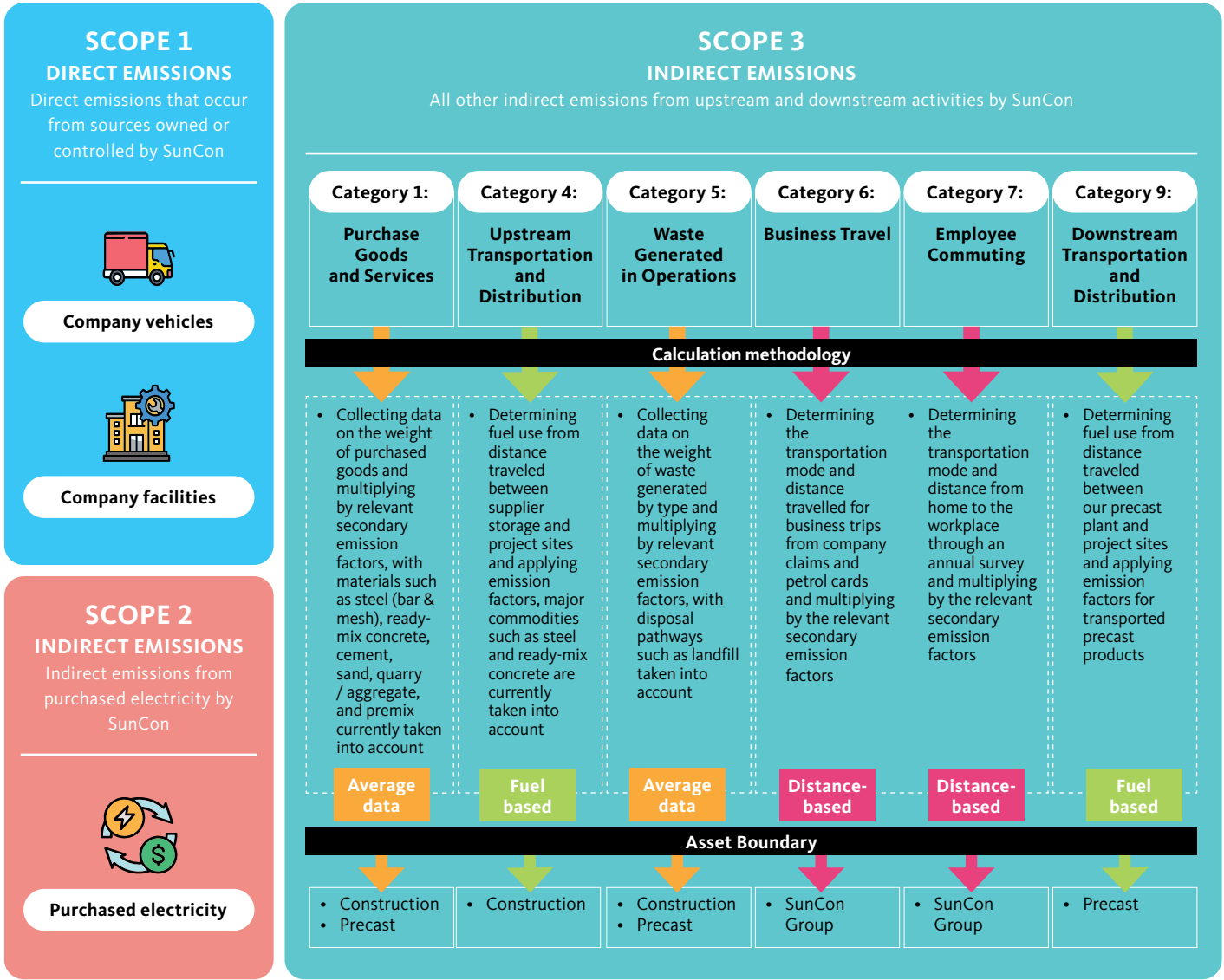
In assessing our emission performance, SunCon meticulously tracks emission across Scope 1, 2 and 3. To ensure accuracy in our calculation methodology, we utilise emission factors from respected sources. Specific emission factors used to convert energy data into emissions have been sourced from the Department for Environment, Food & Rural Affairs (DEFRA) in the United Kingdom, the Energy Commission Malaysia, and the Energy Market Authority Singapore. Driven by our deep commitment to environmental sustainability, we have set a clear and ambitious goal to significantly reduce our GHG emissions. Even when faced with challenges, our dedication to reducing carbon emissions remains steadfast and resolute.

To enhance our GHG emissions inventory, we have expanded our Scope 3 emissions in FY2024 to cover 6 categories, including the two newly added categories: Upstream and Downstream Transportation and Distribution. This builds on last year's reporting, which already accounted for Purchased Goods and Services, Waste Generated in Operations, Business Travel, and Employee Commuting. By broadening our scope, we improve the accuracy and comprehensiveness of our emissions reporting, reinforcing our commitment to transparency and responsible environmental practices.

We have achieved a 22.6% reduction in emissions intensity in FY2024 from our FY2020 baseline, driven by energy efficiency, reduced consumption, and increased renewable energy use. Our commitment to long-term carbon reduction remains a priority as we align with global sustainability targets.

Total GHG Emissions by Scope in FY2024

As in previous years, SunCon continues to provide disclosures on its GHG inventory, which comprises Scope 1, 2 and 3 emissions. Following is the breakdown of the energy sources for each emissions Scope:



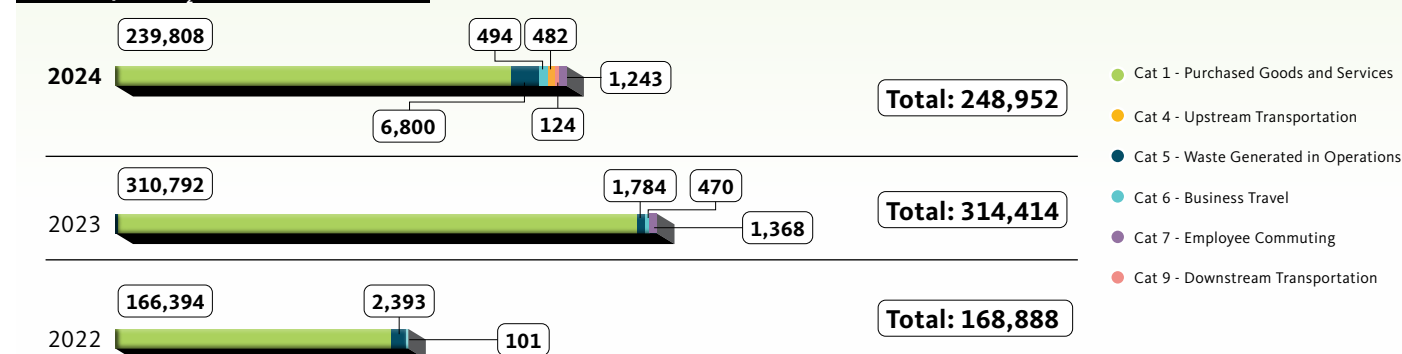
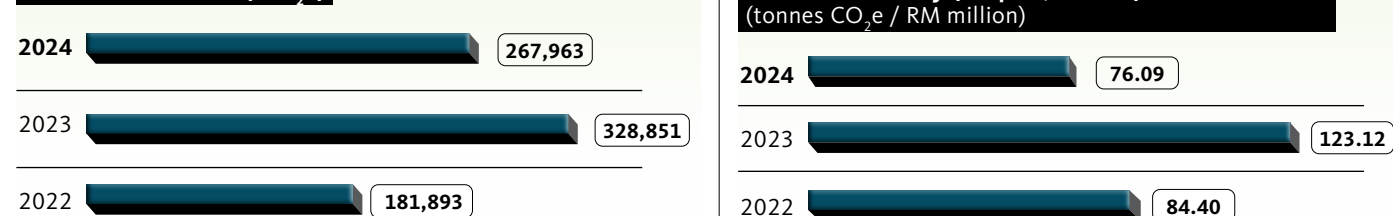
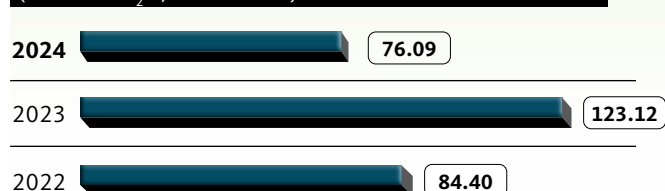
SUSTAINABILITY STATEMENT

Environmental

GHG Inventory and Emissions Profile

As in previous years, SunCon continues to provide disclosures on its GHG inventory, which comprises Scope 1, 2 and 3 emissions. Following is the breakdown of the energy sources for each emissions Scope:

Emissions Scope	Energy Sources	Boundary	Data (tCO ₂ e)		
			2022	2023	2024
Scope 1	Fossil fuel consumption comprising diesel, petrol, both for stationary and mobile combustion from vehicles and mobile equipment.	Project sites and precast plants owned or controlled by SunCon.	6,998	7,440	12,283
Scope 2	Primarily purchased energy, sourced from the national energy utility provider consumed by SunCon.	SunCon's head office, project worksites, company assets and precast plants.	6,007	6,997	6,729
Scope 3	Upstream and downstream emissions arising from the following categories ¹ :				
	1. Purchased Goods and Services	Construction & Precast Division - Average Data	166,394	310,792	239,808
	4.Upstream Transportation and Distribution	Construction - Fuel Based	-	-	482
	5. Waste Generated in Operations	Construction & Precast Division - Average Data	2,393	1,784	6,800
	6. Business Travel	SunCon Group - Distance - Based	101	470	494
	7. Employee Commuting	SunCon Group - Distance - Based	-	1,368	1,243
	9. Downstream Transportation and Distribution	Precast Division - Fuel - Based	-	-	124

Total Scope 3 CO₂e Emissions BreakdownTotal GHG Emission (tCO₂e)Emission Intensity (Scope 1, 2 and 3)
(tonnes CO₂e / RM million)

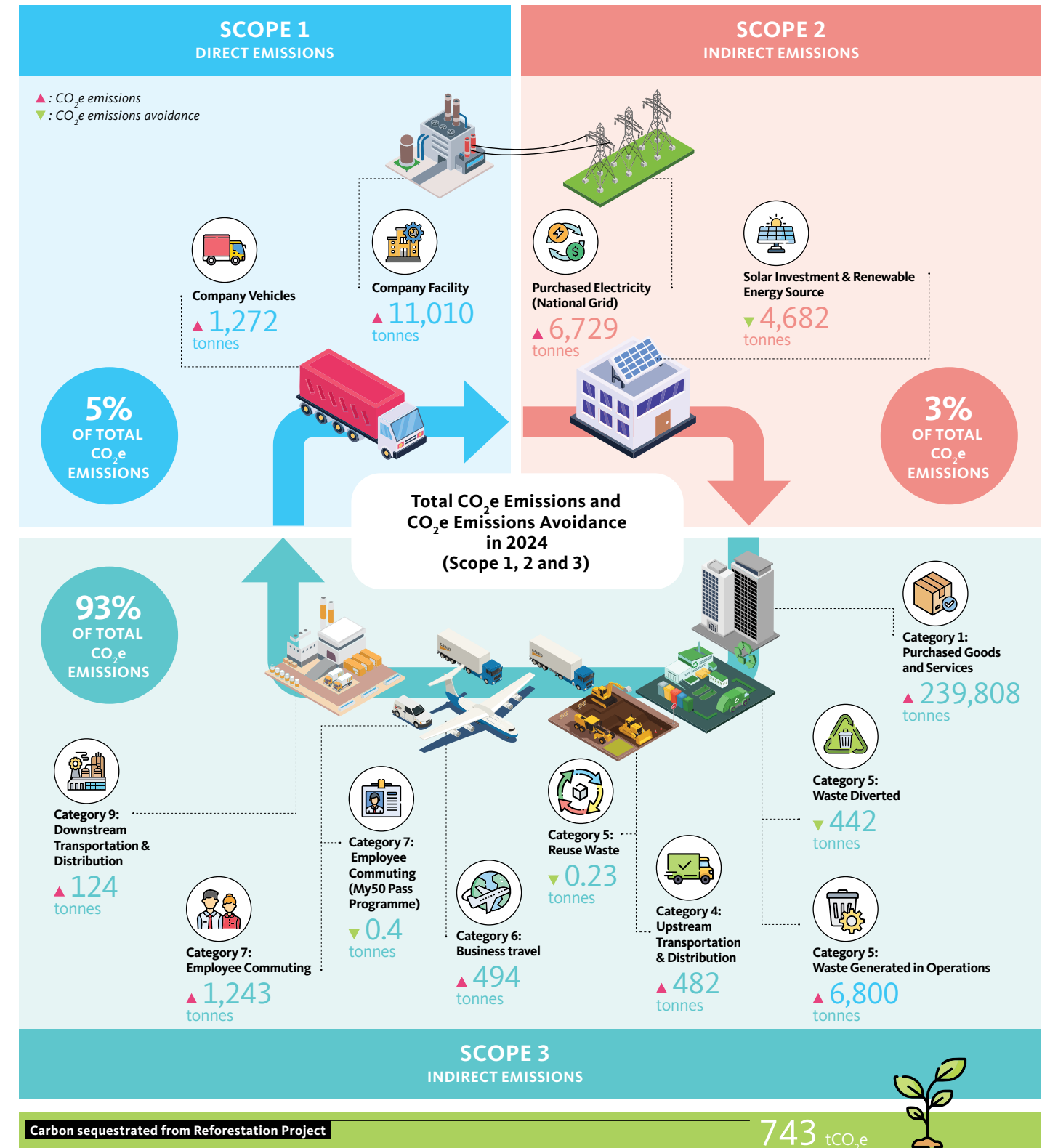
¹ Scope 3 emissions categories are based on the categories provided under the IPCC GHG Protocol.

² Average-data method: Estimating emissions for goods and services by collecting data on the mass (e.g. kilograms), or other relevant units of goods or services purchased and multiplying by the relevant secondary (e.g. industry average) emission factors (e.g. average emissions per unit of goods or services).

³ Distance-based method: Determining the distance and mode of travel, then applying the appropriate emission factor for the mode used.

SUSTAINABILITY STATEMENT

Environmental



Figures stated may not add up due to rounding of decimals

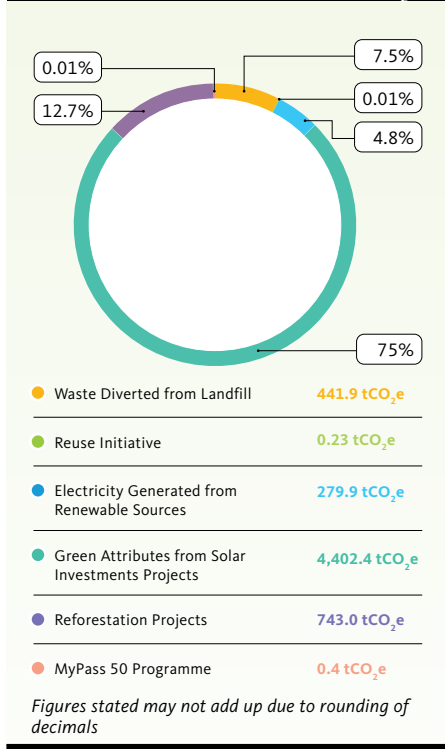
Environmental

Emissions Avoidance

SunCon has continued its efforts in emissions avoidance and offsets, achieved through various initiatives and programmes throughout the year. Total emissions avoidance was 5,868 tonnes CO₂e, reflecting 2.2% of SunCon's total emissions.

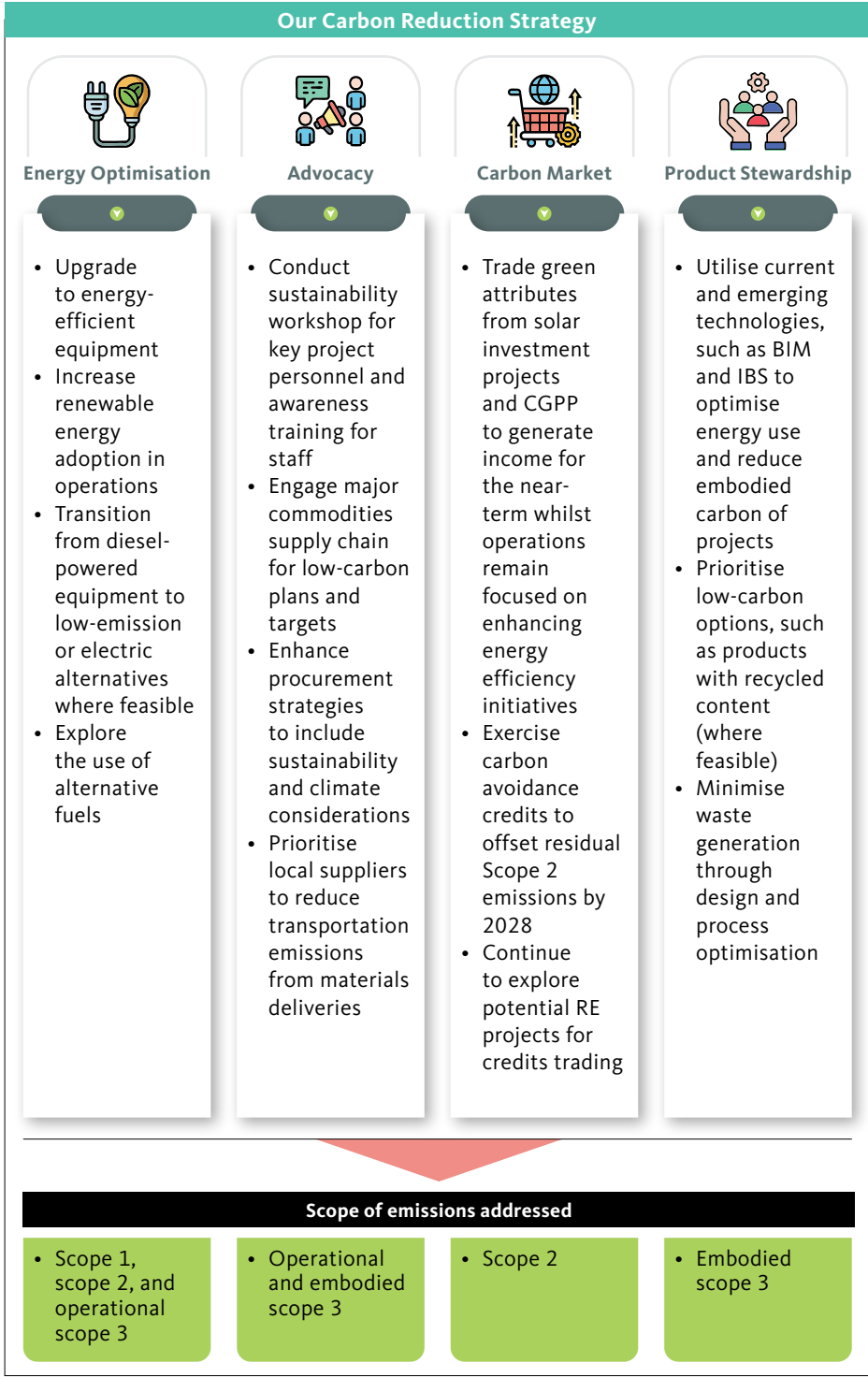
To further reduce its carbon footprint, SunCon has invested in rooftop solar panels at its operational sites, waste optimisation, reforestation projects, green attributes from solar investment projects, and sustainable employee commuting initiatives. In FY2024 Q4, we introduced a site energy management checklist across all project sites to systematically track and optimise energy usage, identify inefficiencies, and implement corrective actions for greater energy savings. Moving forward into FY2025 and beyond, we aim to enhance energy efficiency across all project sites by adopting measures such as LED lighting and upgrading to inverter air conditioners, ultimately reducing emissions and energy consumption.

Emission Avoidance in FY2024 (tCO₂e)



Carbon Reduction Strategy

In providing further organisational impetus for addressing its carbon footprint, SunCon has established its Carbon Reduction Strategy centred on four focus areas:



Environmental

Going further, specific decarbonisation goals have been established to address each emissions scope with defined timelines ascribed for each goal.

Timeframe	Scope 1	Scope 2	Scope 3
2030: Mid-term	<ul style="list-style-type: none">Transition from diesel-powered equipment where possibleReplace aged machineryEstablish project-level KPIsReview sub-contracting strategy	<ul style="list-style-type: none">Define carbon offset credits generated by solar investment projectsExplore rooftop solar at ICPHEstablish project-level KPIs	<ul style="list-style-type: none">Engage major commodity supplier on managing supply chain ESGComplete full Scope 3 emissions accounting and establish a viable reduction target by 2027Incorporate environmental and social assessment as part of the supply chain selection process by 2026Review business strategy
2045: Long-term	<ul style="list-style-type: none">Tap technological solutions to advanced machinery fleetExplore alternative fuel source	<ul style="list-style-type: none">Tap technological solutions on electricity consumption	<ul style="list-style-type: none">Tap technological solutions to reduce emissionsExplore viable carbon credits to offset residual carbonPromote low-carbon transportation for materials deliveries and business travels

LEVERAGING SOLAR INVESTMENT PROJECTS

Malaysia's National Energy Transition Roadmap (NETR) aims for a 70% renewable energy mix by 2050, serving as a framework for the country's shift toward clean energy. Aligned with this vision, SunCon actively supports Malaysia's energy transition through renewable energy services, including large-scale solar farms and rooftop solar solutions for commercial and industrial buildings. This reflects SunCon's strong commitment to reducing carbon emissions and supporting SDG 7 (Affordable and Clean Energy).

Since 2015, over 80% of global new energy generation has come from renewable sources, primarily solar, highlighting a growing commitment to sustainability and urgent climate action. SunCon's Sustainable Energy division recently achieved a major milestone by securing an 11.8 MW quota under the Corporate Green Power Programme (CGPP) from the Energy Commission. The CGPP Kapar plant, owned by SunCon, is anticipated to be operational starting early 2026 and is expected to generate 14,594 MWh of renewable energy annually, preventing 11,295 tonnes of CO₂ emissions each year.

Beyond CGPP projects, SunCon has played a key role in delivering solar installations for commercial, industrial, and institutional clients, achieving a cumulative capacity of 196,704 kWp. As of 2024, these projects collectively generate 243,274 MWh of clean energy per year, offsetting approximately 188,294 tonnes of CO₂ emissions annually.

Additionally, SunCon operates its own solar installations at locations such as the BRT Sunway Line Stations and Depot, along with several commercial and industrial properties, with these self-owned systems estimated to contribute up to 4,688 tonnes of CO₂ reduction annually at maximum capacity.

In 2024, SunCon's efforts across CGPP projects, stakeholder projects, and company-owned assets have resulted in a total clean energy generation of 263,924 MWh per year, preventing approximately 204,277 tonnes of CO₂ emissions annually. This impact is equivalent to the carbon sequestration of 9.73 million trees, reinforcing SunCon's pivotal role in Malaysia's clean energy transition.

SUSTAINABILITY STATEMENT

Environmental

Through the continued installation of solar arrays, SunCon is playing a direct role in facilitating decarbonisation of companies and which is consistent with the realisation of Malaysia's RE mix installed capacity target as provided in Malaysia's Energy Transition Plan 2021 – 2040.



► LSS4 Kapar has been fully commissioned and operational since May 2024



► SunCon's Solar Investment at USM

PROMOTING SUSTAINABLE BUILDING

Aligned with Sustainable Development Goal 11 – Sustainable Cities and Communities, SunCon leverages its expertise to drive green building solutions. We are on track to complete eight green buildings, contributing 22% of our total revenue and strengthening our leadership in constructing eco-friendly structures with minimal environmental impact.

Project	Certification
1 Sunway Velocity Two, Kuala Lumpur - Plot B	GreenRE - Gold
2 Sunway Belfield, Kuala Lumpur	GreenRE - Platinum
3 Sunway Square, Sunway City Kuala Lumpur - Tower 1	LEED - Gold, GreenRE - Platinum
4 Sunway Square, Sunway City Kuala Lumpur - Tower 2	LEED - Gold, GreenRE - Platinum
5 Sunway Square, Sunway City Kuala Lumpur - Retail	GreenRE - Platinum
6 Sunway Square, Sunway City Kuala Lumpur - Sunway University & Performing Arts Centre	GreenRE - Gold
7 Sunway Flora, Bukit Jalil	GreenRE - Platinum
8 Sunway Medical Centre Phase 4	GreenRE - Bronze

As a committed contractor, SunCon adheres strictly to relevant building codes and standards, particularly those related to material selection as specified by designers. This commitment ensures that our construction practices not only meet industry benchmarks but also contribute positively to the development of sustainable, eco-friendly urban spaces.

PIONEERING SUSTAINABLE ENERGY SOLUTIONS

SunCon is expanding its sustainable energy portfolio beyond solar by delivering advanced energy infrastructure that enhances efficiency and reduces environmental impact. A key initiative is the District Cooling System (DCS) at Sunway Square, Sunway City Kuala Lumpur, developed in collaboration with ENGIE Southeast Asia. Targeted for completion in April FY2025, this project will play a pivotal role in optimising cooling efficiency, supporting SunCon's commitment to sustainable and innovative energy solutions.

District cooling systems with Thermal Energy Storage (TES) significantly reduce energy consumption and operational costs by producing chilled water during off-peak hours, when electricity demand and rates are lower. The chilled water is stored in TES tanks and used during peak hours, when electricity prices are higher. Additionally, it enhances chiller efficiency by ensuring stable operations, cuts CO₂ emissions by thousands of tonnes annually, and reduces strain on the electricity grid, potentially delaying the need for costly infrastructure expansions.

By integrating renewable energy sources and energy-efficient cooling solutions, the DCS project aligns with Malaysia's National Energy Transition Roadmap (NETR) and global targets such as SDG 7 (Affordable & Clean Energy) and SDG 13 (Climate Action). This initiative strengthens SunCon's climate resilience strategy while supporting a low-carbon future.

ENVIRONMENTAL MANAGEMENT

NOISE AND AIR POLLUTION

SunCon continues to ensure DOE-compliant operations in all aspects, including noise and air emissions. In addition, compliance performance was closely monitored throughout 2024 to uphold adherence to all relevant regulatory requirements. Air emissions, noise levels, and water parameters are rigorously monitored across all construction sites to ensure adherence to DOE's performance parameters and equivalent regulations in other regions we operate in.

Noise levels at all sites have been measured both during the day and night. Measurements by both SunCon and regulatory authorities validate that onsite construction noise remained within permissible levels. The same applies to recorded air emissions on site.

CIRCULAR ECONOMY

The circular economy is the application of methodology and processes that aim to reduce, conserve and reuse resources and materials within the business process for as long as possible and if permissible, to continue recycling and reusing said material in perpetuity. In essence, the goal is to eliminate the generation of waste products and minimise resource consumption from cradle to gate. This approach is in contrast to the linear economy, where resources are consumed to produce goods and services and waste is produced throughout or at the end of process. In a linear economy, producing new products or services continuously requires new resource inputs.

The significance of adopting circular economy principles and methodologies is apparent for the construction sector, which is a comparatively resource-intensive sector. According to the World Economic Forum's 2016 report, "Shaping the Future of Construction: A Breakthrough in Mindset and Technology," the construction sector accounts for approximately 50% of global steel production and consumes over 3 billion tonnes of raw materials annually.

The production and consumption aspects of the construction sector lead to the generation of waste products such as emissions, construction waste and more. It can also contribute to the eventual depletion of finite natural resources and materials.

However, through increased emphasis on circular economy approaches, the construction industry can be remodelled to be highly efficient and sustainable. In this manner, the sector is able to address its resource-intensive nature while meeting the global needs for socioeconomic and infrastructure development.

Consistent with SunCon's alignment with United Nations Sustainable Development Goal 12: Responsible Consumption and Production, SunCon is actively incorporating circular economy approaches across its business operations and processes. Specifically, SunCon focuses on targets 12.4, which focuses on the Responsible Management of Chemicals and Waste, and 12.5, which aims at the Reduction of Waste Generation.

Continuing our focus on resource efficiency, SunCon recognises its importance not only for promoting sustainable practices but also for driving cost and production efficiencies, which in turn contributing to improved financial performance. In the construction industry, where the consumption of natural resources and generation of waste are inherent, adopting a circular economy mindset is crucial.

By integrating circular economy principles with good design, building, and procurement practices, SunCon is better positioned to minimise the generation of waste that ends up in landfills. This approach goes beyond waste reduction; It's about rethinking how we use resources to create more sustainable, efficient processes.

SunCon's management approach to resource consumption is also guided by its comprehensive QESH policy. The policy can be viewed here:



Scan the QR code to view SunCon's QESH Policy.
[https://ir2.chartnexus.com/suncon/doc/cg/QESH%20Policy%20\(20241111\)%20\(English\).pdf](https://ir2.chartnexus.com/suncon/doc/cg/QESH%20Policy%20(20241111)%20(English).pdf)

This commitment involves rigorous Environmental Impact Assessment (EIA) and the implementation of control measures, particularly in the focus areas of waste management and material management.

Environmental


RESOURCE / MATERIALS CONSUMPTION

SunCon continues to focus on resource consumption efficiency, both in reducing financial outlay as well as in minimising environmental and social impacts. As part of our commitment to responsible resource management, we focus on optimising the use of materials while adhering to industry best practices. SunCon's top five consumed resources are steel bars, cement, sand, ready-mixed concrete and quarry products.


In 2024, SunCon achieved a reduction in steel-related and cement-related emissions through optimised design and enhanced procurement strategies. These efforts contributed to a significant overall reduction in our Scope 3 emissions, reinforcing our commitment to sustainable construction practices.

Material consumption (MT)	FY2022	FY2023	FY2024
Steel (Bar & Mesh)	36,346	64,760	47,337
Cement	34,578	38,810	19,412
Sand	77,262	81,627	61,296
Ready Mixed Concrete	124,524	359,061	473,992
Quarry	143,443	124,586	181,703
Premix	759	410	440
Total	416,912	669,255	784,179


The approach to resource use efficiency is centred on the following considerations:




Striving for cost efficiencies



Reducing waste through the practice of 3R approaches



Ensuring quality, cost efficiency, and timely project completion



Reducing environmental impact, including carbon footprint

The above four approaches are integrated into execution strategies across the construction process from resource sourcing through project completion and management. In particular, SunCon leverages its expertise in Virtual Design and Construction (VDC) through the use of Building Information Modelling (BIM) technology to optimise resource use, thereby reducing the quantities required for its projects. Other materials management best practices include:

- Doing the right things the first time and every time
- Procurement of materials based on work programme to minimise premature delivery of materials
- First-In-First-Out (FIFO) practices
- 5-S System

Lifecycle Perspective

Lifecycle perspective comprises the analysis of a product or material throughout the production process from the start of its existence right to the end-of-life stage. In essence, from cradle to gate or cradle to grave.

This enables the development of accurate environmental impacts of a product including Scope 3 emissions and also the identification of improvement opportunities across its lifecycle. It is critical for developing embodied carbon data, aligning with global regulations such as cross-border carbon mechanisms and embodied carbon thresholds. Suncon and its subsidiaries which were certified to ISO 14001:2015 continue to adhere to its requirements, which mandate Environmental Impact Assessment (EIA) as a prerequisite for construction activities to minimise carbon emissions and supply chain impacts.

Incorporation of Recycled and Low Carbon Building Materials

SunCon remains committed to sustainable building by incorporating innovative low carbon materials into its projects, aligning with client specifications and project feasibility. Where commercially and operationally viable, SunCon prioritises lower-carbon alternatives to reduce embodied carbon and support a circular economy approach.

Moving forward, one of the key initiatives is the transition from Basic Oxygen Furnace (BOF) steel rebars to Electric Arc Furnace (EAF) steel rebars, which consist of 95% recycled steel. This shift significantly reduces carbon intensity, as EAF steel rebars have an emission factor of 0.68 tCO₂e per tonne, compared to 2.33 tCO₂e per tonne for BOF steel—representing a 71% reduction in carbon footprint. By incorporating EAF steel into our projects, SunCon is actively exploring ways to lower embodied carbon in construction materials, aligning with global decarbonisation goals and cross-border carbon regulations.

Moreover, eco concrete, which contains Pulverised Fuel Ash (PFA) and Ground Granulated Blast-furnace Slag (GGBS) in its mix, is used to enhance the sustainability of concrete and reduce environmental impact. Additionally, Autoclaved Aerated Concrete (AAC) is increasingly employed as an environmentally friendly alternative to conventional building materials. AAC is used for walls, offering benefits like good workability, efficiency, and a reduced environmental footprint.

SunCon remains committed to sustainable building by integrating innovative low carbon materials into its projects, aligning with client specifications.

Lastly, one of our projects successfully utilised bamboo as a reinforcement material for soil stabilisation. It serves as a sustainable replacement for conventional methods due to its renewable nature, biodegradability, and ability to enhance the load-bearing capacity of soil while also being cost effective.

STRIVING FOR REDUCED MATERIAL WASTE

A further application of the circular economy approach is the ongoing focus on reducing material waste. This is driven both by cost as well as environmental considerations. Reducing waste helps lower project costs, which contributes to increased competitiveness and enhanced earnings margins.

Hence, the rationale for establishing specific waste targets is to ensure that material waste does not exceed a set project threshold. Targets or thresholds are determined based on the specific material and the project's nature.

	Target	Percentage of project sites that achieved target in FY2024 (%)
Ready-mix Concrete Foundation		
Piling Works	25%	-
Basement Works	15%	100%
Ready-mix Concrete		
Building Works	5%	92%
Civil Works	8%	100%
Steel Bars		
Geotechnical Works	10%	-
Building Works	8%	100%
Civil Works	8%	100%
Building Works		
Bricks	7%	100%
Tiles	8%	100%

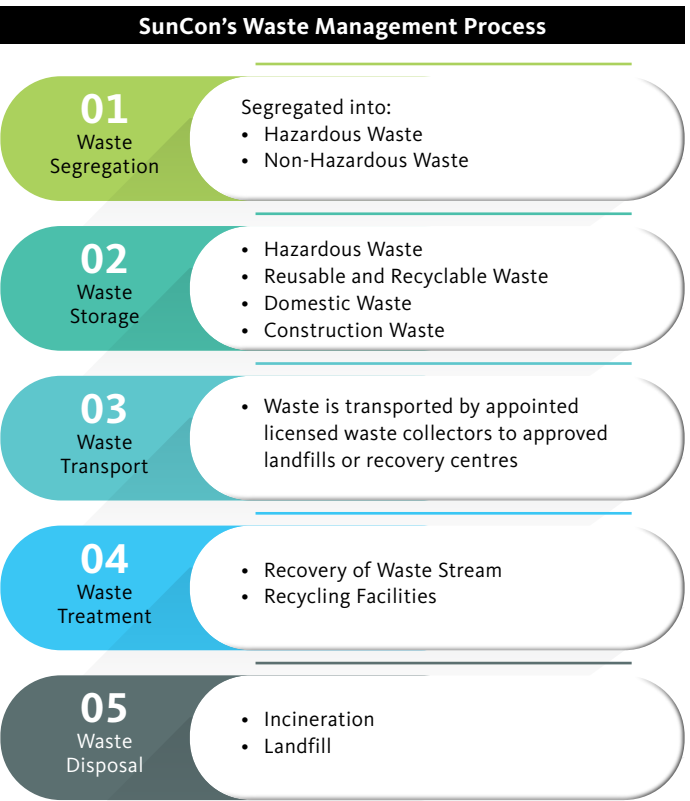
Responsible Waste Management

Despite comprehensive waste reduction strategies, waste remains an inevitable by product of business operations. Waste produced is categorised into scheduled waste or waste regulated under the Environmental Quality (Scheduled Wastes) Regulations 2005, and non-scheduled or non-hazardous waste. The latter includes certain types of construction waste and domestic waste from operational sites.

All produced waste is managed and disposed in accordance with regulations. Scheduled waste is securely stored in designated scheduled waste storage areas on-site, meticulously monitored and eventually disposed by DOE-licensed third-party waste disposal companies.

Effective waste management is crucial for regulatory compliance, helping to prevent fines, site closures, and damage to reputation and stakeholder trust. It is also essential in preventing untoward environmental harm and protecting the health of local communities.

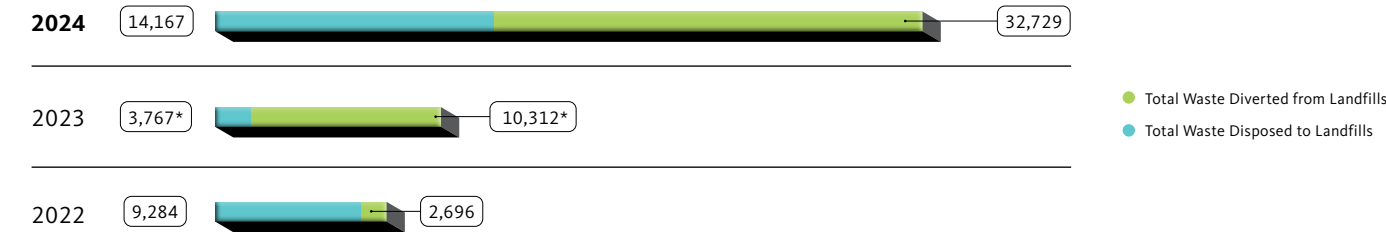
SunCon's waste management approach is guided by regulatory compliance, the QESH Policy and the following process flowchart which is implemented across all operational sites:



Environmental

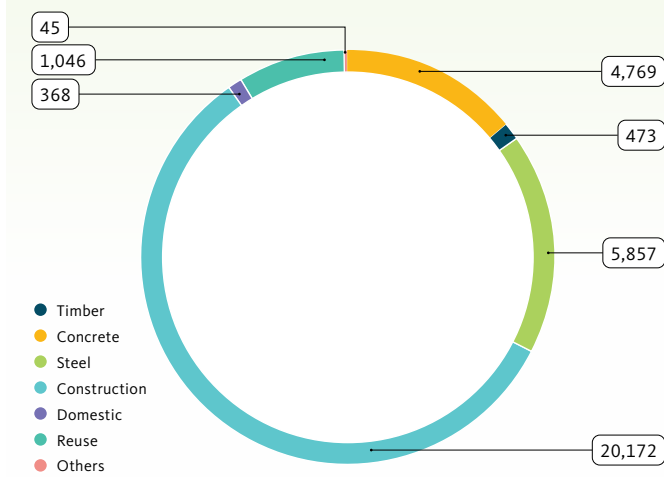
SunCon has set a target of diverting at least 10% of its waste from landfills by 2030 as part of its sustainability strategy. This is to be achieved by strategic investment in on-site waste segregation, ensuring the proper allocation of waste bins for material such as timber, concrete, and mixed waste. These segregated waste streams are then sent to transfer stations for further processing, recovery, or responsible disposal, supporting circular economy principles and reducing landfill dependency. In 2024, SunCon optimised waste management by achieving a 26% landfill diversion rate and implementing waste reuse initiatives that collectively prevented 442 tCO₂e emissions. The diversion rate excludes construction mixed and domestic waste. Our reporting follows a cradle-to-gate approach, ending at the point of delivery to sorting facilities; thus, any further recycling beyond that point falls outside our reporting boundary.

Total Waste Generated (Metric tonnes)

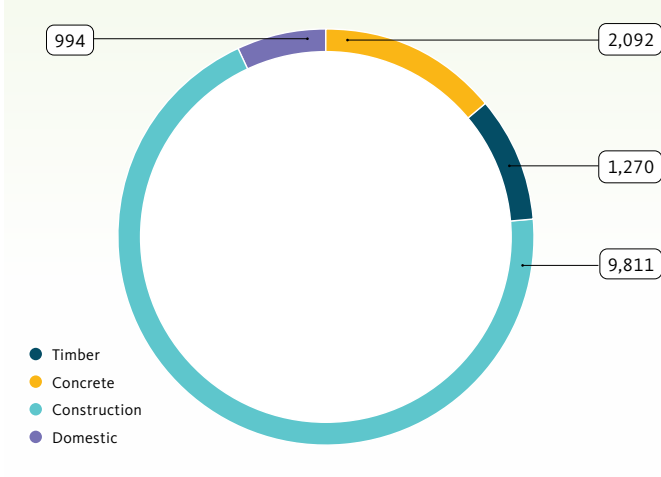


* Restated

Total Waste Diverted from Landfills in 2024 (Metric tonnes)



Total Waste Disposed to Landfills in 2024 (Metric tonnes)

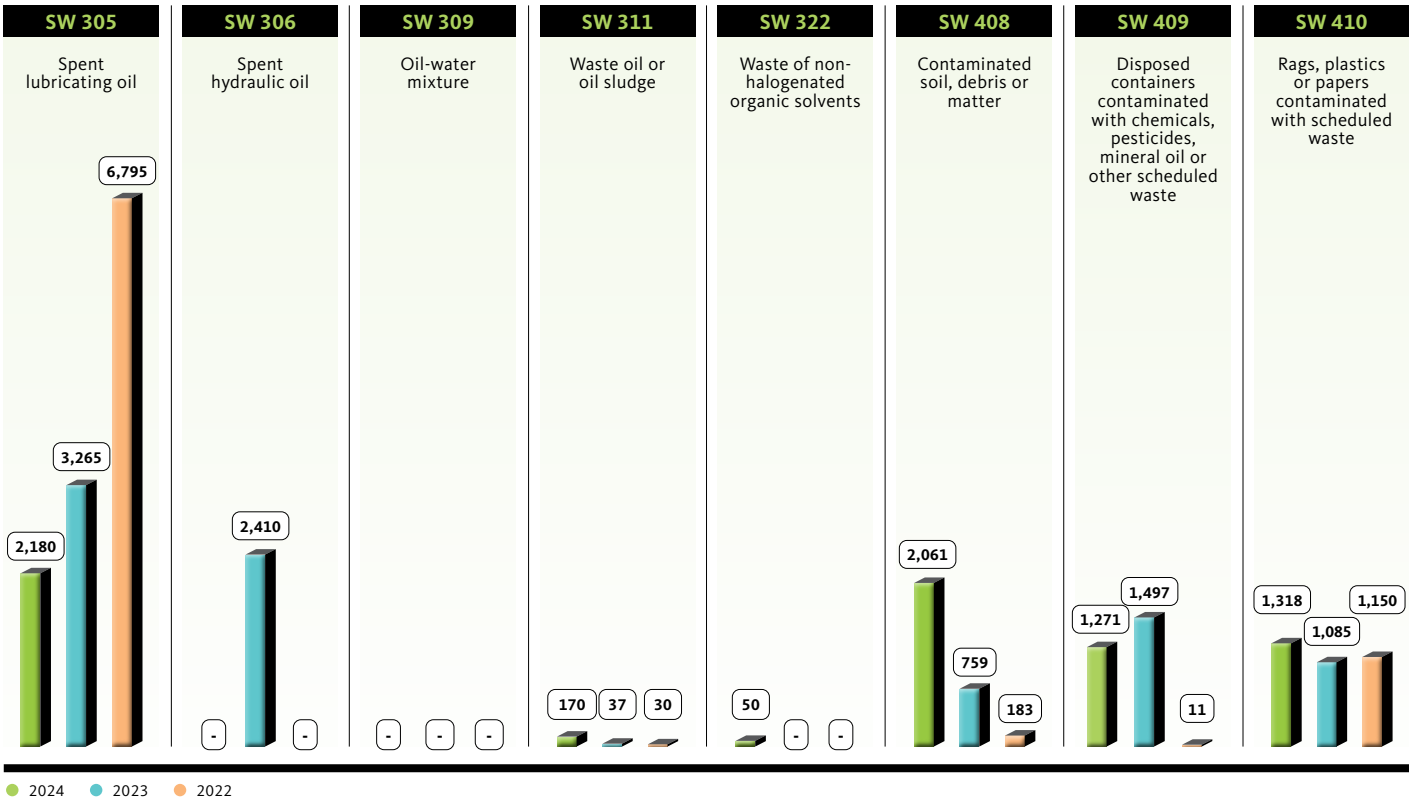


Environmental

Hazardous Waste Management

We strictly manage hazardous waste in compliance with regulations, ensuring secure on-site storage, continuous monitoring, and disposal through licensed collectors at approved facilities.

Scheduled Waste (kg)



Chemical Storage Area designed in compliance with Environmental Quality Act 1974.

Non Hazardous Waste

Non-hazardous waste can be further classified into two categories: waste sent to landfill and waste diverted from landfill (which refers to waste that is collected and sorted for recycling). Waste diverted from landfill typically includes timber, concrete, paper, glass, plastics, and aluminium-based materials. In addition to alleviating pressure on current waste disposal sites, diverting waste from landfill also helps reduce Scope 3 emissions.

In FY2024, SunCon successfully diverted 26% of waste from landfills, exceeding our annual target of 10%. This achievement underscores our commitment to sustainable waste management and circular economy principles.

SUSTAINABILITY STATEMENT

Environmental

01



Concrete waste is reused as crusher run for the temporary internal access roads within a project site

02



Steel bars are sent to mills or foundries for recycling

03



Timber waste is mainly reused for signage, storage facilities and other site facilities

04



Recyclable waste from domestic waste are sent to recycling centres for further processing



Waste concrete repurposed as working platform.



Waste timber reused for storage facilities.



Cable drum reused in rest areas.

Embracing the 3R Principle

Consistent with its QESH Policy and circular economy philosophy, SunCon aims to progressively minimise waste disposed at landfills. SunCon has implemented a 3R approach to reduce, reuse, and recycle wherever feasible. Our focus is on minimising waste generation, repurposing materials where possible, and recycling to the greatest extent possible. Sending waste to landfills is considered a last resort. The 3R strategy not only promotes responsible waste management but also helps conserve natural resources.

WATER PROTECTION

WATER MANAGEMENT AND CONSERVATION

SunCon recognises that water is a finite resource shared among stakeholders and must be used efficiently and, where possible, conserved, given the increasing strain on water resources in its operational locations.

The effects of climate change on depleting water resources are becoming increasingly pronounced, as evidenced by reduced rainfall, lower river water levels, and prolonged incidents of drought-induced water scarcity.

Water is important to construction operations, consumed for the washing and cleaning of machinery, for construction works, irrigation, testing and commissioning, dust suppression, and road-cleaning works.

In Malaysia, where most of SunCon's operations are based, water shortages have minimal impact, and water costs remain low due to comparatively low non-residential tariffs. Any disruption of municipal water supply can be alleviated through use of rainwater harvesting systems, supply tankers or even tapping groundwater (with approvals obtained from regulatory authorities).

According to the Aqueduct Water Risk Atlas from the World Resources Institute, none of SunCon's active operations, sites, and premises are located within water-stressed regions. Regardless, the conservative approach to water management and consumption is driven by the realisation that water is a precious resource.

However, given that water is a shared resource, SunCon continues to adopt an approach centred on water utilisation efficiency, primarily the avoidance of wastage attributed to non-revenue water (NRW) loss. To this effect, water consumption monitoring is undertaken to assess leakages or water theft, and rainwater

SUSTAINABILITY STATEMENT

Environmental

harvesting is implemented where feasible to reduce dependence on potable state utility water. Other methods employed include utilising water from silt traps and reusing water from wheel washing bays.

SunCon's primary water source is obtained from respective state water operators in Malaysia and from local water utility providers for operations outside Malaysia.

Water Protection Initiatives

In previous years, SunCon has consistently monitored wastewater quality in compliance with the Environmental Quality Act 1974. Starting from FY2024, we have expanded our efforts by tracking the quantity of wastewater discharge from applicable project sites. This initiative strengthens our water management disclosures and reporting, ensuring greater transparency and accountability.

SunCon has implemented comprehensive water management practices across all of its project sites, integrating water recycling facilities and rainwater harvesting. These initiatives not only reduce dependency on potable water but also enhance resilience against water-related risks.

To further improve water efficiency, starting FY2024, each project site has installed water meters which systematically track the volume of rainwater harvested and the amount of recycled water used, enabling precise monitoring, optimisation of water consumption, and reducing reliance on municipal water sources. By proactively managing water usage, SunCon aims to minimise financial risks associated with potential water shortages, regulatory compliance costs, and operational disruptions.

Recognising the importance of reducing water consumption in water-stressed regions, SunCon has set a target to decrease water usage by 30% at these sites by 2030, using 2020 as the baseline year. This goal will be achieved through enhanced rainwater harvesting and water recycling initiatives.

In FY2024, SunCon successfully utilised 50,467 m³ of alternative water sources, representing 16% of total water consumption, exceeding our initial target of 10%. This achievement resulted in an estimated cost savings of RM148,364.58, reinforcing our commitment to sustainable water management.

01

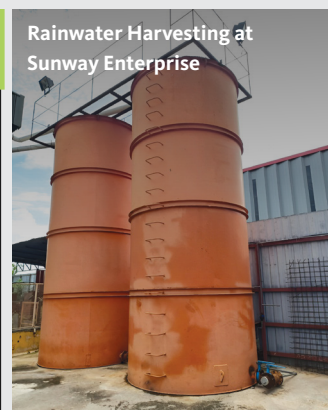
Innovative Wastewater Recycling at Sunway Concrete Products



Purpose: Wastewater treatment system at the batching plant is designed to treat wastewater and produce 111 m³ of recycled water daily for non-potable applications.

02

Rainwater Harvesting at Sunway Enterprise



Purpose: Utilise harvested rainwater for housekeeping and operational purposes to reduce the reliance on potable water supply.

03

Water Recycling Facilities at Sunway City Ipoh Mall



Purpose: Recycled water is utilised for dust suppression and wheel washing.


04

Rainwater Harvesting at construction site




Purpose: Temporary rainwater harvesting system set up at the construction site for boot washing and larviciding activities.

Environmental



Recycled water

A total of 50,069 m³ of recycled water was reused for non-potable applications like dust suppression and machinery wheel washing.



Rainwater harvesting

398 m³ of rainwater harvested was used for boot washing and larviciding activities.

Water Withdrawal and Consumption



Water Consumption Data (m³)	FY2022	FY2023	FY2024
Water Withdrawal by Source:			
Surface water withdrawal (lakes, rivers, natural ponds)	0	0	0
Groundwater withdrawal (wells, boreholes)	0	0	0
Used quarry water withdrawal	0	0	0
Municipal potable water withdrawal	314,821	298,366	264,628
External wastewater withdrawal	39,821	41,570	50,069
Harvested rainwater withdrawal	16	146	398
Ocean / seawater withdrawal	0	0	0
Total Water Withdrawal (m³)	354,658	340,082	315,095
Water withdrawal from water-stressed region	0	0	0
Total Water Consumption (m³)	354,658	340,082	315,095
Water Discharged by Destination:			
Ocean water total discharge	N/A	N/A	0
Surface water total discharge	N/A	N/A	0
Subsurface water / well total discharge	N/A	N/A	0
Off-site water treatment total discharge	N/A	N/A	376
Beneficial / other use total discharge	N/A	N/A	27
Total Effluent Discharged (m³)	N/A	N/A	403

Environmental

WASTEWATER MANAGEMENT

While SunCon’s operation does not generate industrial wastewater, there are still wastewater produced on sites. Wastewater generated at construction sites falls into two primary categories: wastewater from construction-related activities, mainly silt water, and wastewater from non-construction activities such as domestic waste.




In managing non-construction-related wastewater, SunCon engages service providers to routinely maintain the sewage storage tanks for portable and temporary toilets. The use of temporary toilets was an initiative implemented in Q4 2024, covering five project sites and resulting in 376 m³ of wastewater. From FY2025 onwards, all project sites are expected to implement this initiative as part of our standard site management practices. For waste originating from canteen operations, grease traps have been installed at sink outlets. The grease collected is disposed of separately, ensuring responsible waste management and preventing environmental contamination.

Silt water is collected and managed using erosion and sediment control such as silt fences, silt traps and retention ponds. In managing construction-related wastewater, we have established comprehensive Best Management Practices (BMPs) to ensure

effective discharge management. Our approach includes the use of silt fences, silt traps, temporary perimeter drainage, check dams, and slope protection measures. These practices are designed to prevent surface runoff and sediments from contaminating water bodies located adjacent to or near our construction sites.

We diligently monitor all water discharge points at regular intervals to ensure compliance with the DOE standards. Immediate corrective actions are taken if Total Suspended Solids (TSS) levels exceed permissible limits. While river water monitoring has indicated several incidents of non-compliance, they were attributed to external factors and not directly related to SunCon’s operation.


 Additional information on SunCon’s wastewater and pollution monitoring indicators are disclosed in the Key Performance Data section on pages 313 to 327.

BIODIVERSITY

SunCon is cognisant on the materiality of biodiversity in ensuring liveable environments and the health of marine and land ecosystems. Biodiversity loss can lead to the breakdown of food chains, the rise of diseases, loss of traditional livelihoods for local communities and other negative impacts.

SunCon continues to adhere to its Quality, Environmental, Safety, and Health (QESH) Policy which provides the basis for SunCon’s management approach as a responsible construction company. SunCon abides by requirements stipulated in its contracts and those stipulated in project Environmental Impact Assessment (EIA). Moreover, further underscoring our commitment, biodiversity conservation is also reflected in SunCon’s Sustainability Policy, which outlines our approach to responsible construction and environmental stewardship.



 This policy is publicly accessible at <https://ir2.chartnexus.com/suncon/doc/cg/Sustainability-Policy.pdf>

In FY2024, 5 out of 7 (71%) of our operations have been certified with ISO 14001:2015. However, given its mandate as a builder and project facilitator, SunCon relies on EIA reports and biodiversity assessments provided by project owners. SunCon has little to no control over biodiversity preservation and management, as these responsibilities largely fall under the purview of the project or site owner.

Environmental

Despite not being the site owner, SunCon remains committed to safeguarding biodiversity by proactively identifying and monitoring potential risks throughout construction activities. We go beyond compliance by continuously assessing biodiversity impacts and verifying the Environmental Impact Assessment (EIA) status of our projects.

In 2024, EIA assessments were conducted for 50% of our active project sites before receiving project approval and commencing work. Among these nine sites, biodiversity risks were assessed and deemed negligible. This demonstrates our commitment to responsible construction practices, ensuring that environmental considerations, particularly biodiversity preservation, remain integral to our operations.

For non-EIA projects, it was agreed to include formal justifications and authorities' statements as appendices to clarify EIA exemptions under the Environmental Quality (Prescribed Activities) (EIA) Order 2015, ensuring transparency for future audits.

Proper documentation supports compliance with EIA exemptions and will be made publicly available. SunCon plans to maintain a live table of EIA project statuses, continuously updating biodiversity risk and EIA status for current and future projects.

In terms of project management, SunCon adheres to all regulatory requirements and adopts a 'do no harm' principle whenever feasible in preserving biodiversity within relevant operational sites. This includes minimising the environmental impacts of our construction activities and ensuring compliance within the limits set by the DOE and other regulatory authorities. Specifically, SunCon focuses on preventing air and water pollution which can affect local biodiversity and communities.

SunCon, to the best of its knowledge, and based on information provided by project owners as well as regulatory authorities, does not operate in or near areas classified as high conservation value (HCV).

REFORESTATION PROJECT

In 2024, we contributed to an estimated **743 tCO₂e** in carbon sequestration through **tree planting initiatives with NGOs** and the integration of **trees and shrubs within our project sites**, supporting our commitment to environmental sustainability.



Social

GRI 203, 204, 401, 402, 403, 404, 405, 406, 407, 408, 409, 413, 414



SunCon through its business model and operations continues to generate a wide range of positive social impacts, which include local employment, development of local supply chains, as well as acting as a catalyst for the continued upward evolution of the industry through the proliferation of new technologies, innovation and methodologies.

The design and construction of buildings and assets also deliver a wide range of socioeconomic opportunities, enhancing community welfare and well-being while providing essential infrastructure to attract investments and stimulate economic growth.

SunCon is also cognisant that while delivering positive social impacts, it must remain vigilant in managing potential material issues such as human and labour rights, including modern slavery, occupational safety and health, fair compensation, and environmental and social impacts on local communities arising from construction activities.

Besides, SunCon will establish a Labour Standards Policy in 2025 to uphold the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. This policy will embody SunCon's commitment to maintaining ethical business practices that respect human rights, dignity, and compliance with all applicable laws across its operations. This policy will encompass 16 key labour standards:

- | | |
|---|---|
| • Child Labour | • Workplace Safety & Health |
| • Forced Labour | • Medical Insurance |
| • Zero Debt Bondage | • Accommodation |
| • Fair Recruitment & Selection Process | • Learning & Development |
| • Overtime Management | • Performance Management & Career Progression Opportunities |
| • Wages, Working Hours, and Benefits | • Levy |
| • Non-Discrimination and Non-Harassment | • Visa, Security Bond, and FOMEMA |
| • Freedom of Association | • Grievance Mechanism |

SunCon is committed to upholding the rights of all stakeholders, including vulnerable groups, at all times. Our focus on social performance extends beyond our own operations and includes our local and international supply chains.

Social Focus Area

Employee Management

Fair Labour Practice

Occupational Safety and Health

Product Quality and Responsibility

Community Enrichment

Performance on Social KPIs and Targets:

SUSTAINABILITY MATTERS	TARGET	BURSA INDICATOR	2022	2023	2024
Employee Management	Increase average Learning and Development (L&D) hours to 40 hours per employee by 2030	C6(a)	23.8 hours	35.7 hours	37.6 hours
Fair Labour Practice	Maintain 100% engagement with direct workers annually on matters related to terms of employment	N/A	100%	100%	100%
	Zero confirmed incidents on human rights violation	C6(d)	Zero incident	Zero incident	Zero incident
Occupational Safety and Health	Zero fatalities in all activities for employees and subcontractors	C5(a)	1	1	0
	Lost Time Injury Rate (LTIR) less than 0.3	C5(b)	0.44	0.15	0
	All employees to be trained on safety and health standards	C5(c)	100%	100%	100%
Product Quality and Responsibility	Zero incidents of non-compliance with regulations concerning quality of our products and services	S3(b)	Zero incident	Zero incident	Zero incident
	Achieved overall average satisfaction score of 70% and above	N/A	78.8%	80.8%	83.3%
	QLASSIC score: 83% and above for all relevant building projects	N/A	Average score 82% (4 projects assessed)	Average score 82% (3 projects assessed)	Average score 84% (3 projects assessed)
	Supports communities through social impact projects and initiatives in encouraging inclusive growth	C2(a) & C2(b)	RM2.09 million distributed	RM2.63 million distributed	RM2.86 million distributed

EMPLOYEE MANAGEMENT

The construction industry is undergoing a fundamental transformation, transitioning from manual labour-intensive operations towards more intellectually demanding and technically specialised competencies. This evolution has amplified demand for highly-trained, professionally competent talent across the sector. Technological proliferation further accelerates the requirement for skilled human resources equipped with the knowledge, expertise, and experience to execute increasingly complex and strategic functions.

SunCon recognises talent as a cornerstone of organisational success and continues to invest substantially in the acquisition, retention, and professional development of its human capital. Developing a capable workforce remains material to the Group, as these professionals are essential for effectively executing our business model across the entire value chain – from initial design through construction, testing, and management. Both quality and quantity of talent directly impact our ability to maintain efficiency, productivity, and innovative problem-solving capabilities.

Human Resources serves as the primary strategic driver in developing and implementing comprehensive approaches to recruit, retain, and develop talent. This includes crafting specialised programmes and initiatives across the talent life cycle to ensure organisational capability.

Significant challenges persist, particularly the limited talent pool for key technical positions within the construction sector. The supply of technically trained professionals in Malaysia, including engineers and architects, remains insufficient to meet industry demand. The talent shortage is further strained by migration trends, with professionals opting for international opportunities due to better compensation and favourable currency exchange rates.

In response to these talent constraints, SunCon continuously refines its strategies through innovative approaches. SunCon’s merit and competency-based hiring philosophy emphasises selecting candidates based on demonstrated capabilities, performance potential, and professional qualifications. This includes expanding recruitment to non-traditional sectors and developing cross-functional capabilities by leveraging SunCon’s vertically integrated organisational structure—ensuring that the most qualified professionals are identified and developed, regardless of background.

COMMITTED TO DIVERSITY, EQUALITY AND INCLUSIVITY

Merit-based selection and inclusion remain cornerstone principles in SunCon’s approach to talent requirements. SunCon’s philosophy embraces a blue ocean strategy recognising that exceptional talent emerges from diverse educational, social, and demographic backgrounds—necessitating recruitment initiatives beyond traditional construction sector profiles.

Challenging industry stereotypes typically associated with construction, SunCon maintains an unwavering commitment to equitable employment opportunities irrespective of gender. This principle extends comprehensively across ethnicity, physical abilities, religious beliefs, age, and other demographic characteristics. Our merit-focused approach permeates all employment dimensions—from initial recruitment through compensation structures, professional advancement pathways, and skills development opportunities.

This inclusive talent strategy provides SunCon with a distinct competitive advantage by enriching organisational thinking. Professionals from varied backgrounds and capabilities contribute unique perspectives and expertise, fostering innovation and creativity—particularly valuable in complex problem-solving scenarios that require multifaceted approaches.

SunCon adheres rigorously to the principle of equal compensation for equivalent contributions, ensuring remuneration parity between all employees based on qualification criteria, position responsibilities, professional experience, and organisational tenure.

SunCon complies with the Malaysian Employment Act 1955 and its equivalents in other countries and jurisdictions. SunCon also adheres to the UNGC Principles as follows:

Global Compact Principles	Associated Material Matters
Businesses should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none">Fair Labour PracticeResponsible Supply Chain
Businesses should make sure that they are not complicit in human rights abuses	
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	
Businesses should uphold the elimination of all forms of forced and compulsory labour	
Businesses should uphold the effective abolition of child labour	<ul style="list-style-type: none">Employee Management
Businesses should uphold the elimination of discrimination in respect of employment and occupation	
Businesses should support a precautionary approach to environmental challenges	<ul style="list-style-type: none">Climate ActionCircular EconomyWater ProtectionBiodiversity
Businesses should undertake initiatives to promote greater environmental responsibility	
Businesses should encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none">Anti-Corruption and Anti-BriberyRisk and Regulatory Compliance
Businesses should work against corruption in all its forms, including extortion and bribery	

SUSTAINABILITY STATEMENT

Social

In its commitment to creating an optimal environment where talent can excel and deliver peak performance, SunCon has established its Diversity & Inclusion Policy as a framework to foster a respectful and inclusive workplace. This policy promotes a culture of dignity and fairness, and upholds a zero-tolerance approach toward discrimination, bullying, intimidation, or harassment.

SunCon's inclusive approach has facilitated the development of a diverse workforce spanning multiple ethnicities and nationalities, with balanced gender representation throughout the organisation. Particularly noteworthy is the increasing parity between male and female employees across office-based positions and various management levels.

SunCon's talent philosophy recognises the complementary importance of both formal qualifications and practical experience in building a high-performing organisation. The Group values employees who bring diverse capabilities and perspectives to their roles, supporting their professional growth through structured development opportunities.

Employees who consistently demonstrate exceptional capabilities and commitment receive formal recognition and access to targeted professional development initiatives, enabling meaningful career advancement within the organisation—aligning with SunCon's commitment to nurturing talent at all levels.



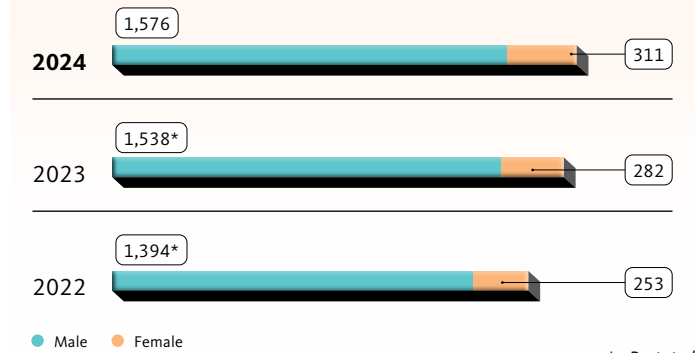
Scan the QR code to view SunCon's QESH Policy.
[https://ir2.chartnexus.com/suncon/doc/cg/QESH%20Policy%20\(20241111\)%20\(English\).pdf](https://ir2.chartnexus.com/suncon/doc/cg/QESH%20Policy%20(20241111)%20(English).pdf)

Number of Employee



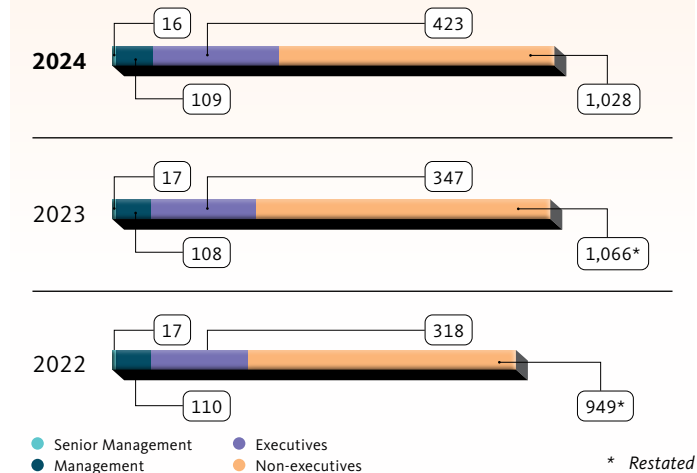
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Gender Diversity



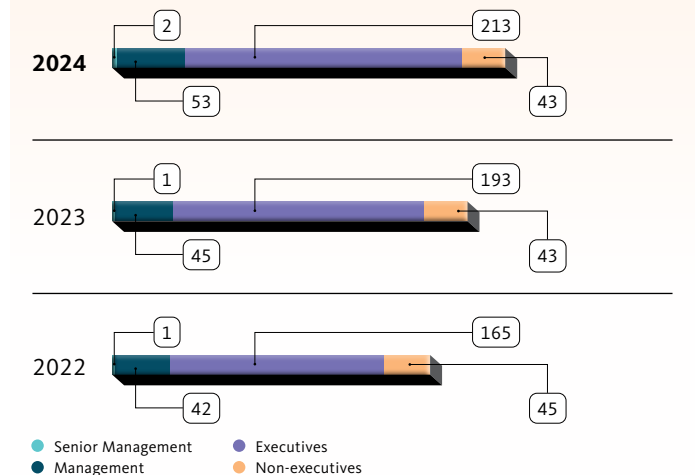
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Employee Category - Male



* Restated

Employee Category - Female



SUSTAINABILITY STATEMENT

Social

APPROACH TO RECRUITMENT AND RETENTION

In alignment with SunCon's non-discriminatory policies, the Group's talent selection criteria are exclusively governed by professional qualifications, relevant experience, candidate aptitude, and specific organisational requirements. SunCon's Human Resources team employs diverse communication channels for candidate sourcing, with all recruitment communications undergoing rigorous review to ensure adherence to our DEI principles and elimination of potential bias.

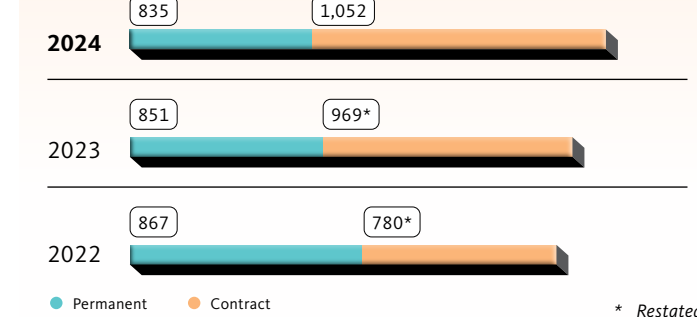
Performance-based compensation remains a cornerstone of SunCon's reward philosophy. Employee remuneration, including salary adjustments and performance bonuses, is determined solely through demonstrated professional achievement during the evaluation period. To ensure equitable assessment, all personnel undergo a structured appraisal process that not only informs compensation decisions but also identifies competency development opportunities and professional growth pathways.

All newly onboarded professionals receive comprehensive orientation regarding their statutory employment rights and participate in tailored induction programmes designed to facilitate seamless integration into SunCon's organisational culture and operational environment.

New Hires Data	FY2022	FY2023	FY2024
Total New Hires	101	264	293
Male	80%	74%	76%
Female	20%	26%	24%
< 30	58%	58%	56%
30 – 50	27%	37%	41%
> 50	15%	5%	3%
New Hire Rate	10%	26%	26%

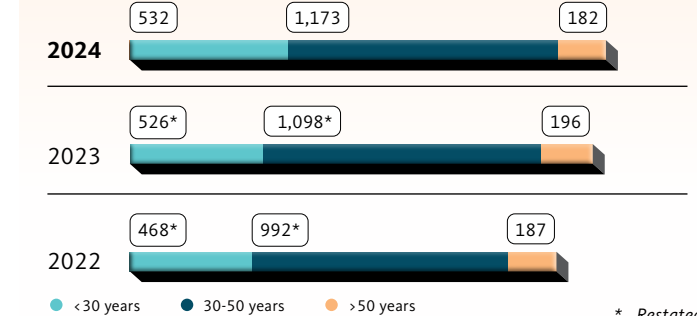
Employee Turnover Data	FY2022	FY2023	FY2024
Employee Turnover	22%	19%	20%
Male	186	139	166
Female	52	41	42
< 30	78	66	67
30 – 50	124	80	104
> 50	36	34	37
Senior Management	2%	1%	1%
Management	14%	11%	12%
Executive	47%	61%	52%
Non-Executive	37%	27%	35%
Employee Voluntary Turnover Rate	18%	18%	19%

Employment Type



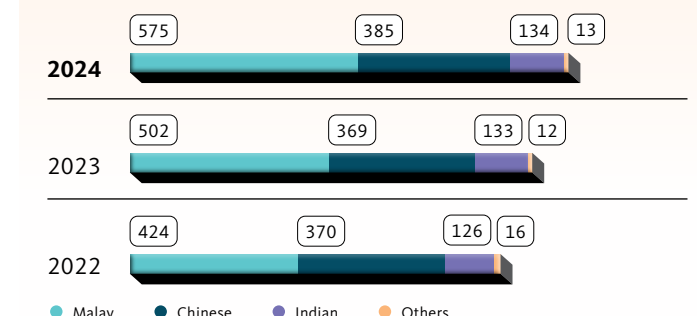
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Age Diversity

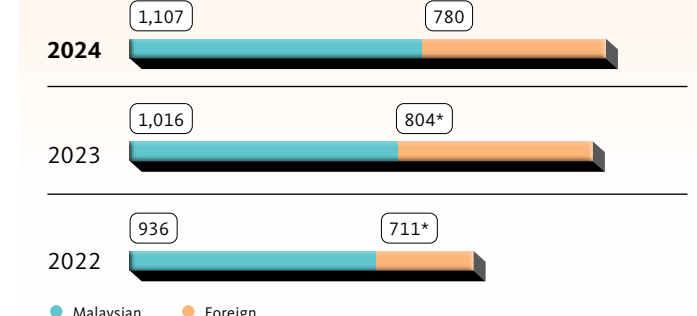


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Ethnicity Diversity



Nationality



* Restated

Social

COMPETITIVE REMUNERATION AND BENEFITS

SunCon maintains a strategic commitment to providing market-competitive compensation that appropriately rewards employees for their professional contributions to organisational success. The Group’s comprehensive remuneration approach serves the dual purpose of retaining our high-performing talent base while enhancing our ability to attract exceptional professionals to the organisation.

While ensuring full compliance with regulatory requirements, including the Minimum Wage Order 2022 and Employment (Amendment) Act 2022 provisions regarding overtime compensation, our approach extends significantly beyond baseline compliance. The Human Resources department conducts systematic salary benchmarking exercises, evaluating SunCon’s compensation structures against both industry standards and direct competitors to ensure ongoing competitiveness in the talent marketplace.

To complement SunCon’s data-driven approach, it periodically engages employees through structured feedback mechanisms to gather their perspectives on compensation structures and employment benefits, ensuring the Group’s offerings align with workforce expectations and priorities.

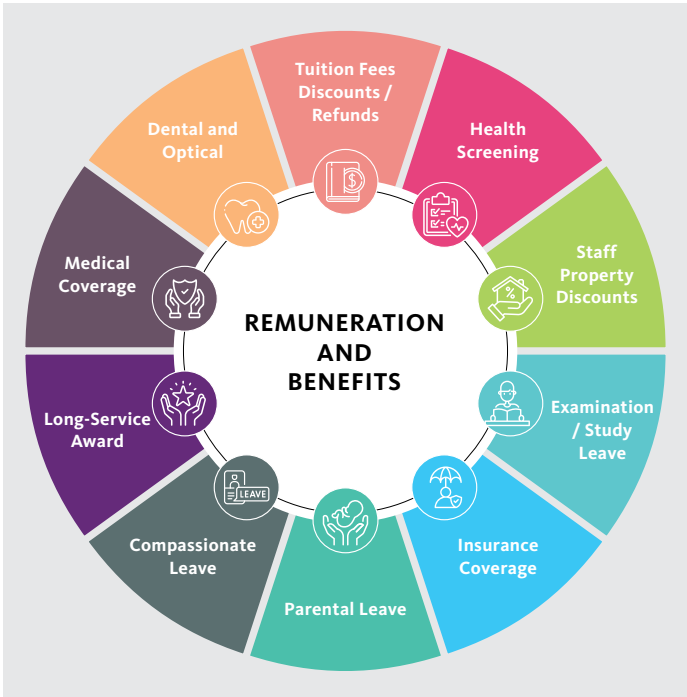
SunCon’s comprehensive benefits portfolio encompasses a wide spectrum of provisions that substantially exceed statutory requirements, reflecting the Group’s investment in employee wellbeing and our recognition of their integral role in organisational success.

EMPLOYEE TRAINING

The SunCon Learning Framework represents a strategic approach to talent development, focusing on three core dimensions: leadership cultivation, fundamental competencies, and professional advancement.

Fundamental competencies form the essential foundation upon which all other skills are built, ensuring employees possess the requisite technical knowledge and operational capabilities to excel in their current roles. Professional growth training constitute another pillar of our framework, designed to ensure employees maintain their relevance and competitiveness within the industry. The leadership cultivation component, guided by Group HR’s Sunway Leadership Competencies, completes this comprehensive approach, preparing high-potential individuals to assume greater responsibilities and guide teams effectively.

With SunCon’s increasing portfolio of Advanced Technology Facilities projects, specialised competency programmes such as the Certified Data Centre Professional Programme have been incorporated into our training curriculum, thereby equipping our workforce with highly specialised technical knowledge.



Leveraging our contributions to the Human Resource Development Corporation (HRDC), SunCon actively encourages and financially supports employee participation in accredited training programmes. This emphasis on accreditation serves as a quality assurance mechanism, ensuring that all training initiatives meet established standards of excellence and deliver tangible value to both the individual and the organisation.

Through this comprehensive learning framework, SunCon reinforces its commitment to continuous professional development, thereby enhancing employee capabilities, improving productivity, and fostering staff morale across the Group.

Training Data	FY2022	FY2023	FY2024
Total spent on training (RM)	486,208	780,605	1,046,690
Total training hours (hours)	23,175	37,769	43,203
Average Training Hours per Employee (hours)	23.8	35.7	37.6
Employee participation in training	863	1,239	1,297

Training Hours by Employee Category	FY2022	FY2023	FY2024
Senior Management	812	689	664
Management	5,617	7,036	7,156
Executive	14,614	22,360	26,325
Non-executive	2,132	7,684	9,058

Internship

In 2024, SunCon has provided internship opportunities to tertiary students. This exposes the younger generation to the actual rigours of working in the various aspects of the construction sector. Internships are typically put on a job rotation period, during which they would be able to have opportunities for on-the-job learning, both in the office and where relevant, onsite. Interns who demonstrate an aptitude and perform well are typically offered full-time positions and absorbed into SunCon if they so choose to accept employment.

SunCon remains committed to empowering young talent by expanding opportunities for internships and career development. In 2024, the number of interns increased to 160, reflecting our dedication to nurturing the next generation of professionals.

	2022	2023	2024
Interns	129	113	160

FAIR LABOUR PRACTICE

UPHOLDING LABOUR AND HUMAN RIGHTS

Ensuring a free and fair work environment, especially for site workers, is an essential part of achieving social compliance. Any infringement on labour and human rights is material as it could lead to punitive measures by regulatory authorities and also impact company’s ability to recruit workers. Hence, ensuring the rights of workers are respected is important to FBO performance. It is also material to ensuring a safe and secure workplace, worker morale and ultimately preventing issues such as worker disgruntlement that could affect productivity at operational sites.

Social

In upholding labour and human rights, SunCon is guided by the Sunway Construction Human Rights Policy, which aligns with local legislation and reflects the UN Global Compact’s 10 Principles. Suppliers are required to comply with the Sunway Construction Human Rights Policy as a prerequisite for bidding on and securing contracts.

The policy encompasses various aspects of labour and human rights, ensuring the protection and well-being of both local and foreign workers employed directly by SunCon or through third-party contractors. Currently, all foreign workers are directly employed by SunCon.

Safe Working and Living Conditions:	<ul style="list-style-type: none">Provision of safe working conditions and ensuring that workers’ accommodations are established in accordance to the Workers’ Minimum Standards of Housing, Accommodations and Amenities (Amendment) Act 2019 (Act 446).Periodic inspections are conducted randomly to assess workers’ living conditions and the status of Certificate of Accommodation (CFA) applications submitted by contractors is monitored.
Fair Compensation:	<ul style="list-style-type: none">SunCon ensures fair compensation for all workers, exceeding Malaysia’s Minimum Wage Order 2022 requirements and providing equitable pay for overtime hours.
Excessive Working Hours:	<ul style="list-style-type: none">SunCon complies with the overtime and working hours requirements as stipulated in the amended Employment Act.
Freedom of Access:	<ul style="list-style-type: none">SunCon is committed to the prevention of forced labour and the exploitation of migrant workers. Workers maintain the right to retain possession of their personal identification documents, including passports and are allowed to return to their countries of origin if they so wish upon the expiry of their contracts. Workers are entitled to apply for holiday leave during their tenure.
Bonded Labour:	<ul style="list-style-type: none">SunCon does not allow withholding direct workers’ wages. Workers are not required to pay any upfront recruitment or agent fees. All recruitment-related expenses, including FOMEMA check-ups, annual permit renewal fees, and levy payments, are borne by the Company.

Social

Child Labour:	<ul style="list-style-type: none">Child labour is strictly prohibited within our workplaces. This is enforced through our site requirements, whereby all workers entering our project site must possess a valid work permit and a CIDB Green Card, both of which require age verification.
Collective Bargaining:	<ul style="list-style-type: none">We uphold the right of employees to form unions of their choice, without fear of reprisal or harassment. To date, SunCon has not received any request to establish a trade union. However, in the absence of a union, our HR department liaises with foreign workers and conducts regular engagement sessions.In FY2024, we continued to engage foreign workers directly hired by SunCon through townhall sessions. These briefings cover company policies as well as workers' benefits and their rights and career progression plans. The townhall also address any grievances regarding working conditions or employment terms.
Freedom of Association:	<ul style="list-style-type: none">We respect our employees' right to join or affiliate with any legal political party, non-governmental organisation (NGO), trade, or professional association.

Health Screening Programme for Foreign Workers

SunCon is committed to employee well-being and occupational safety, implementing a Health Screening Programme for Foreign Workers to ensure regular medical check-ups. This initiative detects occupational and communicable diseases early, aligning with national regulations, industry best practices, and UN Sustainable Development Goal (SDG) 3: Good Health and Well-Being. By prioritising worker health, we enhance productivity, reduce absenteeism, and foster a safer workplace.



Minimum Notice Period for Operational Changes

SunCon maintains a steadfast commitment to providing advance notification regarding significant modifications to employment conditions, including adjustments to working schedules, position responsibilities, work locations, and other material changes.

This proactive communication approach reflects the Group's dedication to fostering transparency and demonstrating respect for its workforce, ensuring personnel are adequately informed and prepared for operational transitions.

While this remains SunCon's standard practice, it acknowledges that certain circumstances may necessitate immediate implementation without extended notification periods—particularly in situations involving occupational safety considerations or other business-critical imperatives. The Group has established formal notification protocols to govern key employment transitions, including probationary period communications and employment termination processes.

SunCon's notification procedures typically incorporate designated timeframes for employees to provide feedback or express concerns regarding proposed operational adjustments. SunCon remains committed to thoughtfully evaluating and accommodating reasonable requests where operationally feasible, reflecting its dedication to maintaining a collaborative work environment.

Maintaining a Safe Workplace and Grievance Mechanisms

SunCon maintains an unwavering zero-tolerance stance regarding employee harassment in all forms, including sexual harassment. This comprehensive protection extends to harassment from colleagues, supervisors, suppliers, or any external stakeholders. The organisation adheres to the Sunway Group Anti-Sexual Harassment Policy, which clearly delineates actions, gestures, and behavior constituting harassment—encompassing both verbal communications and actual or implied forms of inappropriate conduct.

This policy's scope extends beyond sexual harassment to address additional workplace concerns including undue pressure, coercion, bullying, denial of rights, and exclusionary or discriminatory practices. Employees have access to multiple reporting channels, including anonymous whistleblowing and formal grievance mechanisms managed by Group Human Resources (GHR) under Sunway Group's Employee Grievance Policy.

All harassment allegations are investigated by specialised GHR personnel who have received comprehensive training in managing sexual harassment complaints with appropriate sensitivity and rigor.

In alignment with the Sunway Group's Employee Grievance Policy, employees may file formal grievance complaints through established protocols developed by GHR. This policy's fundamental principles include:

- Comprehensive evaluation of all reported grievances, with thorough investigation when warranted
- Equitable opportunity for all involved parties to present their perspectives, ensuring procedural fairness
- Impartial and objective management of grievances to guarantee equitable resolution

Both domestic and international employees, including foreign workers, are encouraged to utilise these grievance mechanisms without fear of censure or reprisal. Grievances may be submitted to immediate supervisors, relevant Department Heads, or directly to GHR representatives.

For foreign workers specifically, an additional dedicated WhatsApp channel provides direct access to designated GHR personnel. All reported grievances are systematically documented with resolution details, ensuring transparent and effective remediation.

The 2024 reporting period recorded zero complaints regarding human or labour rights infringements through either the whistleblowing channel or grievance mechanisms. Additionally, the organisation received no censures, fines, notices, or warnings from regulatory authorities pertaining to human and labour rights matters.

EMPLOYEE SATISFACTION

In 2024, Human Resources conducted a comprehensive Employee Engagement Survey (EES), continuing the Group's biennial assessment tradition with the previous evaluation completed in 2022.

The FY2024 EES achieved an exceptional 99% participation rate, yielding a significantly improved engagement score of 73%—representing a notable 10% increase from the previous assessment. This comprehensive survey facilitated transparent discussions across key workplace dimensions, including Leadership, Diversity & Inclusion, Work-Life Balance, Career Development, and Rewards & Recognition. These insights into SunCon's employees' motivations, aspirations, and concerns provide invaluable direction for cultivating a responsive and supportive workplace culture.

Following the FY2024 survey, SunCon's employee engagement team implemented a comprehensive feedback strategy through organisation-wide townhall meetings and targeted focus group sessions across all departments and project sites. These structured dialogues created platforms for deeper insight into employee perspectives while fostering collaborative problem-solving between staff and management.

Working closely with departmental managers, we identified priority areas for enhancement and implemented immediate action plans. Notable among these was a strategic revision of allowance quantum to align with Malaysia's current cost of living realities. Additionally, responding directly to consistent employee feedback, SunCon reintroduced the Employees' Share Option Scheme (ESOS), demonstrating its commitment to providing meaningful ownership opportunities.

By systematically integrating insights from both the EES and the subsequent engagement sessions, SunCon continues to strengthen an environment where employees feel genuinely valued and

empowered to achieve their professional potential. This ongoing dialogue underscores its commitment to not merely measuring, but actively enhancing employee satisfaction and wellbeing across the organisation.

OCCUPATIONAL SAFETY AND HEALTH

SunCon has continued to focus on its Occupational Safety And Health (OSH) performance as maintaining an incident-free track record is both financially material as well as being material in terms of impact to the environment and society. OSH incidents can hinder work progress, resulting in operational setbacks and financial repercussions. In addition, any negative publicity arising from such events could damage brand trust and credibility while raising concerns among local communities.

The morale of workers on affected sites could decline, thus leading to reduced productivity. At the same time, OSH incidents can also directly or indirectly cause environmental contamination, pollution or create unsafe site conditions to local communities.

In essence, OSH is a highly material topic for the construction sector and maintaining a zero-incident track record is essential for operational legitimacy. Hence, SunCon maintains vigilant in upholding OSH standards, despite consistently achieving zero fatalities and zero Lost Time Incidents (LTI) in prior years. As of 31 December 2024, SunCon has also achieved 23,187,220 million safe manhours of work without a LTI as of 31 December 2024. SunCon continues to be driven by its motto of 'Datang Selamat, Kerja Selamat, Pulang Selamat,' ensuring that every worker has the right to work in a safe environment and return home safely and in good health every day.

STRICT ADHERENCE TO LOCAL LAWS AND INDUSTRY BEST PRACTICES

SunCon strictly adheres to Malaysia's Occupational Safety and Health Act 1994 (OSHA 1994), the Construction Industry Development Board Act 520 (CIDB Act 520), and all relevant legal requirements.

In addition to complying with local regulations, SunCon ensures adherence to the regulatory standards in all jurisdictions where it operates. Beyond legal compliance, SunCon's management approach to OSH is guided by its comprehensive Quality, Environmental, Safety, and Health (QESH) Policy.

In terms of leadership oversight, given the significance of OSH, the Board of Directors has specific oversight on OSH matters, followed by SunCon's Group Managing Director (GMD) and Senior Management. With the support of senior management, the GMD holds overarching responsibility and accountability for preventing occupational injuries, health issues and ensuring a safe and secure working environment at all sites.

Social

Social

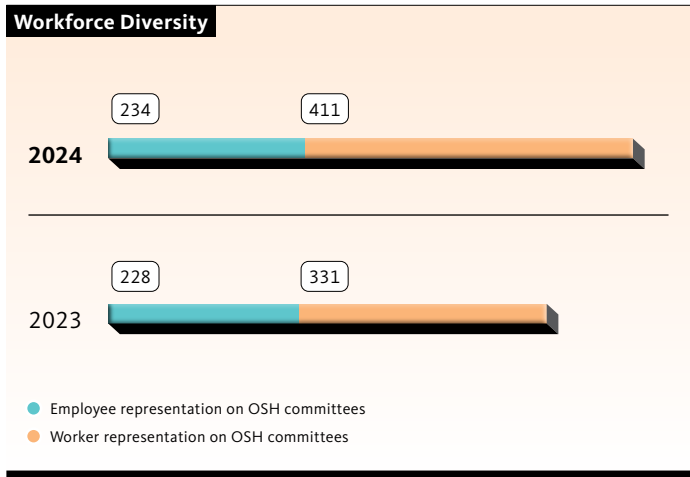
The Board and GMD receive periodic reports on OSH performance, highlighting any major concerns, such as Lost Time Injuries (LTIs), other injuries, or fatalities. OSH matters are reported to the Sustainability Committee (SC), which is responsible for overseeing the implementation of SunCon Sustainability Policy, including the management of safety and health risks.

With the support of senior management, the GMD holds overarching responsibility and accountability for preventing occupational injuries and health issues and providing a safe and secure working environment at all sites.

In the event of a significant OSH incident, such as an LTI, serious injury requiring hospitalisation, or fatality, SunCon will initiate a detailed investigation and provide full cooperation to regulatory authorities as needed. The findings will then be presented to the SC and escalated to the full Board for deliberation.

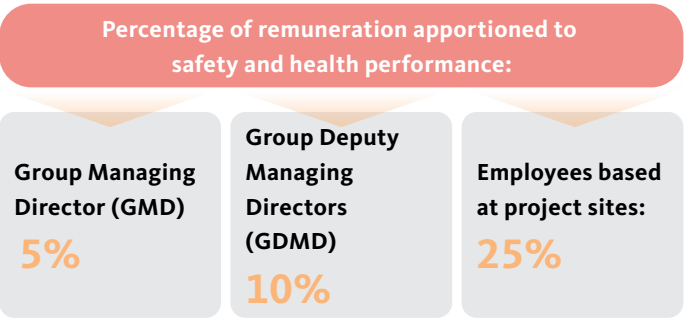
The findings encompass root cause analysis, preventive measures implemented and sharing of the lessons learnt with other sites to further reinforce the new ways of working going forward.

OSH Committees are established at all operating sites with workers having representation on this committees. Representation on committees is also extended to foreign workers. On average, worker representation on OSH Committees comprises 10%.



LINKAGE OF SENIOR MANAGEMENT REMUNERATION TO OSH

To further strengthen OSH oversight within Senior Management, the following KPIs have been established for Group C-level personnel:



While the percentages serve as broad based linkages to remuneration specific scorecards outlining granular details have been developed to provide clarity on assessing OSH performance of SunCon and its impact on remuneration.

OSH MANAGEMENT STRATEGIES

Beyond the QESH Policy and OSH governance structure, SunCon has also developed various strategies in effectively managing OSH risks. SunCon's strategy is based on the ISO 45001:2018 aligned Integrated Management System, which provides a best-practice, globally acknowledged framework for OSH matters. As at end 2024, 71% of SunCon's operational sites were certified to ISO 45001:2018.

Guided by the ISO 45001:2018-aligned Integrated Management System, SunCon has implemented the following:

- SunCon Minimum Requirement (SCMR) for essential controls;
- Hazard identification and risk management prior to commencing construction activities;
- Risk and Opportunity Register (ROR) for identifying, managing, and documenting project-specific and opportunities; and
- Critical management procedures such as emergency response, incident reporting, training, inspections, and audits.

The ESH Department has also migrated to Autodesk Construction Cloud (ACC), which replaced the existing SunCon KM Portal to streamline project management and knowledge-sharing.

Constant Monitoring and Assessment

In ensuring that all operational sites are in compliance with regulatory requirements and the QESH policy, various inspections are conducted all year round to develop a site-specific and overall compliance profile. These assessments and their corresponding annual scores over a three-year rolling period are as follows:

Safety Inspection	2022	2023	2024
Internal monthly Sunway Safety Merit System	84.4%	84.6%	84.9%
External audits by certification bodies (at the Construction segment)	Track record of zero non-conformance Request (NCR) for more than 10 years		
Safety and Health Assessment System in Construction (SHASSIC) assessments	N/A	2 • Sunway Belfield 5-star rating at 94.79%; • SMCD 4-star rating at 83.24%	• Sunway Medical Centre Ipoh 4-star rating at 87.46%

All project worksites within SunCon's control must establish and maintain a Risk and Opportunity Register (ROR). The process considers determining risks and opportunities arising from environmental, safety and health (ESH) risks and other risks, ESH opportunities and other opportunities, as well as legal requirements and other requirements.

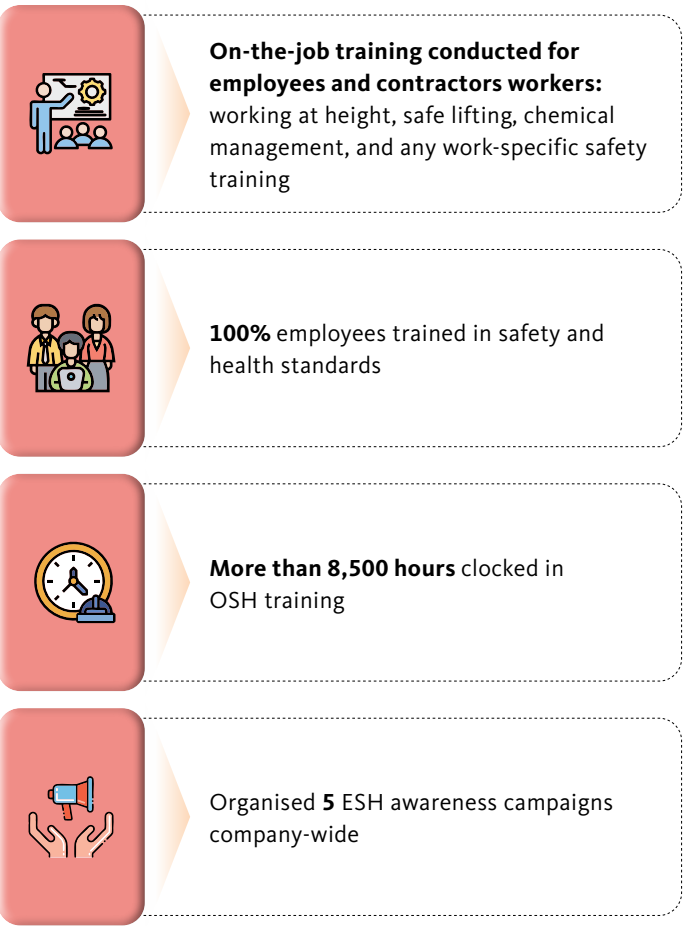
Consistent OSH Training and Communications

In constantly reinforcing the message of external vigilance and safety-first mantra, SunCon continues to actively engage all relevant stakeholders, notably employees and workers on the importance of prioritising OSH at all times. This is achieved through the use of various communication channels and mediums to disseminate a wide range of OSH related literature and information.

While knowledge sharing and providing constant reminders are positive measures, SunCon believes in empowering workers further. Hence, the focus on providing OSH related training to relevant staff across SunCon's operations. Training comprises classroom lectures and presentations, practical / technical training on the safe and proper use of machinery and equipment, provision of life-saving medical training such as first aid workshops, fire drills and more.

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FY2024 OSH Training Achievements:



Communication on OSH is also extends to the supply chain, notably contractors and subcontractors. All contractors, subcontractors and relevant suppliers receive, as part of their onboarding a detailed briefing on SunCon's QESH Policy as well as ESH objectives and targets. These are communicated during contractor's kick-off meeting and Site Safety Induction programmes.

Essentially, this conveys to contractors that they must comply with SunCon's high standards at all times and their operations will be subject to the same level of high scrutiny and performance. They are to conform to SunCon's meticulous standards and must maintain constant vigilance at all times.

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OSH PERFORMANCE

SunCon places great emphasis on the accuracy and reliability of our OSH data, which is meticulously tracked through monthly reports, encompassing site ESH committee meetings, departmental ESH meetings, and management review meetings, and it is also independently verified by SIRIM QAS International Sdn. Bhd..

In FY2024, SunCon achieved a fatality rate of 0.00 per 100,000 workers, demonstrating our unwavering commitment to workplace safety. As Malaysia’s industry benchmark data for 2024 is not yet available, we refer to Singapore’s reported rate of 3.7 in 2023 as a regional reference point.

We also recorded a zero accident rate in FY2024, significantly outperforming the industry benchmark of 2.46 per 1,000 workers, representing a 93.9% reduction compared to the national average. These results reflect the effectiveness of our comprehensive safety management system and the continuous improvement of our standards, training, and safety programmes across all operations.

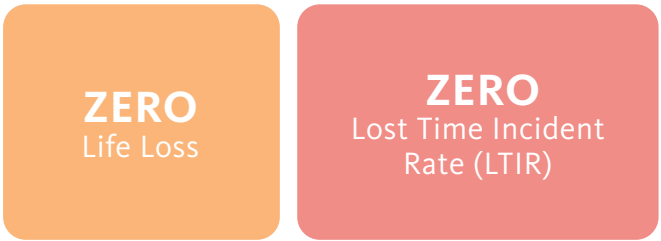
OSH Performance Table

Occupational Health and Safety	2022	2023	2024
Worked Man-hours	17,393,348	16,156,813	23,187,220
Fatal Accidents	1	1	0
Employee ¹	0	0	0
Temporary Employee ²	0	0	0
Contractor Employee ³	1	1	0
Lost Time Injury Accidents	2	0	0
Employee	1	0	0
Temporary Employee	1	0	0
Contractor Employee	0	0	0
Total No. of Reportable Accidents ⁴	3	2	1
Lost Time Incident Rate (LTIR) ⁵	0.44	0.15	0.00
Accident Frequency Rate (AFR) ⁶	0.17	0.06	0.00

¹ Includes all staff under SunCon payroll
² Defined as foreign workers under SunCon payroll
³ Defined as workers who are not employees or temporary employees
⁴ Defined as total number of fatal, dangerous occurrence and lost time incidents
⁵ Lost Time Incident Rate covers both employees and contractors (per 1,000 workers – based on DOSH Malaysia JKKP 8)
⁶ Accident Frequency Rate covers both employees and contractors (per 1,000,000 hours – based on DOSH Malaysia JKKP 8)

U-SEE-U-ACT (UCUA)

Launched in 2019, the U-See-U-Act (UCUA) programme utilises the UCUA ChatBot, a digital solution, to identify and mitigate unsafe acts or conditions, thereby preventing potential hazards. In 2024, we have achieved a total of 25,459 UCUAs identified. Since its inception, the programme has successfully averted 78,083 potential incidents.



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PRODUCT QUALITY AND RESPONSIBILITY

EMPHASISING EXCELLENCE IN QUALITY

Quality is an intrinsic part of the construction sector, typically reflected in terms of the final build quality of the building or asset. Indeed, this is material as quality of design and build of the finished structure serves as affirmation of the capabilities of SunCon. In essence, it reflects on brand reputation.

However, quality is only reflected in other attributes such as the innovativeness of the product design, the utility and lifespan of the structure, its resilience to physical elements such as weather and climate change and the strategic thinking within the blueprint or masterplan.

While conceptualising the end product in mind is essential towards attaining high product quality, the process from design to raw material sourcing, construction and so forth required also must be duly considered as all aspects of the process cumulatively contribute to the quality of the final product.

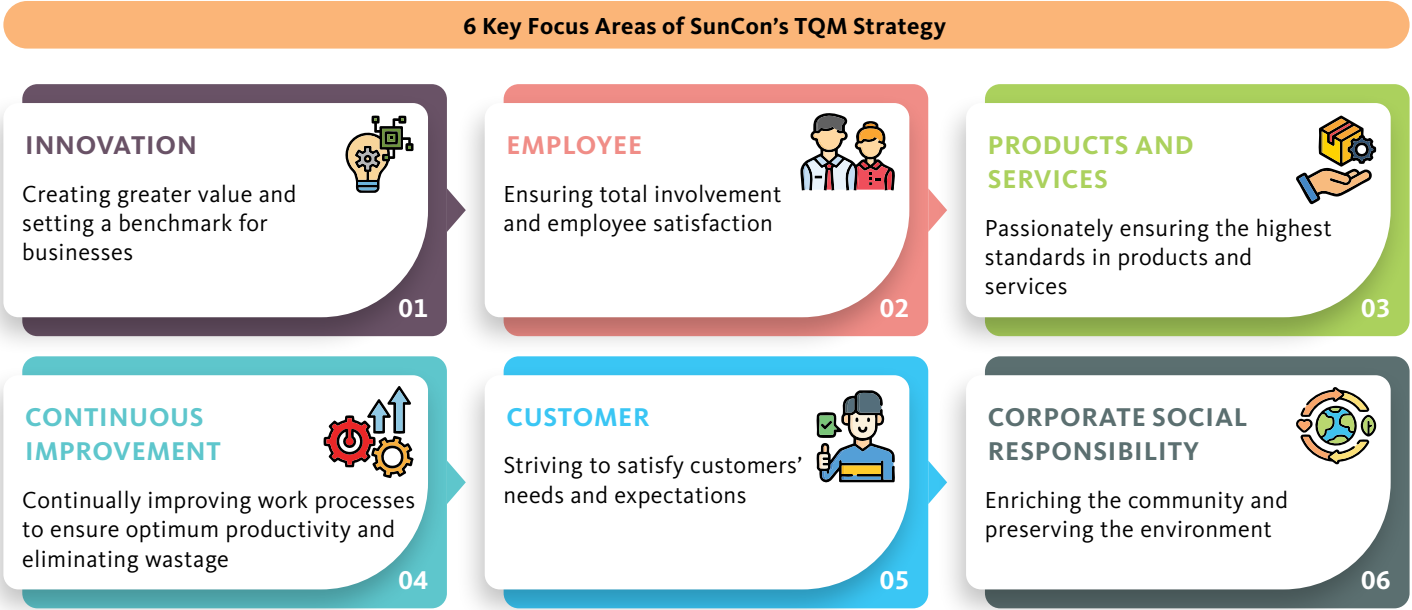
In focusing on ensuring the highest desired quality, SunCon effectively addresses both financial and business considerations such as delivering customer satisfaction, embellishing its brand name and securing repeat business while also ensuring a safe

structure that is fit for purpose and benefits users, while having a lower environmental footprint.

SunCon’s commitment to high quality is consistent with the strategic objectives of the National Construction Policy 2030 (NCP 2030), particularly Thrust 1, which focuses on strengthening quality and safety in project performance. This thrust aims to create a single synergistic total project performance system for improvement of quality and safety. It intends to nurture efficiency among sector players to priorities safety management and quality standards as a prerequisite for them to stay relevant and competitive.

The unwavering focus on quality is also in line with SunCon’s selected Sustainable Development Goals 8 (Decent Work and Economic Growth), 9 (Industry, Innovation, and Infrastructure), and 11 (Sustainable Cities and Communities).

SunCon continues its effort in adhering to the guidelines and initiatives in order to deliver high-quality products and services of all projects, while maintaining exceptional customer satisfaction. In achieving desired quality levels, a key aspect of SunCon’s management approach is the implementation of a Total Quality Management (TQM).



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Besides, SunCon’s integrated QESH management system, which is also ISO 9001: 2015 certified, provides an additional framework for ensuring quality throughout the construction process. The QESH policy outlines specific strategies, processes and procedures at every stage of the construction process: from design and administrative processes to procurement, project execution, the actual construction phase, and project handover. At its core, the system follows the Plan-Do-Check-Act (PDCA) cycle, ensuring a systematic approach to achieving quality targets at every phase of construction.

Management Oversight on Quality

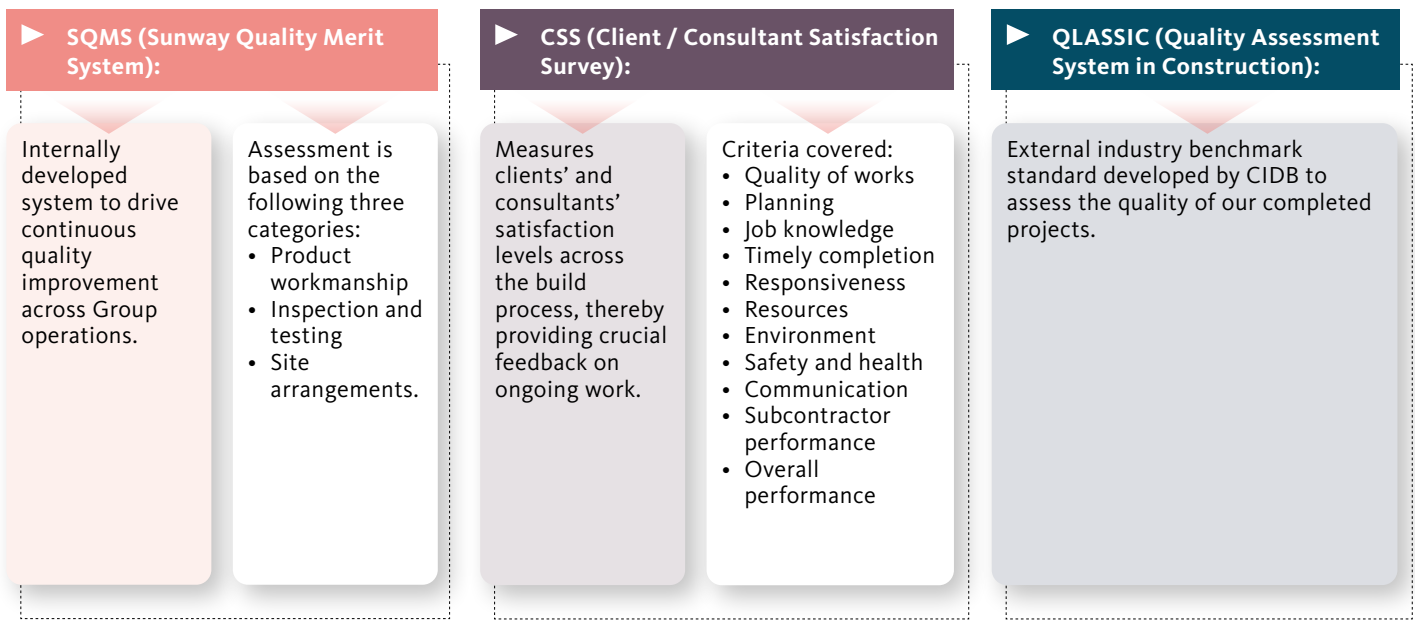
The quality performance is reviewed annually in the Management Review Meeting (MRM), chaired by the GMD. The other members of MRM are the Head of Departments or Divisions.

Achieving Quality’s KPI / targets is one of the overall projects’ KPI. The overall project’s KPI will be transferred to individual members of the project team during annual performance appraisal. Finally, remuneration will be decided based on to the individual staff performance (which included the achievement of Quality’s KPI).

All project teams, helmed by the projects’ Person-In-Charge (PIC) are responsible on quality and customer satisfaction. The project teams are supported by the Total Quality Management (TQM) Department who may station full time staff as part of project team. In addition, regular visit, assessment, training and other quality improvement activities may be initiated by the TQM Department staff from Head Office.

Multi-Tiered Approach to Assessing Quality

SunCon has established three key quality management assessments to assess and maintain quality standards across the build process. These assessments are designed to ensure quality from cradle to gate; that is the quality of raw materials procured, the quality of logistics in the transportation of materials to operating sites, the quality of machinery and equipment, the quality of construction methodologies employed and also the quality of build being achieved.



Sunway Quality Merit System (SQMS) and Client / Consultant Satisfaction Survey (CSS) scores are incorporated into the performance KPIs of internal stakeholders. The allocation of these KPIs reflects the importance of these standards, with the GMD accountable for 5%, both GDMDs for 10%, and employees based at project sites bearing the highest allocation at 25%, equal to the emphasis placed on safety measures.

SQMS Score

	2022	2023	2024
SQMS Score (%)	80%	80%	84%

CSS Scores

Survey Criteria	Minimum Benchmark	2022	2023	2024
Response Rate	75%	100%	100%	100%
Satisfaction of Products and Services	90%	96%	100%	100%
Overall Average Score	70%	79%	81%	83%

QLASSIC Scores

	2024
Sunway Medical Centre Damansara	82%
Sunway Medical Centre Ipoh	87%
Sunway Velocity 2 Plot B	83%
Average	84%

Note: SunCon has established an internal benchmark of 83% for QLASSIC scores for any project.

COMMUNITY ENRICHMENT

CONTRIBUTING TO COMMUNITY DEVELOPMENT AND EMPOWERMENT

SunCon has always considered both local communities and the general community at large as material stakeholders. The Board and Management continue to subscribe to the principle that SunCon in truly serving as a force for good, should ensure it retains a focus on community development and empowerment; that is delivering positive impacts through corporate social responsibility (CSR) programmes and activities as well as identifying opportunities provided by the business model to benefit society. This includes providing local employment, supporting local community infrastructure and services and supporting local procurement where feasible.


In adopting this approach, SunCon’s relationship with society has a stronger value creation aspect as opposed to merely ensuring operations do not have negative impacts on society.

SunCon’s value to society or the values created includes construction of various infrastructure projects. These include highways, urban rail transportation, DCS and TES and more. These projects deliver significant socio-economic multiplier effects to local communities.

► SUSTAINABILITY STATEMENT

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Additionally, SunCon's business activities generate a net positive socioeconomic impact to the communities where we operate. This includes generating employment and entrepreneurship opportunities, facilitating skills and knowledge transfer, fostering the development of local supply chains, and making various other socioeconomic contributions.

 Please see pages 46 to 47 for more information on our Value Creation Model.

SUPPORTING LOCAL PROCUREMENT

SunCon is committed to supporting local suppliers as leveraging local procurement enhances efficiency through shorter supply chains, faster delivery times, reduced Scope 3 emissions, as well as potential cost optimisation. While SunCon prioritises local sourcing, this support is contingent on local suppliers meeting commercial viability and quality standards. In the event local suppliers are unable to meet SunCon's requirement, alternative sourcing will be pursued from international suppliers.



As of 2024, 98.6% of SunCon's procurement expenditure was allocated to local suppliers, a significant increase from 61% in 2023. This underscores our ongoing commitment to strengthening local supply chains and fostering sustainable economic development.

Community Feedback Mechanism

SunCon proactively engages with local communities potentially affected by construction activities through dialogue and engagement sessions, communicating project details and soliciting feedback. This feedback is evaluated by the project team and integrated into the site's OSH management strategy as appropriate. Additionally, the public can submit feedback via the SunCon Hotline on our corporate website, ensuring swift response and resolution by our team.

SunCon Hotline

Snap a picture and tell us about it

 T: (019) 358 2739  E: enquirysuncon@sunway.com.my

Financial and Non-Monetary Contributions to Society

2024 has seen SunCon contribute through both financial and non-financial means to various societal causes. Contributions were made directly to the Jeffrey Cheah Foundation as well as NGOs and societal bodies who undertake community assistance activities.

Our approach to community support is guided by stringent criteria to ensure that all contributions are made to legitimate organisations and are utilised effectively for the intended CSR purposes. We maintain a clear trail of accountability and ensure that all sponsorships, donations, and political contributions are accurately recorded in our accounting books, in compliance with the applicable laws.

	2022	2023	2024
Total amount contributed to societal causes (RM' Million)	2.09	2.63	2.86
Total number of beneficiaries	22,548	18,350	12,066