



Setia

SUSTAINABILITY STATEMENT

S P SETIA BERHAD
2021

*Adventure Park,
Setia EcoHill 2, Semenyih*

SUSTAINABILITY STATEMENT

S P Setia is at the forefront in the property industry, holding steadfast to its 'livelearnworkplay' development philosophy. Our ability to connect communities, create ecological features and sustainable living environments that enrich the lives of our residents has made the Setia brand synonymous with strength, reliability and value.

S P Setia has an extensive presence in Malaysia and a strong presence in six (6) countries, where our vision of sustainability seeks to create long-term value for our stakeholders. S P Setia is committed to its sustainability journey. We consider our Economic, Environmental, Social ("EES") and governance factors into all aspect of business to ensure our action is impactful to our stakeholders.

This Sustainability Statement (the "Statement") presents our sustainability journey, and details how we manage stakeholders' expectations, ranging from disclosure of our sustainability governance structure, and what we consider material to our performance data and related information from 1 January 2021 to 31 December 2021.

Framework application

Our sustainability framework and standards are in accordance with the following guidance and frameworks:

- Bursa Securities Sustainability Listing Requirements;
- Bursa Securities' Sustainability Reporting Guide (2nd edition); and
- Malaysia Code of Corporate Governance (Revised April 2021).

We adopt international practices and aspire to achieve compliance with the following international sustainability frameworks:

- Global Reporting Initiative ("GRI");
- United Nations Sustainable Development Goals ("UNSDGs"); and
- Global Real Estate Sustainability Benchmark ("GRESB").

Reporting scope, content and boundary

The information and the data in this statement refer to S P Setia and its active ongoing projects within Malaysia, Singapore, Vietnam, and Australia, unless otherwise stated. The 'RM' sign used in this report refers to Ringgit Malaysia which is also the functional currency. The content of this Report has been reviewed by S P Setia's Board and Management level Committee to determine relevance to the Group's business to ensure that current and material issues are addressed.

The sustainability objectives, strategies and action plans established in the coming years would take into consideration these global sustainability practices. This is further explained in "Our Sustainability Journey" section below. Data disclosed in this statement are compiled and consolidated at the Group's level via central data management.

Feedback

Stakeholders' feedback is important to us. We welcome any feedback on this Statement and any aspect of our sustainability performance. Please address all feedback to our Management Risk Team at groupriskmanagement@spsetia.com.



Adventure Park in Setia EcoHill 2, Semenyih

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OUR SUSTAINABILITY JOURNEY

The Milestones

S P Setia is continuously enhancing its sustainability approach based on best practices in addressing the material EES matters Groupwide. Culture embedment is crucial to ensure effective implementation of our initiatives in achieving our sustainability goals. In FY2021, we conducted 53 sustainability workshops involving 225 participants from Team Setia.

Moving forward, we are looking into full integration of business strategies, risk management, relevant Key Performance Indicators ("KPIs"), to ensure achievement of UNSDGs. Monitoring on sustainability initiatives and sustainability awareness shall be continued to enhance culture embedment and achieve sustainability excellence.

2021 HIGHLIGHTS

We initiated various programmes and actions to achieve our sustainability objectives. Key highlights of our achievements include:

Legend: ● Economic ● Environmental ● Social

Spent RM740 million for development of affordable housing projects with 5,943 units of completed affordable houses as at financial year ended 31 December 2021.	Received the EdgeProp – ILAM Malaysia's Sustainable Landscape Awards 2021 for Setia Eco Templer and Silver for the Commercial (Low-Rise) category of the PAM Awards 2021 for D'Network @ Setia Eco Park	Spent RM678 million in year 2021 on providing various infrastructure in our projects, including maintenance of road work and landscape.
Continuous awareness on Anti-Bribery and Anti-Corruption via 17 corruption risk assessment workshops, 4,655 emails to business associates as at 31 December 2021, 628 business associates signed-off the Setia Integrity Pledge.	Engaged ecologists to conduct ecological studies at Setia Bayuemas Lake with the aim to promote resilient and sustainable environments for the township and its community.	
Completed installation of 156 units solar PV rooftop at Setia EcoHill Walk which is known as first solar panel hybrid commercial hub in Semenyih.	A total of 347,512 trees planted and transplanted across 25 business units.	Pioneer property developer who completed 4 solar hybrid commercial hubs and convention centres.
We provided 6 venues as Vaccination Centres for National COVID-19 Immunisation Programme. More than 1.3 million doses of vaccine were administered in our vaccination centres.	Awarded Gold Winner for Excellence in Women Empowerment Strategy at Human Resources Excellence Award 2021 for the promotion of women in key management position.	Launched #Setia4Malaysia campaign to highlight the importance of kindness, support the communities in need and engage Team Setia at home.
Spent RM2.72 million on COVID-19 initiatives comprised of COVID-19 test kits, employees health and hygiene supplies, food supply aid, vaccination centres and workplace hygiene.	Spent RM1.05 million under Setia Caring School Programme.	31,508 manhours participated training and development programme.
	Spent RM257,196 for flood assistance to communities and employees.	

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GOALS AND PROGRESS

S P Setia recognises that sustainability management is a continuous process and strives to refine its goals and performance indicators as we go along this journey. Our achievement in FY 2021 exceeded our established performance targets as shown below.

SUSTAINABILITY AGENDA	SUSTAINABILITY PRINCIPLE	STRATEGIES / ACTIVITIES	PERFORMANCE INDICATORS	TARGETS	ACTUAL ACHIEVEMENT FOR FY2021
Products & Services	Delivering quality products	<ul style="list-style-type: none"> Customer satisfaction – low defects claim 	<ul style="list-style-type: none"> Customer satisfaction survey 	<ul style="list-style-type: none"> > 80 / 100 	<ul style="list-style-type: none"> 73% (2020 – 79%)
Economic Growth & Benefits		<ul style="list-style-type: none"> Close working relationship with suppliers, vendors and business associates 	<ul style="list-style-type: none"> Contractors' quality excellence such as In-Process Construction Quality and Construction Performance Assessment 	<ul style="list-style-type: none"> ICQ: > 75% CPA: > 75% 	<ul style="list-style-type: none"> ICQ: 83% (2020 – 82%) CPA: 79% (2020 – 77%)
Climate Change	Environmental-friendly developments	<ul style="list-style-type: none"> Introduce pioneering green and sustainable projects Community and people consideration 	<ul style="list-style-type: none"> Awards and recognitions Green certification 	<ul style="list-style-type: none"> At least 10 awards and recognition At least 1 green certification for each upcoming project 	<ul style="list-style-type: none"> 3 awards and recognitions received (2020 – 10 awards) No new green certification due to projects are still on-going (2020 – 5 certifications) Completed 4th solar hybrid commercial hub – Setia EcoHill Walk @ Setia EcoHill
Biodiversity Energy & Water			<ul style="list-style-type: none"> No. of birds, vegetation and other species 	<ul style="list-style-type: none"> Increasing number as compared to previous year 	<ul style="list-style-type: none"> Status Quo (No research was carried out for the year)
Anti-Corruption	Maintain high integrity culture	<ul style="list-style-type: none"> Zero tolerance for corruption and bribery Continuous education and awareness sessions 	<ul style="list-style-type: none"> No. of proven bribery and corruption related cases 	<ul style="list-style-type: none"> Zero cases 	<ul style="list-style-type: none"> Zero proven bribery and corruption related cases reported as at 31 December 2021 (2020 – 0)
Human Capital	Retaining talent	<ul style="list-style-type: none"> Employee performance and retention Conducive working environment 	<ul style="list-style-type: none"> Employee survey on happiness rating Low employee turnover 	<ul style="list-style-type: none"> > 80 / 100 Single digit rate 	<ul style="list-style-type: none"> 85% (2020 – 81%) 9.91% employee turnover (2020 – 6.66%)
	Diversity Appreciation	<ul style="list-style-type: none"> Ensuring equal opportunities and eliminate discrimination 	<ul style="list-style-type: none"> Gender Diversity: Male to Female ratio 	<ul style="list-style-type: none"> M / F : 55:45 	<ul style="list-style-type: none"> 56:44 (2020 – 57:43)
Community Engagement	Creating communities	<ul style="list-style-type: none"> Accessible developments – infrastructure accessibility such as roads and public transportation access Green leisure developments such as parks and gardens Excellent features, amenities and facilities 	<ul style="list-style-type: none"> Percentage of development allocated to green spaces and amenities 	<ul style="list-style-type: none"> > 10% 	<ul style="list-style-type: none"> More than 10% of developments allocated to green spaces and amenities for our Eco-series projects
Health & Safety Security	Providing safe and conducive working environment	<ul style="list-style-type: none"> Zero major incidents 	<ul style="list-style-type: none"> No. of major incident 	<ul style="list-style-type: none"> Zero 	<ul style="list-style-type: none"> Zero major incidents reported (2020 – 0)

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SUSTAINABILITY GOVERNANCE

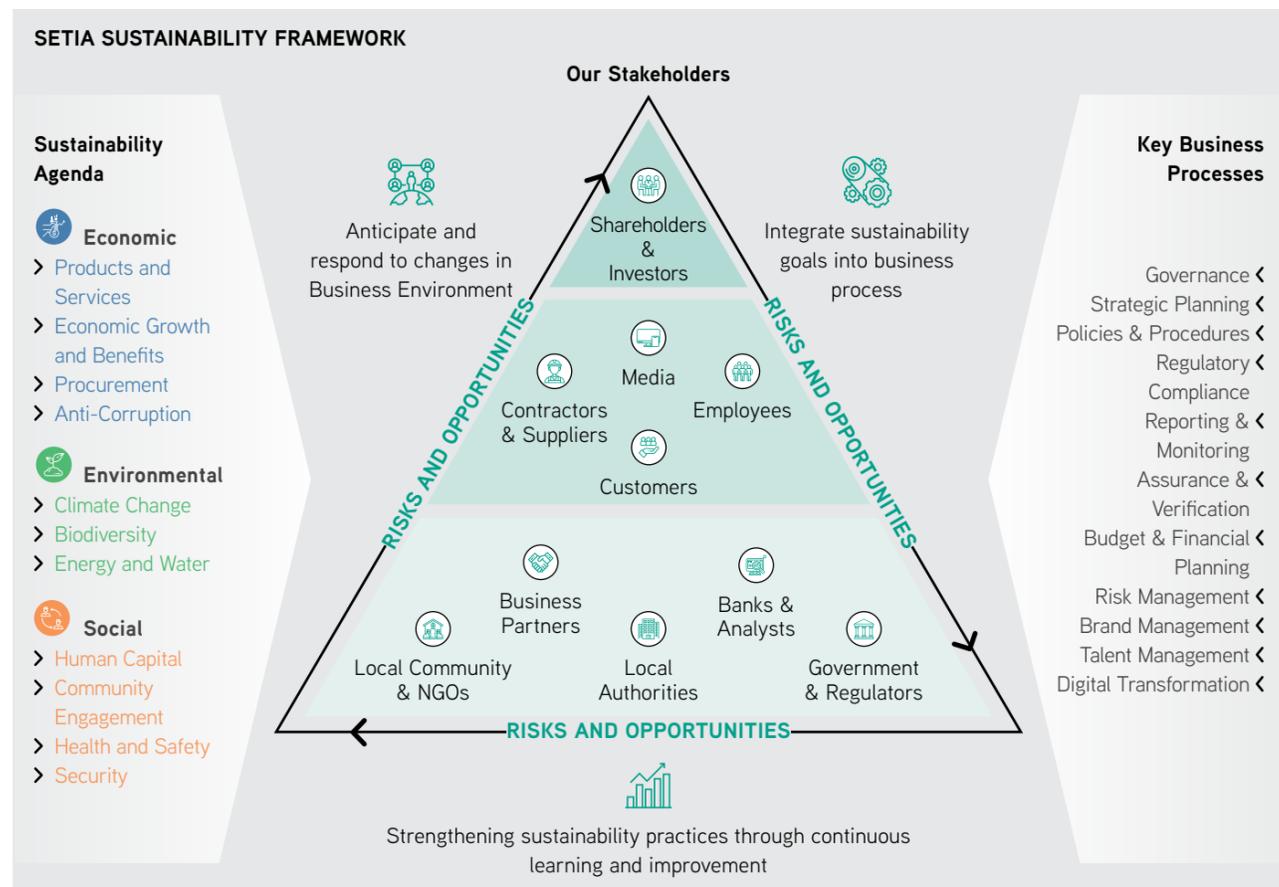
Sustainability Framework and Policy

We believe high standards of corporate governance form a strong basis for safeguarding shareholders' interests. The Board has a stewardship responsibility to understand the material sustainability matters, provide guidance on dealing with these matters to ensure they are managed proactively in a structured and consistent manner.

Please refer to page 173 for Sustainability Governance Structure.

Our sustainability framework, which was established last year, provides the overarching principles of our sustainability practices within the Group. The framework encompasses three (3) i.e. Sustainability Agenda, Our Stakeholders and Key Business Processes.

The framework encompasses three (3) pillars i.e. Sustainability Agenda, Our Stakeholders and Key Business Processes.



The Board has approved and adopted the Sustainability Policies for the Group which include:

- To integrate sustainability management into the culture, business activities and decision-making processes.
- To anticipate and respond to the changing economic, environmental, social and governance landscape and requirement proactively.
- To manage sustainability matters pragmatically to an acceptable level given the circumstances of each situation.
- To implement a robust Sustainability Framework that is aligned with S P Setia Group's strategic and sustainability objectives and in accordance with best practices.
- To continuously strive towards strengthening the sustainability management practices through continuous learning and improvement.

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Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs

Based on our Sustainability Agenda, S P Setia identified its EES material matters as outlined in the GRI standards based on the level of importance to stakeholders and S P Setia whilst taking into consideration the financial and non-financial impact.

The UNSDGs are a set of universal goals to address the world's biggest challenge by 2030. By embracing the UNSDGs, S P Setia is demonstrating our willingness to do our part to create a sustainable

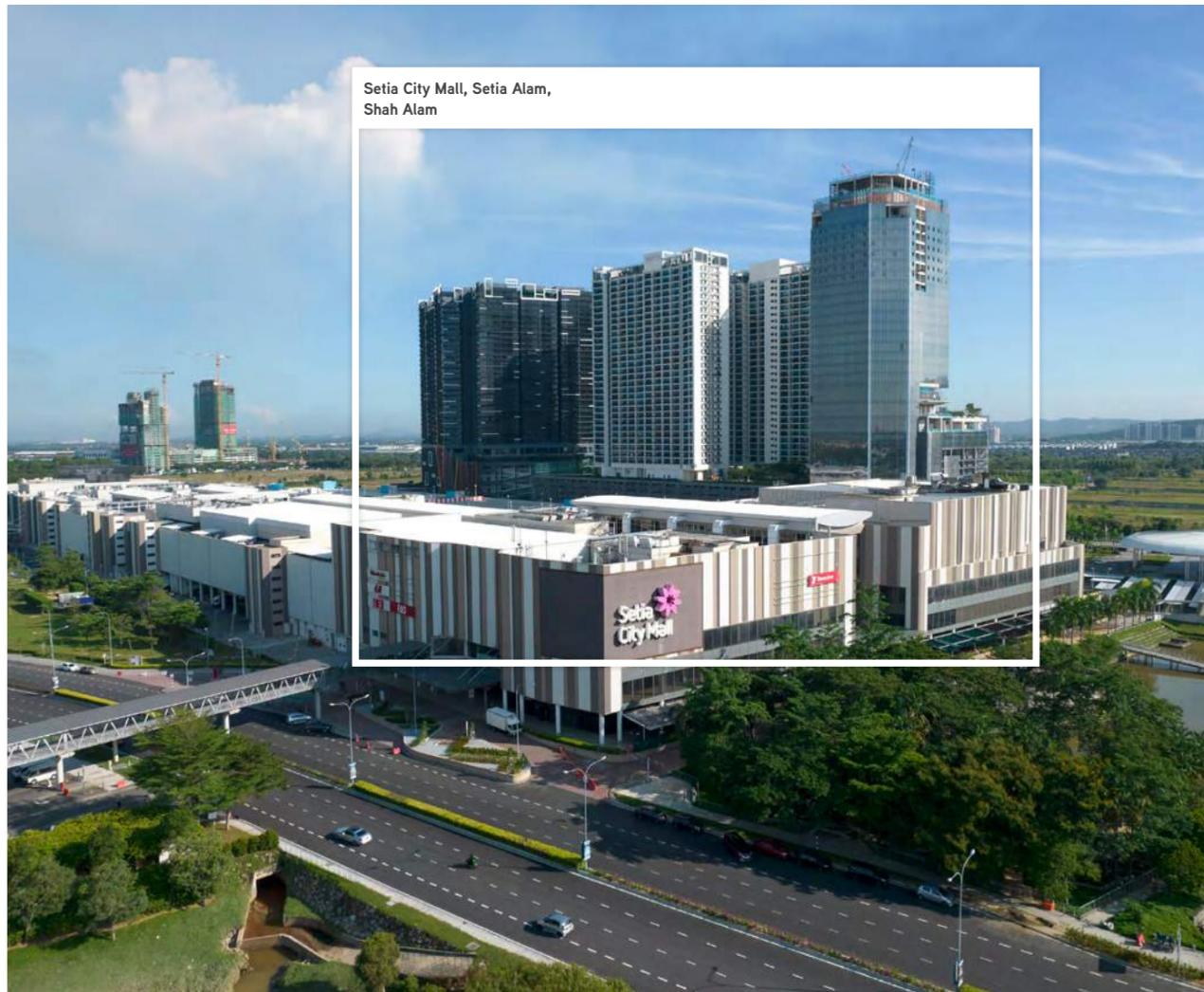
future for the next generation. Of the seventeen (17) goals outlined in UNSDGs, we focus on goals in which we believe we can better achieve. This is determined through a materiality assessment and stakeholder engagements.

Please refer to page 32 to 37 for materiality and page 188 to 191 for stakeholder engagement.

The table below shows the alignment of our Sustainability Agenda to GRI indicators and UNSDGs:

SUSTAINABILITY AGENDA	GRI MATERIAL MATTERS	UNSDGS
ECONOMIC		
Products and Services	<ul style="list-style-type: none"> GRI 416: Product and Customer Service Quality GRI 418: Customer Privacy 	
Economic Growth and Benefits	<ul style="list-style-type: none"> GRI 201: Economic Performance GRI 203: Indirect Economic Impacts 	
Procurement	<ul style="list-style-type: none"> GRI 204: Procurement practices 	
Anti-Corruption	<ul style="list-style-type: none"> GRI 205: Anti-corruption 	
ENVIRONMENTAL		
Climate Change	<ul style="list-style-type: none"> GRI 305: Emission & Climate Change GRI 301: Materials GRI 306: Effluent & Waste 	
Biodiversity	<ul style="list-style-type: none"> GRI 304: Biodiversity GRI 307: Environmental compliance 	
Energy and Water	<ul style="list-style-type: none"> GRI 302 and GRI 303: Natural resources 	
SOCIAL		
Human Capital	<ul style="list-style-type: none"> GRI 401, GRI 404, GRI 405: Employment¹ GRI 402: Labour Management 	
Community Engagement	<ul style="list-style-type: none"> GRI 413: Local Communities 	
Health and Safety	<ul style="list-style-type: none"> GRI 403: Occupational Health and Safety 	
Security	<ul style="list-style-type: none"> GRI 410: Security Practices 	

Note:
¹ Employment includes employee engagement, training and education, diversity and equal opportunity



ECONOMIC

S P Setia, as a leading property developer in Malaysia, seeks to create economic value within all our developments, by delivering products of excellent quality to our customers without compromising environmental and social sustainability.

A Economic Growth & Benefits

Economic Performance

Although economic and travel restrictions imposed in the first half of FY2021 were extended, the Group managed to generate strong sales performance due to the positive demand and high take-up rates of new launches of residential properties. We stayed resilient through new launches, clearing of unsold stocks, strengthening of our capital structure, optimisation of land bank utilisation, relaunch / rebranding of townships and extension of our existing townships.

In FY2021, we focused on several areas including acceleration of our Digital Transformation journey, embracing the sustainability agenda and increasing the use of IBS for both landed and high rise properties. We were also constantly optimising the welfare of our employees, workers, and community members through engagement activities and providing support to Team Setia to persistently grow, do better and strive to succeed by delivering the best.

Regular meetings were conducted throughout the year to closely monitor our financial performance, budgets and forecasts to gain actual insights and allow us to make real-time decisions to achieve our performance targets.

Infrastructure Investment

In supporting our nation's growth, we continue to house our communities through the development of affordable homes in Setia's townships. These amounted to projects worth RM 0.74 billion as of financial year ended 31 December 2021, which included our RSKU, De Cendana project. Our Bandar Setia Alam affordable housing development was completed in FY2021 and benefited 2,568 residents.

Our Team Setia strives to develop affordable housing in Malaysia in order to elevate the community's life values, address inequalities, enhance social connection and increase job opportunities.

Total
RM740.19 million
5,943 units

Bandar Setia Alam

RSKU Type B, De Cendana:
RM72.50 million
Units: **624**
Completion Year: **2021**

Semarak:
RM26.00 million
Units: **449**
Completion Year: **2009**

RSKU Type C, De Palma:
RM115.80 million
Units: **730**
Completion Year: **2018**

Seroja:
RM55.60 million
Units: **725**
Completion Year: **2013**

RSKU Type C, De Kiara:
RM119.70 million
Units: **737**
Completion Year: **2018**

Sentosa:
RM55.50 million
Units: **550**
Completion Year: **2016**

RSKU Type C, De Bayu:
RM124.60 million
Units: **723**
Completion Year: **2019**

Setia Eco Gardens

Rumah Mampu Milik ("RMM")
Phase 1 (Eko Impiana):
RM54.76 million
Units: **383**

Setia Eco Hill

RSKU Type B, D'Kristal:
RM69.76 million
Units: **670**
Completion Year: **2020**

Completion Year: **2015**

RMM Phase 2 (Eko Inara and
Eko Amanee):
RM45.97 million
Units: **352**

Completion Year: **2018**

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In spite of the extension of the MCO beyond the first half-year 2021, we remained dedicated to improving our communities' quality of life through the completion of infrastructure developments which amounted to RM 678.24 million (2020: RM 174 million), an increase of more than 50% of the infrastructure investment against FY 2021.



Bandar Setia Alam

Infrastructure Investment:
Resurfacing the main and ring road within Setia Alam
Amount:
RM9.28 million

Infrastructure Investment:
Additional planting (scrutcher) softscapes and hardscape in Setia City at Precinct 1
Amount:
RM1.34 million

Setia Bayuemas

Infrastructure Investment:
Landscape Works at Bayuemas Lake
Amount:
RM1.99 million

Setia City Mall

Infrastructure Investment:
Extension of 500,000 sq ft of retail spaces
Amount:
RM410 million

Setia Eco Templer

Infrastructure Investment:
Interchange and related works at Jalan Ipoh-Rawang to SET development
Amount:
RM26.46 million

Setia EcoHill

Infrastructure Investment:
Setia EcoHill Walk
Amount:
RM215.00 million

Infrastructure Investment:
Road Repairing & Laying Course Works for Part of Jalan EcoHill & Service Access to IPS at Precinct 1
Amount:
RM0.83 million

Setia Warisan Tropika

Infrastructure Investment:
Road & drain to clubhouse & show unit
Amount:
RM3.97 million

Infrastructure Investment:
Landscape at central lake
Amount:
RM1.37 million

We successfully completed Setia EcoHill Walk known as the largest integrated development in Kajang-Semenyih Corridor. The 17.5-acre Setia EcoHill Walk is strategically located within South of Klang Valley and easily accessible via the Cheras-Kajang Expressway, SKVE (through SILK Highway) and LEKAS. It comprises a neighbourhood mall, serviced apartment units as well as strata shops and offices that were set to bring a new level of business and leisure opportunities to the up-and-coming Kajang-Semenyih Corridor.

The building was designed and ready for a variety of businesses. It has the potential to be a one-stop shopping destination in the Kajang-Semenyih Corridor. We are delighted to bring the community an entertainment avenue with the first cineplex in Semenyih as an aspiration to nurture networks of community with many activities covering both managing and attending screening events. Setia EcoHill Walk is equipped with the layout of a 10-foot-wide retail corridor for product promotion or alfresco dining. The generous shop units were designed to provide customer rapport with the resources offered by our retail tenants and support the retailers by giving spacious places to enable promotional activities and generate revenue. Office units in Setia EcoHill Walk were developed to enrich the community's wellbeing and its connectivity with the mall and retail shops is expected to boost the local economy.

We completed our major amenities project which is the extension of Setia City Mall with a total cost of RM 410 million. The extension allows us to create an extra 500,000 sq ft of retail spaces that will enhance Bandar Setia Alam's residential and neighborhood areas. The extension of Setia City Mall will also indirectly contribute to the economy through the creation of new job opportunities.

Apart from our integrated development offering, we resurfaced and repaired roads in our townships including Bandar Setia Alam and Setia EcoHill to maintain and enhance the mobility experience of our communities. Given Malaysia's weather patterns that are more likely to produce frequent heavy rainfall, we developed a well managed system of drainage for Setia Warisan Tropika's clubhouse and its show unit to prevent water accumulation and reduce soil erosion.

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The Setia EcoHill Walk integrated development comprises a lifestyle oriented neighbourhood mall, serviced apartment units, spacious strata shops and 24-hour security offices

B Products and Services

Delivering Quality Product

Upholding the Group's mission to provide superior customer service and to satisfy customer needs through a culture of excellence, our Team Setia endeavours to deliver high-quality sustainable products to our customers.

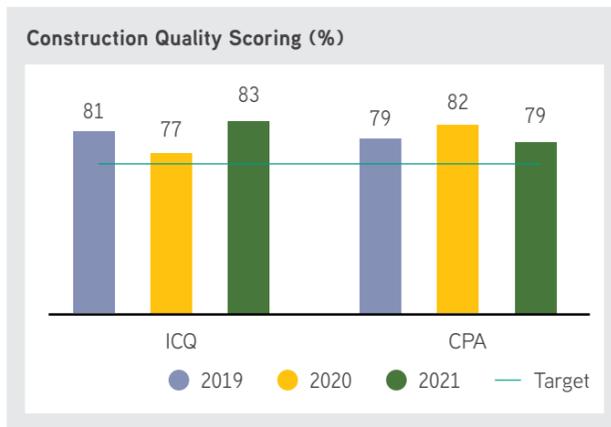
To demonstrate our commitment in delivering quality products, our framework follows the Quality Assessment System in Construction ("QLASSIC") which is a standard from the Construction Industry Development Board ("CIDB"). The QLASSIC allowed our project team to benchmark the quality of workmanship of the construction project, enabling us to use a standard quality assessment system to monitor the workmanship of construction works and assisting us to strengthen the quality control in our construction works.

In addition to monitoring the construction works via periodic progress reports issued by contractors, the Group Quality Management undertakes further initiatives to closely monitor product quality performance through ICQ and CPA via regular site audits. The ICQ assessment is a bi-monthly measurement of in-process construction product quality of building projects according to S P Setia's Quality Standard and specification.

A minimum score of 75% CPA is required by the contractors to obtain the Certificate Practical Completion. The CPA is an assessment of the quality level achieved in the architectural work of a completed project based on S P Setia's Quality Standard. Subsequent to the assessment, the results will be communicated to the respective contractors providing them an avenue for improvement.

During the year, our property development projects managed to obtain an average score of more than 75% for both ICQ and CPA.

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The Group's construction arm, Setia-Wood Industries Sdn Bhd, received certification from the Programme for the Endorsement of Forest Certification Schemes ("PEFC") under the category of COC in FY2017. This paved way for the development of procedures for purchasing, tracking, manufacturing, sales and recordkeeping of certified materials. We are required to meet the high standards and requirements set by the PEFC.

Quality Commitment

Our objective is to consistently meet and exceed every customer's needs by providing exceptional customer service and product quality. To achieve this objective, we encourage a culture of excellence by instilling in each and every employee a strong sense of commitment to quality, teamwork, and professionalism. We portrayed our

commitment on ensuring products and services quality through certification granted by SIRIM for ISO 9001 Quality Management System ("QMS").

Since FY2018, we have established a TEC with the objective to improve product quality and continue product innovation in delivering quality housing developments. We focused on technology and innovation for the future, as well as knowledge of all aspects of the latest construction techniques and processes, paying attention to detail to ensure delivery of the best quality products and the ability to foresee and eliminate issues promptly.

TEC is led by an EVP and comprises leaders from Contracts Administration, Project Planning & Development, Project Implementation, Landscape and Quality Assurance & Quality Control ("QAQC"), as well as support units from Group Creative Design ("GCD") and Group Quality Management ("GQM").

Supported by the 6 elements of Technical Excellence Framework - Planning & Design, Contractor & Product Quality, Consultant, Landscape, People Development and Sustainable Smart Development, TEC is accountable for monitoring customers' expectations and facilitating the development of technical excellence initiatives and strategies, as well as their implementation. The committee is represented by individuals from each key Business Units and Departments and they accountable to spearhead Business Units and Departments to achieve distinguished product quality in the market. As a role model of the Business Units and Departments, TEC is the main driver to initiate and implement continuous improvement initiatives.

Technical Excellence Committee ("TEC")		
Objective: To achieve Technical Excellence		
Led by EVP and consist of leaders from		
Contract Administration	Project Planning & Development	Project Implementation
Landscape and QAQC	Group Creative Design	Group Quality Management
Technical Excellence Framework covering 6 areas		
Planning & Design	Contractor & Product Quality	Consultant
Landscape	People Development	Sustainable Smart Development

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Customer Satisfaction

Customer Satisfaction Survey

Customer satisfaction is a salient factor to measure the quality of our product and service deliverables. Throughout the year, we conducted two (2) customer satisfaction surveys to assess, solicit feedback and give insights of customers' satisfaction levels on services, products and overall experience. The purchasers were selected to participate in the survey based on several assessment criteria and include group of purchasers that have signed the Sales & Purchase Agreement, who had collected their keys and those purchasers that had lodged their complaints. Their feedback and opinions were crucial for us to identify and bridge the gap between service delivery and customer expectations. Based on the surveys conducted in 2021, an average of 73% (2020 - 79%) of our purchasers were willing to recommend our products to their friends / relatives or to purchase again from us.

The surveys showed an increasing number of our sales offices achieving 100% in Overall Satisfaction and all service elements rating. The second survey conducted in August 2021 indicated eleven (11) sales offices managed to obtain 100% scores in all elements as compared to ten (10) sales offices in the first survey. 'Ease of contact' and 'courtesy and helpfulness' were the service aspects that constantly achieved the highest satisfaction scores for the Sales & Marketing and Credit Administration. This rating demonstrates our Team Setia dedication to the Group's mission in providing superior customer service. Through the surveys, we have identified improvement areas to be further enhanced as part of our quality improvement objectives and to meeting customer needs. We also follow-through and handle customers inquiries and complaints.

Defect Complaint Management

As a property developer, our Team Setia is diligent in ensuring the whole development and lifecycle of the product are met within our Project Quality Plans. Continuous monitoring programmes and having a good defect management system are important to effectively track and manage defects of multiple projects and development teams. Our main focus for the FY2021 was to enhance the effectiveness of the defect management system by automating the inspection process through the implementation of Snagr system. This system allowed instant reporting and exchange of information between related parties such as our customers, contractors, consultants, and the Customer Relations Unit.

In FY2021, we managed to encourage all Business Units to adopt the Snagr system and utilised its two (2) applications i.e. Post Vacant Possession ("VP") and Pre- Certificate of Practical Completion ("CPC") Inspection for monitoring on handover and defect management matters. In FY2021, we had several Business Units that scored more than 70% of complaints completed within 14 days. This was inclusive of Setia Eco Templer, Setia Eco Glades, Setia AlamImpian and KL Eco City. The other Business Units scored lower percentages due to MCO being imposed by the government during the year.

Cutting Edge Technology with Industrialised Building System

To enhance our customer satisfaction, we aim for timely delivery of our products by adopting the IBS in our construction. IBS has helped shorten the timeframe of our project development as compared to the traditional construction method. Our wholly owned subsidiary, Setia Precast Sdn Bhd, is a one-stop IBS centre specialising in building high-rise apartments, IBS landed houses, and commercial buildings utilising precast technology.

The IBS system naturally has high levels of stability that may enhance safety performance in the face of external forces and other imposed and dead loads based on the special jointing systems deployed into the precast components. By using the IBS technology, we have managed to complete and deliver the following commercial and apartment building through 2021.

No.	Project	Location	Completion Date
1	De Cendana (Apartment)	Bandar Setia Alam	April 2021
2	Setia EcoHill Walk (Commercial)	Setia EcoHill	February 2021

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Product Safety Features

Aligned with SDG 11 of Sustainable Cities and Communities, our properties are designed with safety features as part of our effort to make our sales galleries, commercial buildings and residential homes safe, resilient and sustainable. The safety features of our properties include:

Product Safety Features		
Business Unit	Project	Safety Features
Setia Eco Templer	Phase 2A	<ul style="list-style-type: none"> Lightning arrestor as safety protection from lightning hazard to the residents and house electrical appliances Home alarm system
Setia EcoHill	Setia EcoHill Walk	<ul style="list-style-type: none"> This safety features is for project - Carnus, Frossa, Aronia, Allia and Kandara Motorcycle parking - bar and chain to secure bike Fire door with anti-panic function Traffic related - wheel stopper, convex mirror, speed hump Floor tiles with minimum R11 rating at outdoor area to prevent slipperiness Movement joint to prevent tile pop-up Identify edge of drop with different colour nosing tiles / pebble wash finish Disabled-friendly features - ramp, parking, toilet, lift car
	Frossa	<ul style="list-style-type: none"> OKU friendly toilet attached to ground floor bedroom
Setia Eco Glades	Setia Botanika Hammock Club	<ul style="list-style-type: none"> Ramp for elders and OKU at clubhouse Tac tile for OKU at clubhouse
Setia Eco Gardens	Tenby School #15 Bungalow	<ul style="list-style-type: none"> Ramp for elders and OKU AAC Block (Starken DuraPro5TM) for internal building wall (GreenLabel Singapore)
Setia Trio	Trio Sales Gallery	<ul style="list-style-type: none"> Ramp and Disabled-friendly Toilet at Sales Gallery

Customer Privacy

The Group safeguards customer privacy in line with the Personal Data Protection Act 2010 ("PDPA"). We developed a Privacy Policy as a guidance for us in collecting, processing, using, disclosing and storing personal data. The policy is published on our corporate website.

Necessary administrative and technical precautions were taken to safeguard Personal Data against loss, theft misuse and unauthorised access, disclosure, usage, alteration or destruction. The Personal Data were retained for a necessary period to fulfil the many different purposes as outlined in the Privacy Policy.

We further protect customer privacy through the implementation of several cybersecurity measures. We have established the following policies and procedures as a guideline to secure the data from any cyber threats:

Cybersecurity related Policies and Procedures	
Document Title	Safety Features
Managing Windows and Application Systems and Passwords Policy	To manage application systems passwords and to provide guidelines for information and system access
Managing Network System and Access Control Policy	To protect network system from authorised access and to prevent damage to the Group's network system
Email and Internet Acceptable Use Policy	To define the acceptable use of the Internet and email for the Group
Server and Network Equipment Password Management Policy	To establish guideline for managing password for servers and network
File Server Policy	To control the access and storage of files in the file server to ensure information is preserved for confidentiality, integrity and availability

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In the FY2021, we conducted cybersecurity awareness trainings for Team Setia on cybersecurity, conducted by an external training provider, from April 2021 to August 2021. A total of 1,927 of Team Setia members attended the training sessions which covered topics from basic security to more advanced cybersecurity topics such as securing passwords and how to identify scammers.

C Procurement

Responsible Supply Value Chain

We aim to extend the Group's values and principles to all third parties in order to foster trust and long-term benefits to all stakeholders in our supply chain, underpinned by high integrity, a healthy and safe workplace, good environmental practices and strict compliance to all applicable laws and regulations where we operate.

We expect all third parties and their respective sub-contractors to comply with our COCBE in dealing with S P Setia:

- 1 Includes the value recognised, abided by and promoted by the Group;
- 2 List of specific guidelines for respecting human rights and conflict of interest; and
- 3 Ensures the Code of COCBE is regarded as a best practice of business conduct.

S P Setia encourages suppliers, vendors, contractors and business associates to adopt and share sustainable practices. All suppliers / contractors are required to:

- 1 Comply with regulatory requirements such as federal, state and municipal laws and statutes;
- 2 Comply with all industry standards and limits set for environmental and social impacts, including HSE aspects;
- 3 Commit to the protection of the environment, including prevention of pollution, such as noise, waste and air; and
- 4 Comply with industry standards and workmanship quality.

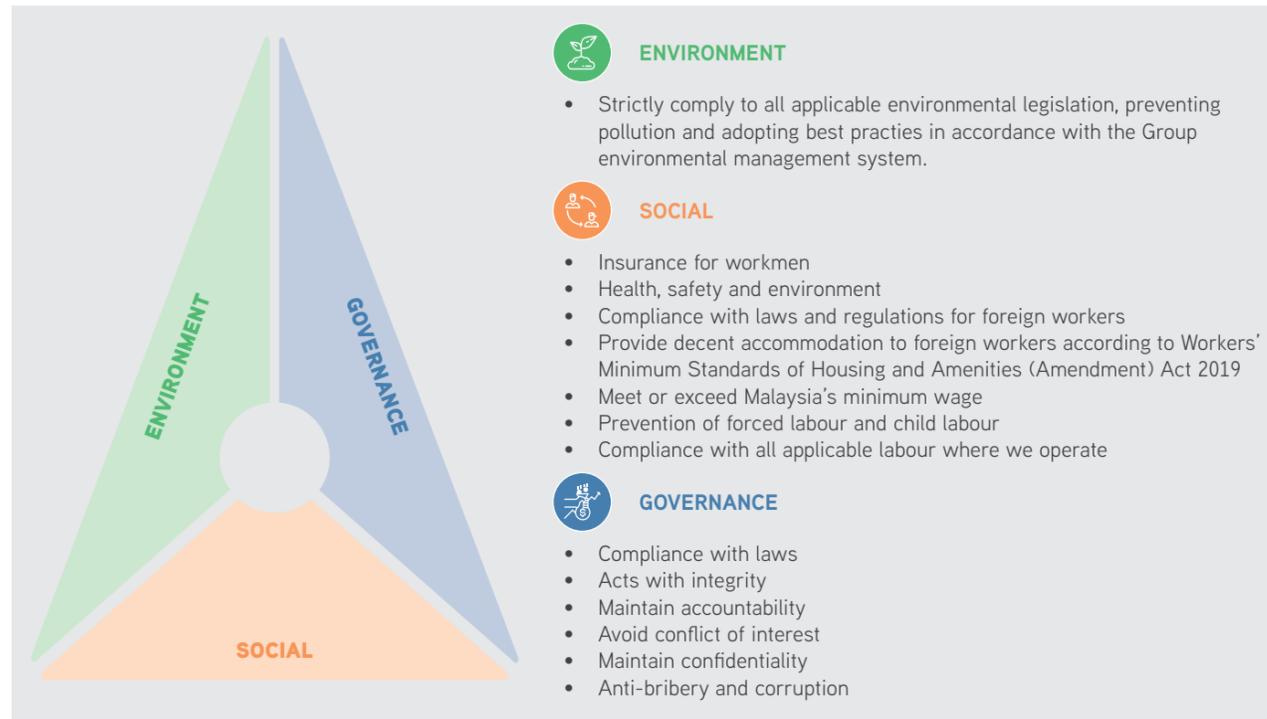
To manage this, all vendors, suppliers and contractors are required to go through a structured pre-qualification process and sign a service level agreement. In addition, our GQM has a dedicated team to perform monthly audits for all project sites to ensure our contractors' adherence to these applicable laws and regulations. All contractors also required to submit monthly progress reports to S P Setia, including health and safety and environmental matters for monitoring.

Rising business associates' awareness of the importance of the environmental and social aspects of sustainability is important to S P Setia to keep moving forward in our sustainability journey. S P Setia is committed to engaging with our business associates and partners to raise awareness and increase education on sustainability through briefings prior to the commencement of work, regular meetings with the construction teams, submission of progress reports to S P Setia and Chief Executive Officer ("CEO") / Chief Operating Officer ("COO") dialogues.

SUSTAINABILITY STATEMENT

Vendor Selection and Assessment

We have stringent tender processes and annual performance evaluation for contractors in place. Whilst we value the quality, pricing, performance and timeliness of deliverables, we place a greater focus on sustainability. The social, environmental and integrity principles are also included as part of the criteria during vendor assessment processes.



Prioritise local procurement

At S P Setia, our fundamental principles are always focused on people and environment. Our suppliers, vendors, contractors, and business associates play an important role within S P Setia's business ecosystem. To support our economy, we prioritise local sourcing of goods and services where the Group's operations are located.

Local procurement enables knowledge and skill development locally and reduces carbon footprint, besides creating job and business opportunities for the locals. Almost 100% of our purchases were sourced locally through local agents, where possible. A very minimal amount of purchases was sourced from overseas suppliers.

D Anti-Bribery and Anti-Corruption

Key activities and initiatives carried out by Integrity & Governance Unit

Organisational Anti-Corruption Plan from year 2021 to 2023	Establishment of SOPs • Donations / Contributions / Sponsorship of external event • Offering and Accepting of Gifts and / or Hospitality	As at 31 December 2021, a total of 4,655 emails were sent to date on awareness on Corporate Liability and compliance to S P Setia Anti-Bribery and Corruption Policy to the registered business associates
628 business associate signed-off the Setia Integrity Pledge	Conducted 17 corruption risk assessment workshops and attended by 178 Team Setia	Provided 26 training hours on Anti-Money Laundering and Personal Data Protection

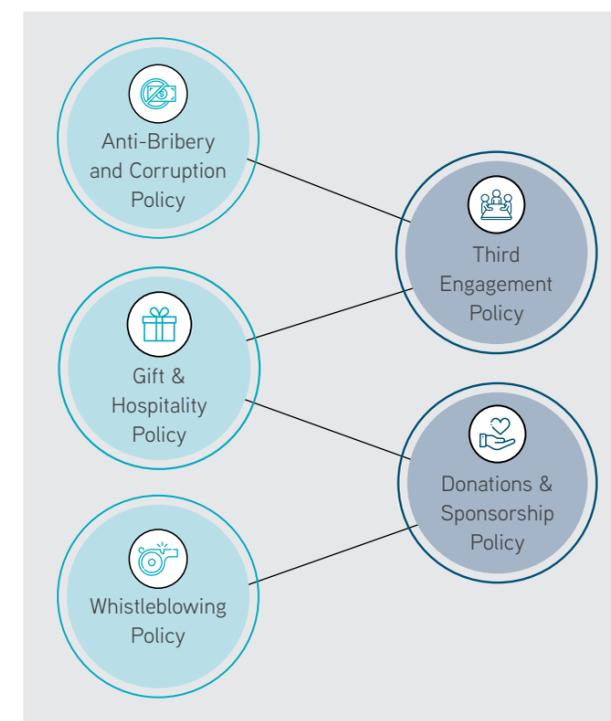
SUSTAINABILITY STATEMENT

Anti-Bribery and Anti-Corruption policies and procedures

S P Setia has zero tolerance towards bribery and corruption as ethics, honesty and integrity are cornerstones of our approach in doing business. We are committed to upholding of the highest ethical standards in our workplace and in all business dealings and relationships. We have in place an Anti-Bribery and Corruption Policy with a defined framework in accordance with Section 17A of the Malaysian Anti-Corruption Commission Act ("MACC") (Amendment 2018) on Corporate Liability. Adequate Procedures initiatives under TRUST principles were planned and implemented to prevent occurrence of corrupt practices in relation to Setia's business activities. Our Anti-Bribery and Corruption Policy should be read in conjunction with S P Setia's COCBE and the relevant SOPs referred to in this Policy.

As a general rule, Team Setia is not permitted, under any circumstances, to make donations, contributions and prohibited from giving and receiving any form of gifts. However, exceptions can be made in limited circumstances which are outlined clearly in both of our Gifts and Hospitality Policy, and Donations and Sponsorship Policy. SOPs for donations / contributions / sponsorship of external event, and offering and accepting of gifts and / or hospitality have been established as a guide for Team Setia when dealing with donations, gifts and hospitality matters.

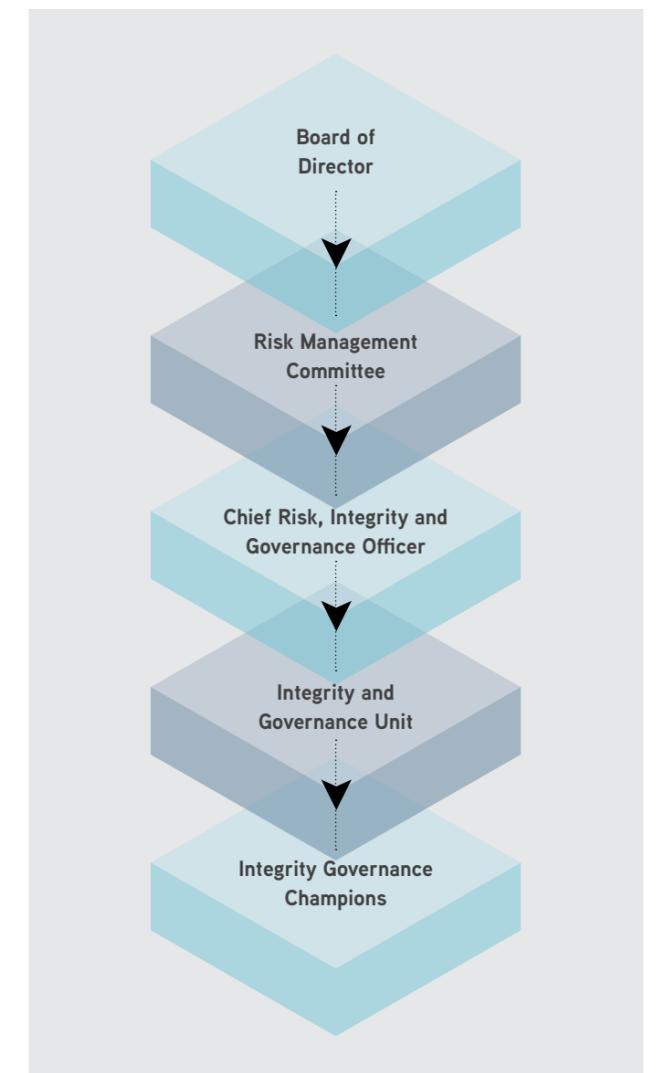
The relevant policies for anti-bribery and corruptions are published in the Group's website, accessible at <https://spsetia.com/en-us/corporate-governance/corporate-governance-home>. We have also extended the relevant policies to overseas operations including Singapore, Japan, Australia and Vietnam in year 2021.



Anti-Bribery and Anti-Corruption Governance Structure

The Board continues to lead S P Setia's anti-bribery and corruption efforts and has the overall responsibility of ensuring the policy complies with S P Setia's legal and ethical obligations. An Integrity and Governance Unit ("IGU") has been established to implement and oversee the effectiveness of anti-bribery and corruption efforts.

The IGU consists of qualified Certified Integrity Officer ("CeIO") and team members to assist in performing complaint management, detection and verification, strengthening of integrity and governance functions. The IGU is led by the Chief Risk, Integrity and Governance Officer who subsequently report to Risk Management Committee. 40 Integrity Governance Champions ("IGC") were appointed to assist IGU on all integrity and governance matters including corporate liability, at the respective business and support units. The scheduled training and briefing sessions were successfully carried out to meet its objectives, in addition to facilitating the collation of relevant data and information, as and when required.





Integrity Roadshow with Sabah Aeropod's Business Associate in Kota Kinabalu (12 - 15 Dec 2021)

Anti-Bribery and Anti-Corruption training and awareness

S P Setia rolled out the Setia Integrity Roadshows designed to raise awareness among business associates focusing on the impact of the corporate liability environment and Setia's integrity policies inclusive of the COCBE. In FY2021, we continued to conduct Setia Integrity Roadshows for the remaining and newcomers of Team Setia, with a total of 60 Team Setia who had signed-off the individual Corruption-Free Pledge. To inculcate high integrity values, we provided 26 training hours on Anti-Money Laundering and Personal Data Protection to Team Setia. We conducted 17 corruption risk assessment workshops; attended by 178 participants as part of our continuous efforts to increase awareness amongst Team Setia. In the early stages of corporate liability enforcement, we sent out a total of 4,655 emails on awareness of Corporate Liability and compliance to S P Setia's Anti-Bribery and Corruption Policy to our business associates as at 31 December 2021.



IGU visit to Jabatan Integriti, Dewan Bandaraya Kuala Lumpur, October 2021

Whistleblowing System

Stakeholders are encouraged to report any suspected violation of the S P Setia's policies, COCBE and breach of law and regulations via the whistleblowing system. The Whistleblowing Policy was developed to provide a structured reporting channel and set out the whistleblowing measure which is accessible in our company website. Various whistleblowing channels are provided such as through the whistleblowing e-form, email to "igu@spsetia.com" igu@spsetia.com, by phone via dedicated number, walk-in / appointment to IGU / Risk Management Committee Chairman and writing to Chairman of RMC / IGU.

Through our whistleblowing system, the whistleblower's identity will be accorded with protection of strict confidentiality unless otherwise required by law or for the purposes of any actions by or against the Group.



Integrity Roadshow with Sabah Aeropod's Business Associate in Kota Kinabalu (12 - 15 Dec 2021)

Organisational Anti-Corruption Plan

We established S P Setia's OACP from year 2021 to 2023 in support of the National Anti-Corruption Plan agenda, published in year 2019. The objective of OACP is to inculcate a culture of high integrity by providing directions through a structured framework on corruption prevention for Team Setia's adoption in its effort to combat corrupt practices. In our OACP, we have identified seven (7) key risk areas, strategies and action plan which require efforts and commitments from all Team Setia to implement. The monitoring and evaluation structure of OACP has been established to ensure the success of OACP in moving towards becoming a corruption-free organisation.

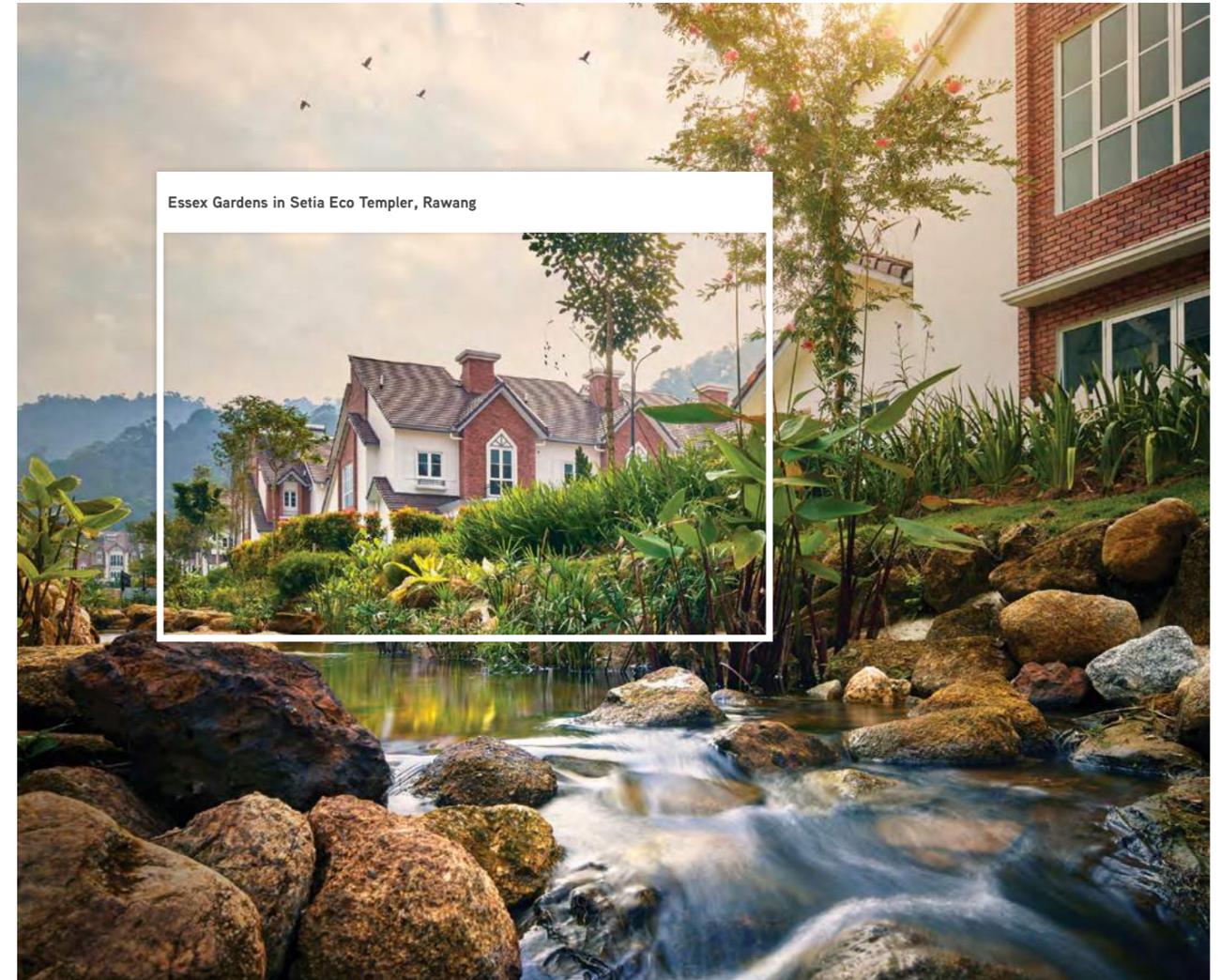


IGU visit to Unit Integriti, Dewan Bandaraya Iskandar Puteri, Johor Bahru, December 2021

In FY2021, the IGU received a total of 11 complaints reported through the whistleblowing system. Six (6) of the cases were related to allegations against staff while the remaining complaints were from purchasers which were dealt with by the business units accordingly. Related internal investigations were conducted in response to the allegations. For proven cases, actions were taken against the parties concerned.

The Whistleblowing Process has been enhanced to include the establishment of a 'Whistleblowing Panel' ("WB Panel") which consists of members of the Risk Management Committee who will evaluate the complaints received. The WB Panel will then provide guidance and recommendations to the Board on the next course of action.

Details of other Integrity & Governance initiatives conducted in FY2021 are described in Statement of Risk Management & Internal Control ("SORMIC") page 195 to 204.



ENVIRONMENTAL

We believe in protecting the environment as we develop and grow our business. Our aim is to continue developing projects with sustainability in mind and promote innovative solutions to drive sustainability without compromising lifestyles.

SUSTAINABILITY STATEMENT

Environmental issues such as emission and climate change, resources constraint and biodiversity are material topics to S P Setia Group. The Group seeks to prevent negative impacts on the environment, or at least, manage or reduce those impacts by adopting best practices in environmental standards and implementing environmental-friendly business strategies and processes. These include exploring renewable energy for our property development projects, implementing comprehensive planning and green concepts on our townships, and using sustainable materials and construction methods.

Our dedicated GQM oversees the Group's environmental compliance monitoring and appoints Health, Safety and Environmental ("HSE") Officer under each BU to monitor our contractors to ensure compliance with environmental laws and regulations. The management of environmental aspects is guided by our HSE policy and is certified by ISO 14001:2015 Environmental Management System.

Activities and processes are carried out to ensure adherence to laws, regulation and guidelines issued by Department of Environment ("DOE"), these activities include:

- 1 Bi-weekly audits at project sites to monitor and audit our contractors, focusing on construction waste management, noise pollution, air pollution and effluent management;
- 2 Establish emergency response plan;
- 3 Conduct Environmental Impact Assessment ("EIA");
- 4 Environmental management plan; and
- 5 Health, safety and environmental inspection checklist.

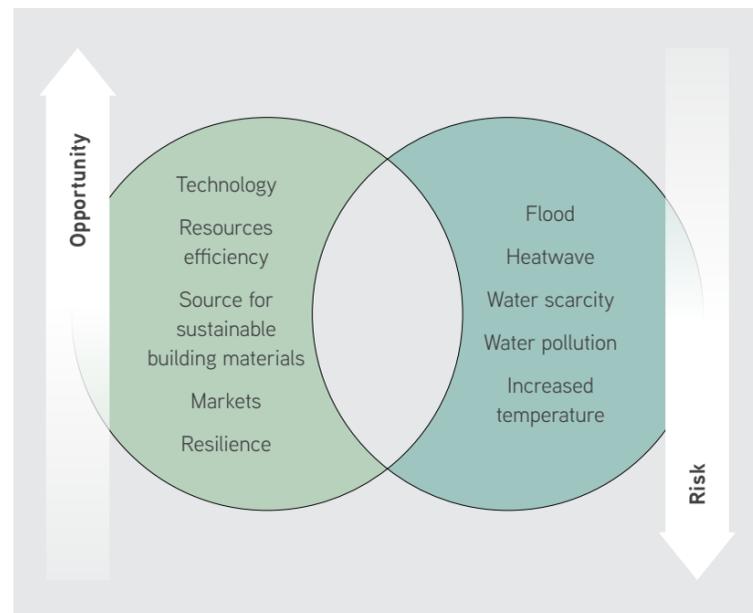
The Group did not violate any environmental laws and regulations and has not been penalised or fined for any major environmental violation in financial year ended 31 December 2021.

A Climate Change

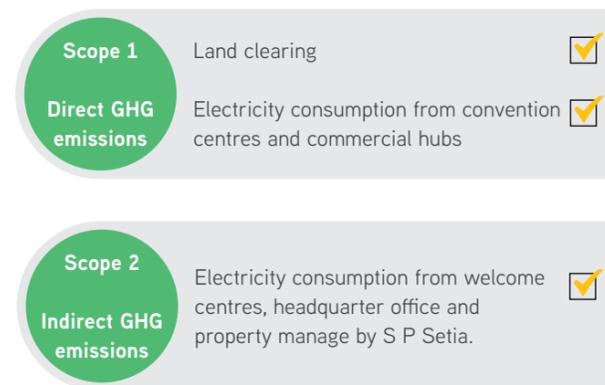
Global average temperatures are on the rise and predicted to exceed 3°C this century and catastrophic consequences are already setting in across the world with extreme variation in weather patterns. The concentration of GHG emissions in the atmosphere is wreaking havoc across the world and threatening lives, economies, health and food. According to the United Nation ("UN") Global Compact Network Malaysia & Brunei, the building and construction industry ("BCI") is complicit in the threat of climate crisis, emitting carbon dioxide gas through greenfield development, material production and the use of fossil fuels. The BCI is responsible for 40% of global energy use, 25% of global water and 40% of global resources emitted to the atmosphere of 1 / 3 of the world's GHG.

In alignment with the Paris Agreement agenda, Malaysia has committed to its own NDC, which aims to reduce GHG emission intensity of GDP by 45% by 2030 relative to the emissions intensity of GDP in 2005. This consists of 35% on an unconditional basis and a further 10% conditional upon receipt of climate finance, technology transfer and capacity building from developed countries. Malaysia's NDC is supported by various policies across government ministries.

Climate change has been identified as a key risk in our ERM process. A summary of identified risks is shown in the table below. We collated both risks and opportunities; negative impacts are addressed through existing mitigation, adaptation processes and continuous management, whilst identified opportunities are expanded through product and technology innovation.



The Group remains conscious of how its own business operations, primarily through resources consumption and the production of emissions and waste, directly or indirectly contribute to climate change. Under S P Setia business activities, the main source of GHG emissions is land clearing to build properties and electricity consumption from convention centres and commercial hubs whereas indirect GHG emissions derive from electricity consumption from welcome centres, our headquarter and properties managed by S P Setia. Activities that generate GHG emissions have been identified for Scope 1 and Scope 2.



We initiated our carbon reduction initiatives in the FY2021 and we are establishing processes to collect carbon emission data, identifying our carbon reduction objectives and setting targets for carbon emission reduction. These efforts will take time as we evaluate available carbon emission standards and frameworks. Appropriate disclosures will be included in our future sustainability reporting on carbon reduction initiatives.

Nevertheless, climate risk and opportunities are unavoidable in our business operations and S P Setia is committed to addressing climate change through sustainable and smart development initiatives from energy and water efficiency to technology innovation, in our projects and townships such as installation of rainwater harvesting systems, use of energy-efficient lightings, installation of solar water heater systems and refurbishment of parks for biodiversity protection.

B Energy and Water

Energy efficiency

Electricity is our key energy source to run our business operations and commercial hubs. As such, we recognise that electricity consumption is one of the key contributors of our GHG emissions. S P Setia is committed to managing energy efficiency in aligning with the UNSDGs. We continue to undertake various energy savings initiatives across of our projects including efficient lighting designs, use of energy savings lightings, renewable energy and more.

Efficient lighting is considered during project design to enable more natural daylight into buildings and allowing the natural environment to flow through the buildings, maximising the natural cooling effects. This is carried out based on sun path analysis through passive design. High-performance double-glazed windows and louvres are used, not only to reduce heat gain, but also to encourage the use of natural daylight to illuminate the buildings.

LED technology has many additional advantages over incandescent, fluorescents and compact fluorescent lamps and lighting devices. LED lightings are well known for its lower energy consumption and ability to improve environmental performance. This have led to more organisations and commercial properties installing it with the expectation for better lighting and to reduce electricity consumption. Throughout the Group, installation of LED lightings across our projects covered clubhouses, public areas and commercial properties. During year 2021, 4,556 additional LED lightings were installed for new projects and welcome centres, including Setia Eco Templer, Setia EcoHill, Setia Eco Glades, Setia Eco Park, Setia Seraya, Setia Trio, Alam Impian, Temasya Glenmarie, Setia Warisan Tropika and Setia City Convention Centre.

We leverage on technology innovation through smart concepts on lightings and air-conditioning system to increase energy efficiency. Smart lightings and air-conditioning systems enable control of lighting system using Internet of Things ("IoT"), sensors, remote access and automation. Our eco-series project – Setia Eco Glades replaced 4 units of conventional street lightings to smart lightings. In Setia Fontaines, we installed smart air-conditioning system in NusaCinta Show Village where air-conditioning operation can be controlled via mobile application. Leveraging on smart technology is expected in energy savings.

SUSTAINABILITY STATEMENT

SUSTAINABILITY STATEMENT

Renewable energy

S P Setia incorporates renewable energy in its projects to reduce carbon emissions. Installation of solar panels has evolved in S P Setia from solar water heater systems to electricity generation over the past 3 years. S P Setia completed solar panel installation at the following sites:

» Setia EcoHill Walk @ Setia EcoHill



Facts about solar panel

- Known as first solar hybrid commercial hub in Semenyih.
- Installation of 156 units of solar panel on rooftop.
- Total energy generation at 70.2 kilowatt.
- Estimated savings of RM31,200 in a year.
- Completed on 30 August 2021.

» D'Network @ Setia Eco Park



Facts about solar panel

- Known as World's First Solar Powered Hybrid Food and Beverage Hub and Symphony of Sustainability.
- Installation of solar panels on the roofs of the entire carpark and main building.
- Total energy generation at 207kWp.
- D'network is able to run on 100% solar power alone.
- Completed in year 2020.

» Setia SPICE Convention Centre



Facts about solar panel

- The first hybrid solar powered Convention Centre in the world.
- Also known as Biggest Solar Farm in Penang.
- Total energy generation at 700kWp.
- 834 MW/h (FY 2020: 893 MW/h) produced and sold to Tenaga Nasional Berhad ("TNB").
- 59% of savings on electricity bills.
- Completed in year 2016.

» Setia City Convention Centre



Facts about solar panel

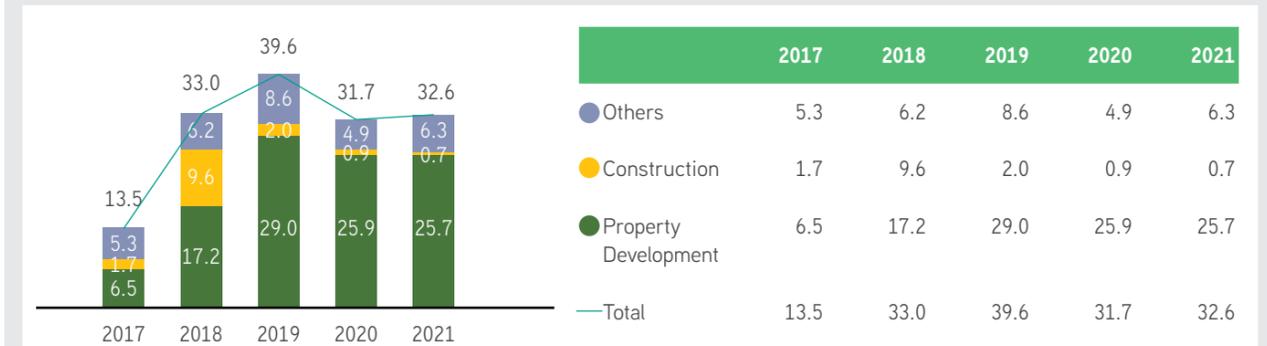
- Installation of solar panel for water heater system.
- Generate 1% of the building monthly power consumption.
- Operated since year 2012.

SUSTAINABILITY STATEMENT

Energy consumption performance

In FY2021, our electricity consumption increased slightly by 3% as compared to FY2020. Despite several lockdowns resulting in intermittent office closures and many of our staff working from home ("WFH") and construction sites operating based on allowed operating hours, our convention centres, which operated as vaccination centres, saw an increase in electricity consumption. The Group consumed a total of 32.6 MW/h in FY2021, somewhat constant as compared with FY2020 with a total consumption of 31.7 MW/h.

S P Setia Group Electricity Consumption (in MW/h)

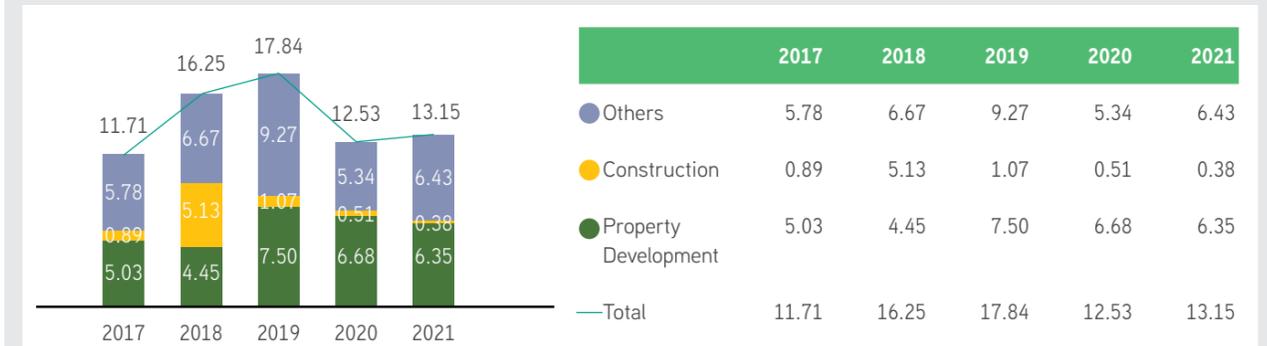


Note: The electricity consumption data in November and December 2020 are adjusted to the actual readings. Estimation of electricity consumption for November and December 2021 were given by certain business units.

As compared amongst the business segment, electricity consumption slightly reduced by 1% in property development whilst 26% of electricity consumption reduction was observed in the construction sector. This reduction, however, was offset by an increase of 29% in Other sectors arising from the utilisation of our convention centres as vaccination centres to assist the Malaysian government in implementing the National Covid-19 Immunisation Programme.

Our energy intensity consolidated at group level in FY2021 is 13.15 kW/h per m². A slight increase of 1% as compared to the previous year. For each of the business segments, energy intensity is decreased in property development and construction sectors by 5% and 26% respectively because the sales gallery and welcome centres were closed due to lockdowns. The energy intensity increased by 20% in Other sectors.

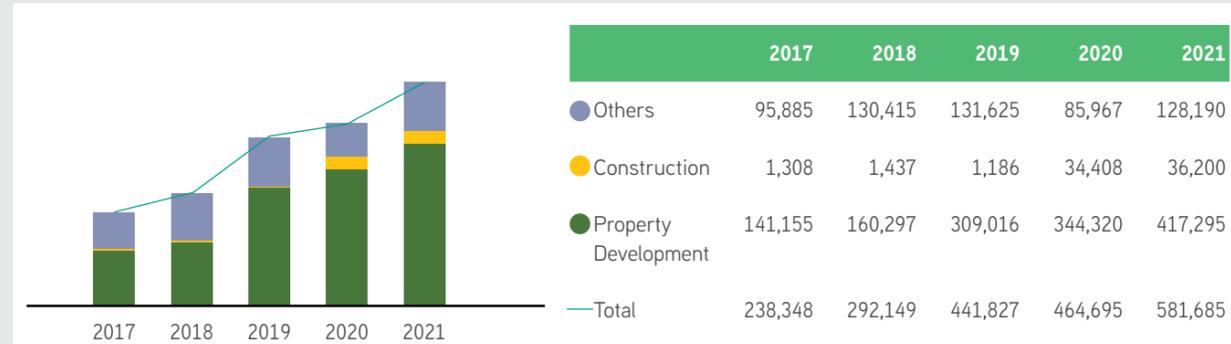
S P Setia Group Energy Intensity Ratio (kW/h over m²)



SUSTAINABILITY STATEMENT

Water Efficiency and Consumption

S P Setia Group Water Consumption (in m³)

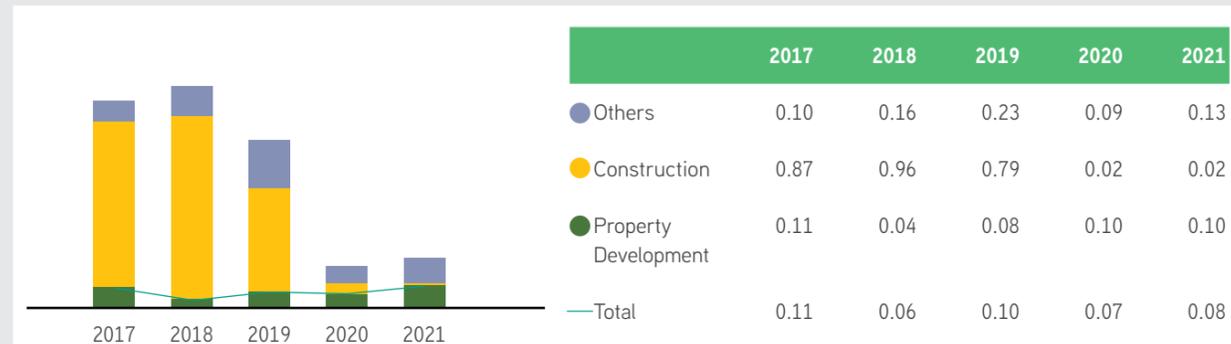


Note: The water consumption data has been revised to include actual readings for the month of November and December Year 2020 and estimation for November and December 2021.

Our objective has always been to minimise the use of water resources. Water consumption in its actual measurement in m³ has been increasing in line with the number of property projects, commercial properties under management, our clubhouses and offices that we manage.

Water consumption was on an upward trend from FY2017 to FY2021 and increased by 25% in FY2021 as compared to FY2020. All business segments experienced increased water consumption by 21%, 5% and 49% for Property Development, Construction and Others sectors respectively.

S P Setia Group Water Intensity (m³ over m²)



Our measurement on water efficiency – water intensity ratio in FY2021 is 0.08 m³ per gross floor area, which was an increase of 14% as compared to FY2020 at 0.07m³ per gross floor area. Water intensity ratios increased across all business segments by 9%, 5% and 41% for Property Development, Construction and Others sectors respectively.

The increase in both water consumption and water intensity ratio was a consequent of S P Setia's participation in the National COVID-19 Vaccination Programme as our clubhouses in Setia Eco Templer and Setia EcoHill, and convention centres served as vaccination centres.

SUSTAINABILITY STATEMENT

Smart and Sustainable Development in our projects

At S P Setia, we create communities by shaping our building environment, customised based on the latest trends in design, technology and customer imperatives, as well as focusing on sustainability. We have established a TEC – comprising key personnel and representatives from each projects to drive Smart and Sustainable Developments (“SSD”), a subset of Setia Digital Transformative Initiative, across the Group. In our context, SSD is a concept evolving to converge on a natural, comfortable lifestyle using the latest “smart” technology and the continuation of this lifestyle via a “sustainable model”.

TEC is guided by six (6) pillars under SSD framework, comprising our innovation approaches which include research and development on new technologies, identifying latest sustainability initiatives and smart innovation in the property construction and project development industry. These six (6) pillars are:



SUSTAINABILITY STATEMENT

i. Energy and water efficiency features

S P Setia champions the sustainability cause not only to help create a more sustainable future, but also to provide value to our property buyers. Many of our projects incorporate energy and water efficiency features for both residential and commercial properties, and generally, in our townships. These features include LED lightings, motion sensors, solar heater system, dual flush toilet system, EV charger station.

Rainwater harvesting systems are installed in residential and commercial properties, such as Setia Eco Templer, Setia Eco Glades, Setia Alamsari, Temasya Glenmarie, Setia Alam Impian, Bandar Kinrara, KL Eco City, Setia Fontaines, Bukit Indah, Setia Eco Gardens and Setia International Vietnam, Setia City Convention Centre and SPICE Convention Centre. Rainwater is collected and channelled via a rainwater downpipe and stored in a concealed tank within the building compound. The stored rainwater can be reused for outdoor purposes from watering plants to washing cars, indirectly reducing water consumption.

S P Setia demonstrates its environmental commitment to public by taking the initiative to provide EV charger stations for customers. A total of 13 EV charger stations have been installed at Setia Eco Templer Clubhouse, Setia Alam Welcome Centre, Setia Eco Glades Sales Gallery, Lifestyle Hub @ Setia Eco Park, TrioWalk @ Setia Trio, convention centres and S P Setia HQ building.

Energy efficiency features are considered across our projects. These include LED lightings, efficient lighting design and better insulated building envelope to reduce indoor heat, which minimises the use of air conditioners.

Every project is unique and has its own distinct features. Most of our projects are equipped with sanitary wares and fittings with a 3-star Water Efficiency Product Labeling Scheme ("WEPLS") by SPAN. According to United States Environmental Protection Agency, toilets consume the largest amount of water in any home, using about 30% of the household's water consumption. Dual flush toilets are included in our projects to encourage our home buyers and commercial users to lessen water usage.

ii. Indoor Environment Quality

Indoor air pollution occurs from inadequate ventilation preventing indoor air pollutants from circulating out and building materials that release dangerous levels of pollutant indoor. Pollutant concentrations can remain in the air for long periods after some activities and affect human health in the long term.

We improve indoor environment quality at our developments by using eco-friendly construction materials in our eco-series projects such as Setia Trio, Setia Seraya, Bukit Indah and Setia Eco Gardens. Eco-friendly construction materials include low Volatile Organic Compound ("VOC") paint, tempered glass, bluescope metal steel roof, asbestos-free cellulose fibre cement board, reinforced wall panel and eco-label tiles.

C Biodiversity

Land is an essential input to property development industry for urban development. Urban development not only causes air and water pollution, but also large variation in stream flow and temperatures resulting in climate change. Habitat destruction, fragmentation and alteration associated with urban development have been identified as the leading causes of biodiversity decline. Therefore, we are committed to minimising these impacts by conducting EIA on existing and new projects when required.

The Group implements building site plans and tree planting planning in its property development and urban development activities, considering not only the comfort of customers and local residents, but also the surrounding environment and ecosystems. Our commitment towards sustainability and conserving environment are evident in our townships particularly in Bandar Setia Alam, Eco-series townships, Setia Alam Impian, Setia Fontaines and upcoming development in Setia Warisan Tropika.

In year 2021, S P Setia also engaged an ecologist to study the ecological aspects for Setia Bayuemas Lake Park to improve its ecosystem and landscape and create long-term sustainability. The purpose of the ecological study is to understand the physical landscape condition, water quality, aquatic species, bird species, rainfall and biodiversity target. This ecological study provided an overall overview on its natural advantages as well as the improvements needed on the landscape features in Setia Bayuemas and in the design and rehabilitation of the lake park. The ecological study revealed there were 49 species of birds and 36 species of fishes living at the edge, wetland and open area and identified the best location of pest biological control habitat enrichment for fishes and birds, and plants such as *tabebuia chrysantha*, *synzgium gratum*, *ruellia simplex*, *althanatera red*, *calliandra emarginata* and *leporonia articulata* to attract birds, insects and fishes. The results of ecological studies are used as a guideline for landscape development and township planning for Setia Bayuemas.

Setia Fontaines is Setia's first township in the north, spanning 1,691 acres mega township masterfully planned for a good life. A 100-acre Heritage Park featuring an iconic lake and jogging and cycling tracks was completed in June 2021.

Bandar Setia Alam is S P Setia's first flagship township Shah Alam which is home to more than 60,000 residents. Bandar Setia Alam offers the community a balanced lifestyle with its park, multifaceted landscaping, good security and an array of amenities set within a harmonious environment. More than 400 acres of green areas are dedicated for parks, narrow and linear park and pocket gardens. The park has three (3) sections to cater for the various needs of the community:

Energetic Park has facilities for those who enjoy physical activities, Nature Park invites appreciation of the natural vegetation; and the Amphitheatre is ideal for communal and social activities.



Heritage Park, Setia Fontaines, Penang



South Creek Park, Setia EcoHill 2, Semenyih

Looking at our eco-series township: Setia Eco Park, Setia Eco Glades, Setia Eco Templer and Setia EcoHill, these townships are well designed with S P Setia's eco-philosophy DNA. Each Eco-series township are situated at different environment conditions ranging from Setia Eco Park which is located near the forest park to Setia Eco Glades within wetlands, Setia Eco Templer within an environmentally-sensitive area and Setia EcoHill located around natural terrain. Each township is designed to magnify its environmental conditions to bring out the best of its feature and at the same time conserve the environment and optimise land use. The following are key environment features of the eco-series townships.

» Setia Eco Park



- 56 acres of forest park that provide the community to enjoy jungle trekking, eco-discovery walks and panoramic views from an observation tower.
- 94 acres of land is dedicated to waterways, lakes and creeks all around Setia Eco Park.
- Island within the lake serves as nesting ground for beautiful birds.

» Setia Eco Glades



- Masterplan design was conceptualised based on GBI certification criteria.
- Contains many different habitats within its parklands and canals, which are ideal for creating and sustaining mini-ecosystem for native flora and fauna.

» Setia Eco Templer



- Surrounded by lush greeneries with air temperature that is one to two degree Celsius lower than in the city centre.
- The Templer Park and Kanching rain forest reserve provide home to various flora and fauna co-existing in harmony since the beginning of time.

» Setia EcoHill and Setia EcoHill 2



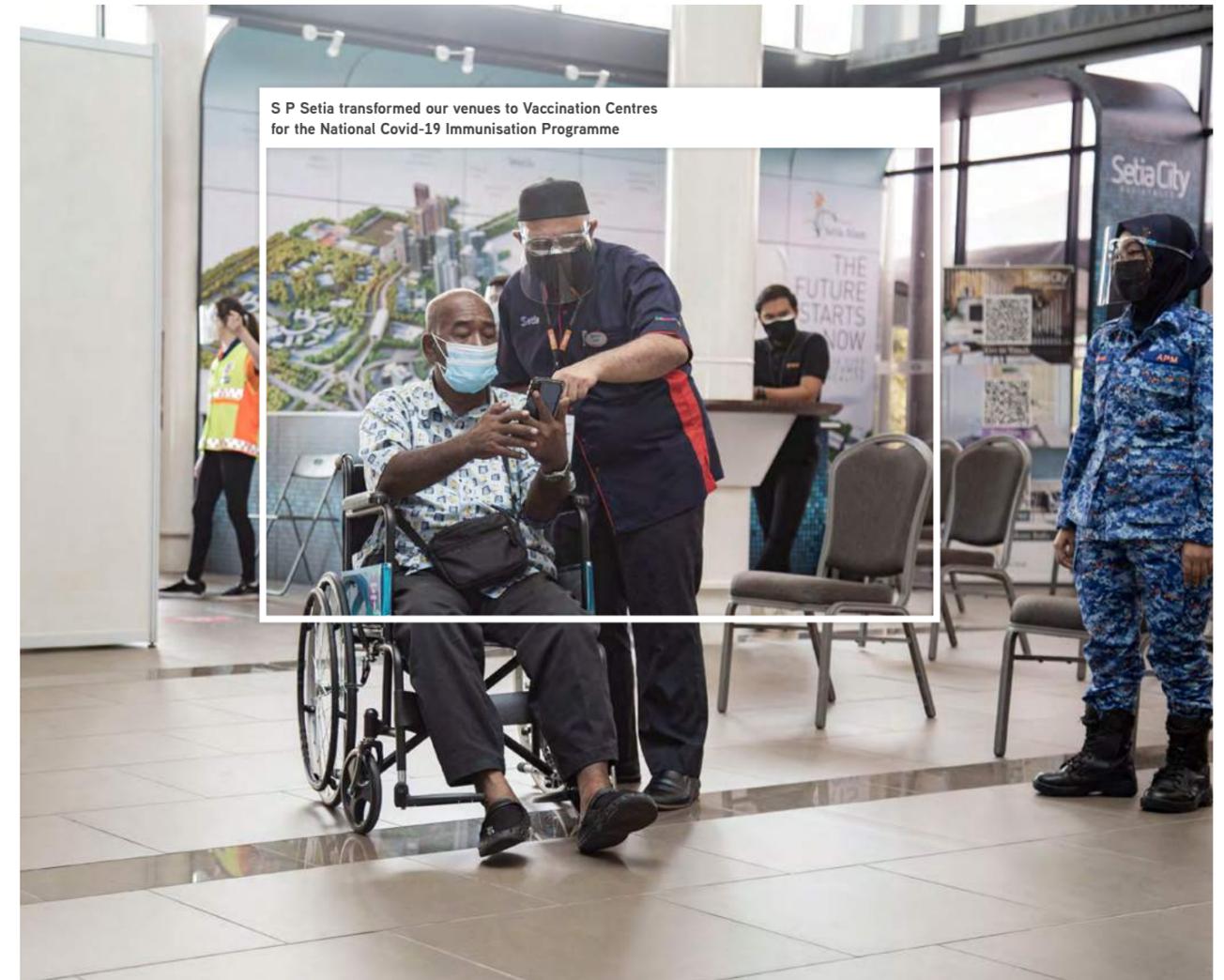
- Designed with greenery hills, brooks and parklands around the natural terrain.
- 198 acres has been dedicated to parklands, grasses waving in the breeze symbolises the township's Live Green! philosophy.
- Adventure park was formerly an oil palm and rubber estate, now revitalised into Malaysia's first residential mountain biking park amidst nature.

Reducing urban heat island effect

Cities replace natural land cover with dense concentrations of pavement, buildings and open spaces which trapped heat and transforming these structures into island of heat. This effect increases energy costs, air pollution levels, danger to aquatic systems and discomfort to human health.

To reduce heat island effect, analysis of cross ventilation air-flow was conducted throughout the project development phase to identify and mitigate stagnant hotspots. This was made possible with computer stimulation through buildings and landscape modelling. Provision of green landscape that complies with or surpass the regulatory requirements in our projects helps reduce heat island effect and lower ambient temperatures to the surrounding environment. During construction and site planning stages, we minimise felling and focus on the conservation of trees – relocating existing trees on site and restoration of existing trees for all our projects. As at 31 December 2021, a total 347,512 trees were planted and transplanted across 25 business units.

Having said that, our Eco-series projects and new townships such as Setia Fontaines, Setia AlamImpian, Setia Bayuemas and Setia Warisan Tropika are planned and designed based on a philosophy of revitalising and sustaining eco-friendly landscapes. Public spaces are provided with gardens, pocket parks, bluescapes, water way, to promote biodiversity and improve the ecosystem within the project area.



S P Setia transformed our venues to Vaccination Centres for the National Covid-19 Immunisation Programme

 SOCIAL

As a socially responsible organisation, the Group undertakes numerous initiatives to enrich and benefit our Team Setia and other stakeholders including customers, communities and the public.

SUSTAINABILITY STATEMENT

A Human Capital

Diversity and Inclusion

We strongly hold on to our values of SETIA's work ethics and Team Setia; where we embrace the diversity of the various races, gender, religions, ages, socio-economic groups and culture, enhancing productivity through teamwork, respect and support for one another, and unifying the diverse groups for better equality and work quality. We have maintained our enthusiasm to support diversity and inclusion through the continuity of our signature programmes under our Women Network, Women of Inspiration ("WiN") which magnifies our efforts including the pledge for 2021 UN Women Asia Pacific Women's Empowerment Principles ("WEPs") and 30% Club Malaysia.

Human Resources Excellence Award 2021

Our utmost effort on women empowerment, diversity and inclusion at the workplace has been acknowledged and recognised with a gold award at the HR Excellence Awards 2021, under the category of Excellence in Women Empowerment Strategy. Winning the gold award demonstrates our Team Setia's commitment in supporting and developing a safe working space that allows female empowerment, promotion of women in key management positions and room for flexibility to accommodate women's needs.



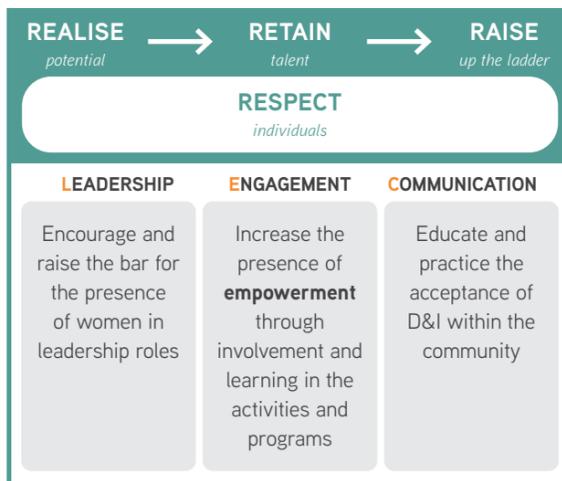
Gold Winner for Excellence in Women Empowerment Strategy at HR Excellence Award 2021

Leadership and top management support is one of the critical success factors that contributes to the success of the programmes and activities conducted by WiN. The WiN network structure is driven by the support of an advisor from the Board of Director, sponsored by the CEO, chaired by our COO and operated throughout the Group by a Committee of diversity advocates ("DiVas") who are nominated based on corporate seniority, ethnicity, tenure in the company, age, personality, and passion for Women and Leadership. These DiVas are given the mandate to be an advocate of Women and Leadership, championing the rolling out of initiatives that are focused on achieving the 4Rs and to be the resource centre in sharing best practices in the market.

Throughout the year 2021, we conducted several activities and programmes in embracing diversity & inclusion, including Circle of Respect ("CORe"), Women4Women, Intimate Virtual WiN Circles ("iVWCs") and Virtual Exchange Theatre.

Women of Inspiration ("WiN")

Since the launch in the year 2017, our Team Setia have persistently thrived for women empowerment in Setia by ensuring the development of a sustainable talent pipeline for our female workforce through a variety of programmes and activities conducted under the WiN initiatives. These initiatives hold focus to four areas ("4Rs") and the 3 pillars of Leadership, Engagement and Communication as fundamentals to form women network and achieve the objectives of WiN.



The 4Rs comprises of the following:

- **Realise** – the potential of every female talent through our development initiatives and by presenting a great value proposition on our Employer Value Proposition to attract the best talent in the market;
- **Retain** – our female talent pool within the Setia group by providing the right level of work environment which will support both their career aspirations and personal growth;
- **Raise** – the ladder by accelerating female representation in middle and senior management positions; and
- **Respect** – others as unique individuals; everyone has their own views and preferences in everything they do. By respecting others, we create an inclusive environment that encourages collaboration, support, and a safe space to grow.

SUSTAINABILITY STATEMENT

As part of the **Leadership** pillar, the CORe and Women4Women programmes were launched to raise the bar for the presence of women in leadership roles through a mentoring programme. The CORe programme is a series of group mentoring sessions led by external and internal mentors. The aim of this programme is to promote awareness on the topic of Diversity and Inclusion and embrace it within the Setia Community. Two (2) sessions were conducted in the year 2021, which was open to all Team Setia to participate including men. Our inaugural session was conducted in March 2021 with the main focus area of #choosetochallenge and the second session was conducted in September 2021 focusing on the foundation of respect and unconscious bias.

Circle of Respect ("CORe")		
March 2021 (International Women's Day)	Second Session September 2021	
#choosetochallenge	Foundation of Respect	Unconscious Bias
<p>A conversation on:</p> <ul style="list-style-type: none"> • People development and what can we do about it • Embracing the diversity & Inclusion culture • Building the mindset as the workforce for the future 	<p>A conversation on:</p> <ul style="list-style-type: none"> • The meaning of respect • How to cultivate the foundation of respect • Learning to accept people for who they are 	<p>A conversation on:</p> <ul style="list-style-type: none"> • The meaning of bias • How to recognise it when it happens • Embracing diversity and learn what it means

Our ongoing annual Women4Women mentoring programme was introduced in 2018. In the year 2021, our focus was to accelerate the personal and professional development of our female talent pool via 1-1 mentoring. Through this programme the mentee will receive guidance, advice and feedback from a mentor who has the experience and wisdom to help the mentee navigate the unknown path and reach their goals. At the same time, the programme serves as a development platform for the mentor to enhance their leadership capability, give courage to step up and "take a seat at the table" with an enhanced level of confidence.

iVWCs is one of the WiN initiatives under the **Engagement** pillar with the main objective of increasing the presence of empowerment through involvement and learning. The programme focuses on building confidence to step up, encouraging our women to #choosetochallenge by knowing when to call out for inequality and celebrate women's achievements.

Three conversation sessions were conducted in 2021, led by the invited guests circle to groom our women to be more confident in stepping into leadership roles.

Intimate Virtual WiN Circles ("iVWCs")		
March 2021 (International Women's Day)	May 2021 (Mother's Day)	November 2021
<p>Circle Lead by: Female C-suite Leader from a National-Level NGO</p> <p>Circle Topic:</p> <ul style="list-style-type: none"> • Building the confidence to speak up 	<p>Circle Lead by: Panel of Mothers in Setia (from different generations and "motherhood" lifecycle)</p> <p>Circle Topic:</p> <ul style="list-style-type: none"> • Where to strike the balance – striving at work and being a good mother / wife / daughter 	<p>Circle Lead by: External CHRO (of a different industry) and a successful female entrepreneur</p> <p>Circle Topic:</p> <ul style="list-style-type: none"> • When is the right time to step into bigger shoes?

SUSTAINABILITY STATEMENT

Under the **Communication** pillar and in conjunction with the celebration of International Women's Day 2021, Team Setia conducted a Virtual Exchange Theatre event in collaboration with KL Shakespeare Play and Cultural Impact. A total of 130 participants, ranging from Board members and senior leaders of Setia attended the programme, with the objective to create awareness on the importance of an inclusive culture and highlight the benefits of diversity in the workplace.



Virtual Exchange Theatre

March 2021

(International Women Day)

Objective 1:

To create awareness on the importance of an inclusive culture

Objective 2:

To highlight the benefits of diversity in the workplace

Event Outcomes:

- Became more aware of the impact of one's own behaviours on others
- The ability to collaborate effectively with colleagues
- Reduced conflicts and misunderstanding
- Having the courage to try new things with colleagues with the intention of creating a better relationship
- Cultivating the practice of self-reflection leading to immediate actionable behavioural change

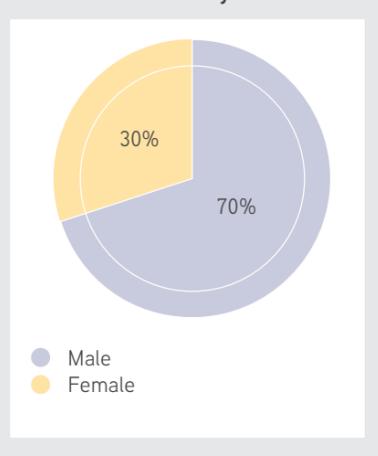
Setia Pledge 2021

In July 2021, we signed up as a signatory to pledge for 2021 UN Women Asia-Pacific WEPs to reflect our commitment towards Diversity, Inclusion and Equity agenda, based on our sustainability charter 'Building Sustainable Communities for All'. As one of the WEPs community, we are committed to creating a respectful working environment, realising the potential of all employees, and raising the number of women in leadership positions. On top of that, we also signed a pledge with 30% Club Malaysia to further demonstrate our commitment to contribute through education and development programmes in enhancing the capabilities of the board-ready women directors. Setia has now evolved from being merely at an awareness phase of women empowerment, to now committing to these pledges.

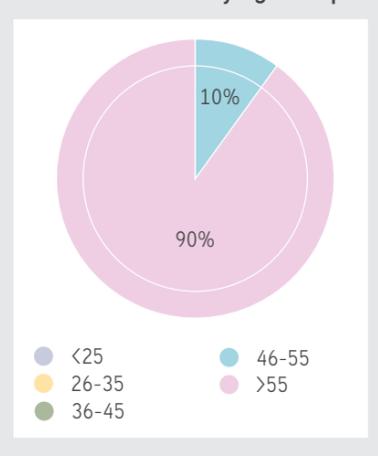
Board of Directors' Profile

The Group is governed by a diverse Board in terms of gender, age group and ethnicity. In the year 2021, the composition of boards of directors by gender and ethnicity remained unchanged from the year 2020. The percentage of the Board by age group has changed to 10% for the age range of 46 to 55 (2020 - 0%) and 90% for the age range more than 55 (2020 - 100%).

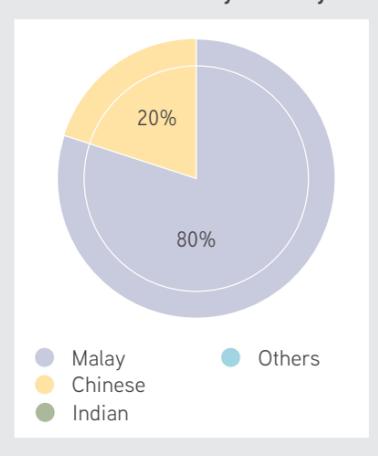
Board of Directors (By Gender)



Board of Directors (By Age Group)



Board of Directors (By Ethnicity)

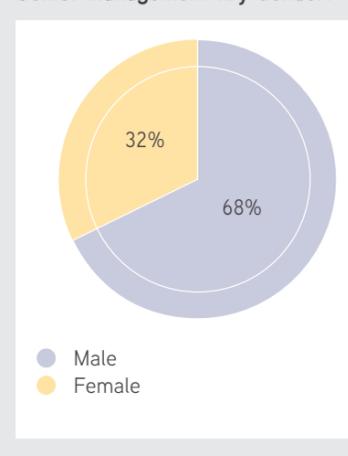


SUSTAINABILITY STATEMENT

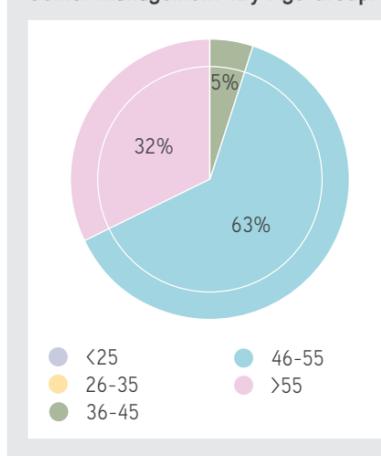
Senior Management Profile

In 2021, the Group was led by a Senior Management team with a composition of 32:68 of female to male employees (2020 - 24:76). Meanwhile, the percentage of senior management by ethnicity has slightly changed to 26% for Malay (2020 - 24%) and 74% for Chinese (2020 - 76%). The percentage of Senior Management by age group ranging from 36 to 45 remained at 5% (2020 - 5%), 63% for age group ranging from 46 to 55 (2020 - 52%) and 32% for age group ranging more than 55 (2020 - 43%).

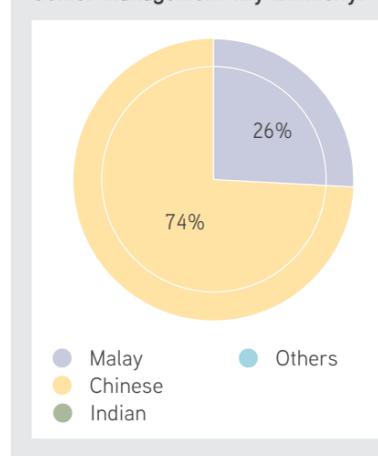
Senior Management (By Gender)



Senior Management (By Age Group)



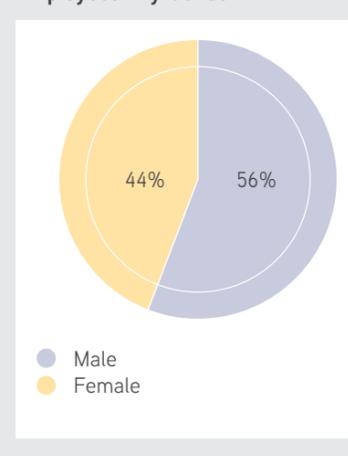
Senior Management (By Ethnicity)



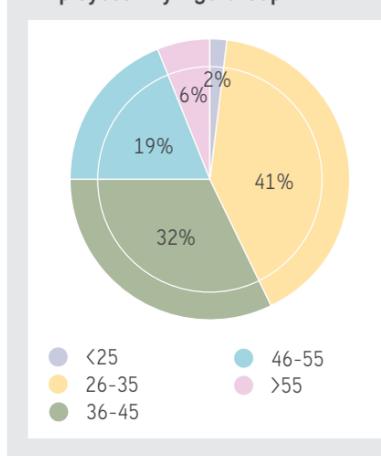
Employee Profile

In the year 2021, S P Setia maintained our female to male ratio at 44:56 (2020 - 43:57). Similarly the percentage of employees by age group remained approximately the same with 2% for age ranging less than 25 (2020 - 3%), 41% for age ranging from 26 to 35 (2020 - 44%), 32% for age ranging from 36 to 45 (2020 - 30%) and 19% for age ranging from 46 to 55 (2020 - 17%). The percentage of employees by ethnicity remained as per 2020.

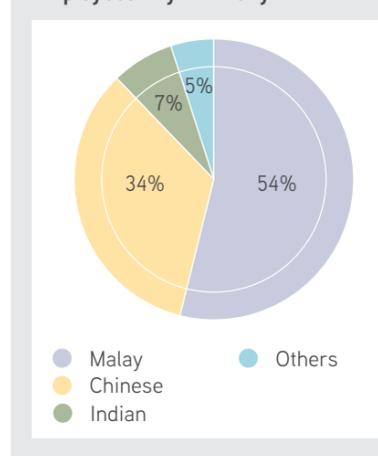
Employees (By Gender)



Employees (By Age Group)



Employees (By Ethnicity)

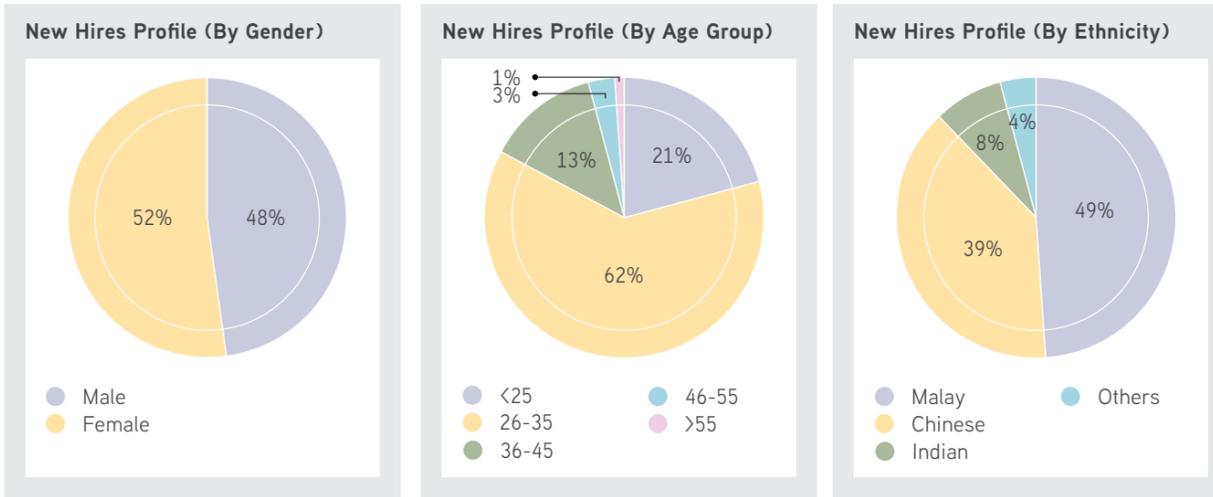


Since the pandemic, there has been a global phenomenon called the "Great Resignation" as employees voluntarily resign from their jobs. S P Setia is looking at this with prudence by implementing numerous initiatives to retain talent. As such, we managed to consistently maintain a single digit of employee turnover rate for the year 2021.

SUSTAINABILITY STATEMENT

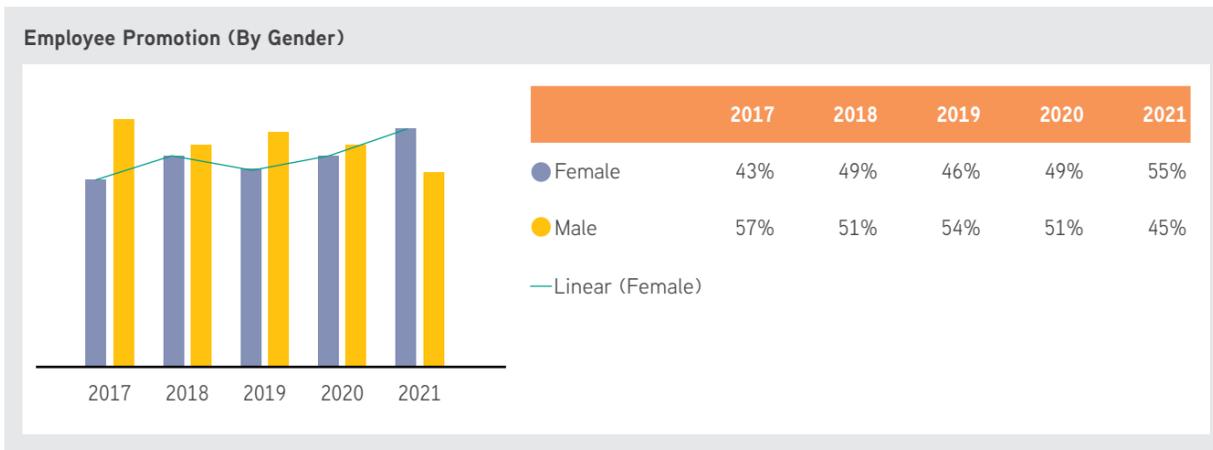
New Hires Profile

S P Setia strives to groom an agile workforce, by continuously developing a sustainable and robust talent pipeline, in retaining and attracting talent. Over the years, we have observed an upward trend of female talent representation in our hiring pool despite the pandemic with the female to male ratio at 52:48 (2020 – 43:57, 2019 – 43:57).



Empowerment of Women

In line with SDG 5 to achieve gender equality and empower all women and girls, S P Setia believes in empowering our female employees. The graph below illustrates an increasing trend of female talent promoted in the company over the years with 2021 having the highest percentage of females promoted at 55% (percentage over the overall promotion for the year).



SUSTAINABILITY STATEMENT

Workplace and Employee Benefits

Employee health is an integral priority and the main factor for workplace productivity. We strive to provide a work culture that nurtures employee health through initiatives to reduce the risk of exposure to COVID-19 and provide financial aid assistance to employees affected by COVID-19. Further elaboration on the COVID-19 assistance programmes can be obtained from the Sustainability Statement on page 136 to 138.

We are dedicated to achieving the Group's mission to be a caring and responsible employer. In 2021, we adopted a hybrid working model, being fluid with workspace and non-restrictive on work locations. We also introduced Smart Casual Fridays to be more practical and applied empathetic management by keeping wellbeing as a priority and allowing those under special categories to work from home (e.g., last trimester of pregnancy / those with young kids or elderly parents requiring attention).

S P Setia believes in cultivating a culture that prioritises employee's wellbeing. We have partnered with Naluri in ensuring that our community and employees are aware on the importance of practising a healthy lifestyle, mentally and physically. Details of the Naluri programme for the year 2021 are highlighted in the Sustainability Statement on page 134.

The Group continuously provides benefits to our employees including annual leave, special leave (such as paternity, study and marriage leave) and monthly meal allowance. Employee Share Option Scheme ("ESOS") and Employee's Share Grant Plan ("ESGP") are also provided at the discretion of the Board as governed by the By-Laws of the Group's Long-Term Incentive Plan ("LTIP"). Further information can be obtained from the Financial Statements at page 210 to 346.

Talent Development & Succession planning

In our effort to be aligned with the Group's vision and mission, it is crucial to have a team with optimum productivity and performance. We continuously enhance Team Setia's capabilities and competencies through our focal talent development strategy by providing relevant training programmes and learning intervention for our employees. In the year 2021, a total of 31,508 training hours was attended by Team Setia with an average of 15.27 training hours per employee. The key training programmes and learning intervention are as described below.

The Page Turners

A lot of work and effort has been taken by our Group to foster the learning and development of our Team Setia and create a sustainable high performance organisation. The Page Turners ("TPT") – Setia's Book Club was officially launched in April 2021 with the vision to build continuous learning and encourage reading, enabling a safe environment where literary discussion can take place in a respectful manner. As one team and one book club family, we go through each session at the same pace, where nobody is left behind. Using a book as a literal example, TPT goes through and turns each page 'together'. We may come from different backgrounds, various levels in the company, different age groups but in TPT, we are equals with one agenda and that is to learn and grow in a safe space, at the same pace.

Throughout the year 2021, 7 sessions of TPT activities were conducted with 81 registered members from junior level group comprising of Senior Executives, Executives and Site Supervisors.

The Page Turners ("TPT")		
Session	Month	Topic
1	April	Official Launch & Article Reading: 10 Ways to Build Self-confidence
2	May	Article Reading: Ikigai
3	June	External Speaker: Turning What you Read into Actionable Tasks
4	July	Article Reading: The Power of Habit 7 Steps to Successful Habit
5	August	Sharing Session: What does Merdeka mean to you?
6	August	Movie Session: The Intern
7	October	Sharing Session: Coffee chat with Naluri's Executive Coach

SUSTAINABILITY STATEMENT

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Setia's Leadership Reimagined

Under Setia's Leadership Reimagined ("SLR") Network, we envision Leaders to reflect 3 key leadership pillars – Communicate Impactfully, Coach to Inspire and Collaborate to Build a winning team. On top of that, we envisage for them to inspire talents in growing and achieving greater development, both personally and professionally.

Network is based on an exclusive network membership concept with a requirement of completing Individual Development Plan ("IDP"), signing up under the Naluri's Digital Coaching Programme, identifying a minimum of two (2) successors and creating a LinkedIn Profile.

The SLR Network comprises of graduates from the Setia Leadership Series programme; a total of three programmes from "Harvard Leadership" for Heads / General Managers, "People4ward" for Senior Managers, and "PeopleXcellence" for Managers. SLR

The programmes conducted by SLR Network held to its vision of building and sustaining a culture of growth where talent can thrive within an open and empowering environment led by inspiring leaders who model the way.

Setia Leadership Reimagined 2021



Thought Leadership Journal

A platform where Setia's Reimagined Leaders will be able to share thought leadership ideas and opinions through journaling, video interviews, etc.



Roundtable Series

A roundtable discussion with notable keynote speakers from industry leaders, CEO, Board; sharing their thought-provoking ideas and views on leadership in this digital era.



Bite-Sized Learning

A short learning session (digitally / online) where leaders will learn new skills and 'sharpen your saw' as a Reimagined Leader.



Digital Coaching

A platform for Setia's Re-magined Leaders to experience coaching via a digital platform for leadership and self-development; at the same time, to practise digital coaching to their own people.

Roundtable Series

In June 2021, we kicked off the Roundtable Series with our very own Y.A.M. Tan Sri Chairman as he shared motivating and humbling stories from his past experiences and knowledge from his career journey of transitioning from Management to Board roles. The session was followed through with our Non-Independent and Non-Executive Director, Dato' Azmi Bin Mohd Ali, who shared on his life-long learning journey and how coaching and nurturing talent has been the centre and core of how he has navigated his career. In November 2021, we had a roundtable with two (2) special guest speakers coming from a background of leading global unicorn companies. In the session, we had a conversation with our guest speaker through a virtual fireside chat about their experience in scaling these global unicorn businesses and how we can apply these learnings in a mature organisation like S P Setia as we navigate our way through digitalisation.

Bite-Size Learning

Three (3) topics were shared through the Bite-Size Learning session. The first topic discussed was on "Managing Change – Motivating Staff in Times of Rapid Change". This provided the opportunity for our leaders to explore how to develop mental resilience within the team, maintain momentum and heighten engagement levels. Secondly, a short learning session was conducted on the topic of "Onboarding Stakeholders while Risks are Ambiguous – Agile Decision Making". In this session, we aspired to explore a researched structured method in an engaging session of meeting of the minds to manage decision making opportunities. The final topic was on "Does the New Norm Demand Heightened Authenticity by Leaders?". Our leaders were able to explore the dimensions of, 'if being themselves means being an authentic leader; understand the characteristic of being an authentic leader; and examine what needs to start, stop and continue this journey of being an authentic leader'.

Digital Coaching

SLR Resilience Programme is a digital coaching platform designed to equip leaders with enhanced skills to cope and thrive when faced with change and uncertainties, recover from failures and setbacks more effectively and manage their resilience as well as mental health proactively. It is an impactful programme at an Individual, Team and Organisational Level in collaboration with Naluri. It supports leaders to shift their behaviour by learning to respond intentionally to "stress triggers" rather than react impulsively and finally to be more engaging, practical and result-oriented compared to the conventional 'webinar training sessions'. This programme offered an opportunity to engage with the Executive Coach at Naluri in an interesting and constructive discussion on how to be a more resilient leader. The members are entitled to unlimited sessions and may book a session via the Naluri application.

Setia Mentoring Programme

A 6-month Setia Mentoring Programme was established to accelerate the Personal and Professional development of the mentees through the guidance, advice and feedback from a mentor who share the experiences and wisdom to help mentees navigate through the unknown path of their position and reach their goals within a specific timeframe. Four (4) key parties of this mentoring programme include the Mentor, Mentee, Sponsor and HR Champion.

The Mentees were selected based on their nomination as potential successors, through our Succession Planning process. They were put through a structured mentoring programme, with 30% of the mentees being female talent.

The Mentors were provided with their respective Mentee's IDP with details on Leadership, Professional, Career and Personal development. The mentoring process was to identify improvement opportunities for the Mentees and at the same time, to empower them to drive and own their development improvement plans.

Setia Mentoring Programme (Mentor-Mentee Matching)	
Mentor	Mentee
Executive Vice President ("EVP") / Deputy General Manager ("DGM")	Head of Department ("HOD") / General Manager ("GM") level
GM / DGM	Senior Manager level
Senior Manager / HOD level	Manager level

Design Thinking

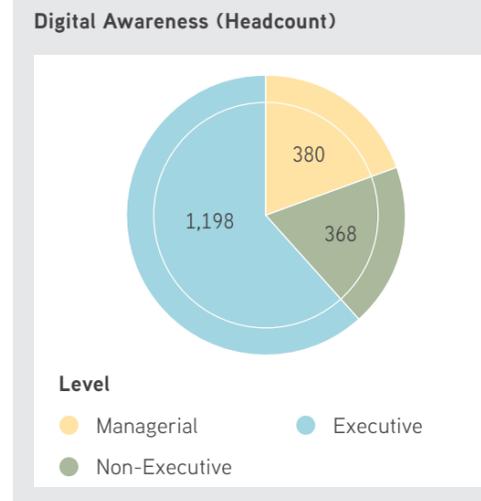
Design Thinking is an innovation project that was launched to instil an innovation culture and to inspire an entrepreneurial mindset in S P Setia through a methodology that focuses on delivering customer-centric innovation to create a real impact to the business, and at the same time accelerate digital transformation within S P Setia. Our approach for this programme is through Facilitation & Project Assignment, with coaching assistance from the Design Thinking Consultant where ideas will be pitched at the relevant platform for future adoption & implementation. The programme was initiated with three ("3") Design Thinking Projects involving Customer Experience Committee ("CEC"), COE, IBS and TEC. The selected project teams came together, going through different phases to bring the solutions of identified challenges to live.

Frontline Competency Matrix

We embarked on building a future proof Frontline Skills Matrix on a digital platform by partnering with an external party. The objective is to allow optimisation of capability building and employee driven growth by building a strong foundation for data driven development decision to empower employees in taking charge of their career pathways. Through this digital skills matrix platform, we provided an overview to our frontline teams on the journey and outcomes that we have set to achieve. This platform provided the opportunity for 350 of our frontliners from Sales & Marketing, Credit Administration, Customer Relations and Convention – Sales & Event to have a clear path through skill gaps identification. The Talent Pulse System provided key information on our talent in the areas of role fit score, competency gaps and individual psychometric assessment report & etc. Employees were given access to view their reports.

Digital Awareness

As of December 2021, a total of 64 digital awareness sessions were conducted to cultivate a digital mindset and readiness among Team Setia to build a digital and agile workforce that supports the Group Digital Transformation journey. We ran the awareness sessions with the value propositions of having an adaptive workforce that is open to agile and new ways of working. This included the need of developing new skills, building a workforce that embraces opportunities for change and innovation from digital transformation, and enhancing the ability of the organisation to ride on the wave of digital disruption.



SUSTAINABILITY STATEMENT

Succession Planning

As part of the talent development process, the Group has initiated and implemented succession planning with the objective of identifying and strengthening of the talent pipeline. This process is key to meet the anticipated demand for future leaders.

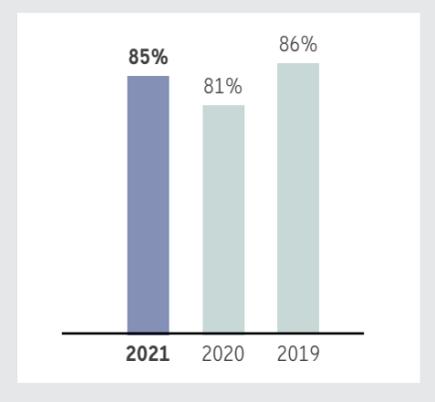
A Talent Review Council ("TRC") has been set up, comprising of senior members of the leadership team, who are responsible for ensuring robust conversations around the talent within the organisation, challenging each other for best outcomes for our Talent Pool, endorsing names listed as successors based on consistent benchmark and ensuring Development Plans are being followed through.

Engagement Activities

People Pulse Survey

People Pulse Survey allows us to track and measure the progress of our engagement survey initiatives year by year. Improvement areas have been identified and addressed accordingly as illustrated by the improved scores in 2021 as compared to 2020. Through the consistent effort in closing the gaps from the 2020 People Pulse Survey results, we scored 85% in the Year 2021, a higher score compared to Year 2020. This demonstrated our commitment to improving the engagement and connection with our employees.

People Pulse Survey – Engagement Score



Naluri

Throughout our partnership with Naluri for an ongoing Employee Assistance Programme ("EAP"), a total of 787 employees have utilised the Naluri platform. There are 6 features within the Naluri programme, and these include monthly webinars, a 4-months digital coaching programme, professional health coaching, onsite or video therapy sessions, periodic on-site employee health screening, and digital tools and self-monitoring devices.

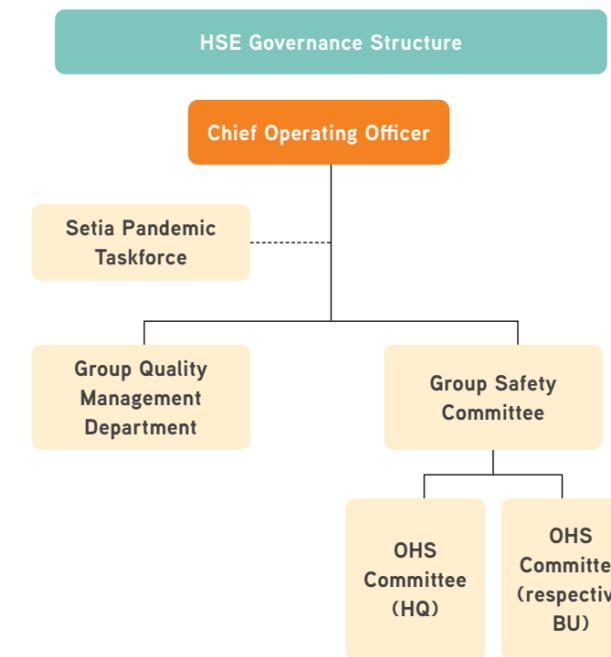
In the year 2021, we kicked off a digital coaching programme to groom leaders across the Group on areas of leadership and resilience. The programme, titled "Path to Resilience", is designed to equip our leaders with the mindset and skills to cope with uncertainties, recover from failures and setbacks effectively, and manage their resilience and mental health proactively. The programme supports our leaders to shift their own behaviours and learn to respond intentionally to "stress triggers" rather than to react impulsively.

Naluri – Employee Assistance Programme

- 787 employees have used the Naluri platform over the course of this programme
- 610 physical and mental health screenings
- 28,862 chat sessions with the top 5 channels of Psychologist, Naluri Assistant, Dietitian, Trainer and Pharmacist
- 14,587 digital learning modules completed (high interest in exercise, diet and self-care modules)
- 12 webinars on topics ranging from managing mental health to diet and fitness
- 9 virtual workout programmes with trained fitness coaches

B Health and Safety

HSE Governance



As guided by Occupational Safety and Health Administration ("OSHA") 1994, the Group is taking our Team Setia's health and safety seriously. Led by the Group Safety Committee, the effectiveness of the safety and health handling matters are monitored and managed by the two dedicated teams of Occupational Health and Safety ("OHS") Committees including at HQ and respective BU level.

The Group Safety Committee is chaired by our COO and steered by the GQM and HSE representatives from the respective business units. It is accountable to oversee the HSE matters, has an oversight role on the effectiveness of the HSE policies and procedures and monitors the HSE performance throughout the Group.

The OHS Committee at HQ level is responsible to lead the HSE initiative execution at project sites and HQ level. The committee is also responsible to monitor the performance of HSE at respective business units through the regular meetings conducted by the Group OHS Committee and BU-level OHS committees.

Key Health and Safety Metrics

Upholding the philosophy of 'livelearnworkplay', the Group promotes a safe and healthy workplace for our Team Setia to work happily. Close monitoring of health and safety performance at our workplace particularly at project sites which have a higher risk of health and safety hazard. We managed to maintain our performance with no major incident, fatalities and non-compliant incidents in 2021.

SUSTAINABILITY STATEMENT

During the year, minor incidents were recorded at projects sites with lost time injuries. These incidents were related to housekeeping work at Setia EcoHill Walk project site, inspection work at Daintree Residence project site and handling tool storage at UNO project site. These incidents were investigated, and root causes were identified. The incidents occurred mainly due to worker's negligence during working at height and handling the tool storage, and action plans were identified to enforce SOPs of working at height and correct tool storage procedures. To enhance the safety of the workers, the Group enforced daily safety toolbox briefings, and several health, safety and environment related trainings were conducted throughout the year. Our occupational health and safety performance is illustrated below:

Injury Index for Projects			
Incident Rate	Frequency Rate	Severity Rate	Fatality Rate
FY2021			
1	0	3	0
FY2020			
0	0	3	0

Note 1: Amended Injury Index figure for the year 2020 to reflect the actual index.
 Note 2: Formulas used for Injury Index are based on Department of Occupational Safety and Health (or Jabatan Keselamatan dan Kesihatan Pekerjaan) Form 8:

- i. Incident rate – $\frac{\text{Number of accidents} \times 1,000}{\text{Average number of employee (Number of accidents} \times 100,000)}$
- ii. Frequency rate – $\frac{\text{Total manhours worked}}{\text{Total workday lost} \times 1,000,000}$
- iii. Severity rate – $\frac{\text{Total manhours worked}}{\text{Number of fatalities} \times 1,000}$
- iv. Fatality rate – $\frac{\text{Total manhours worked}}$

OHS Performance		
Incident Rate	Year 2021	Year 2020
Major Incident (case)	0	0
Non-compliance incident (case)	0	0
Penalty (RM)	0	0
Manhours without injuries	15,408,863	23,699,640

Note 1: Amended manhours without injuries figure for the year 2020 to reflect the actual manhours.
 Note 2: Manhours without injuries exclude Setia International Vietnam and Setia EcoHill for year 2020 & Setia International Vietnam and Setia Alamsari for year 2021, as data was not available.

Quality Effort on HSE-related activities conducted by our Team Setia is one of the KPIs for S P Setia Quality Excellence Award programme. To encourage and inspire our employees, we set 75% as the minimum attainment target of HSE Quality Effort score. For the year 2021, we scored 87% as compared to 85% in the year 2020 and 2019.

SUSTAINABILITY STATEMENT



Health and Safety Monitoring

We demonstrated our continuous efforts and commitments towards ensuring our Team Setia works in safe and healthy environment through the ISO45001:2018 Occupational, Health and Safety Management System certification we received.

We proactively enforced our health and safety performance through monthly HSE audits conducted at Project Sites by the GQM. On-site audits were conducted at all project sites to ensure contractors complied with HSE requirements, which covered several aspects including safety of work area for construction sites, structural and support erection, machinery and workers, and facilities. To encourage our Team Setia to actively monitor the project sites, the Group included the audit scores as part of the Team Setia KPIs.

Based on these monitoring activities by the respective HSE Committee at the BU level, we inspired them to share the improvement plan of the HSE matters at project sites in the HSE Work Group meetings chaired by our COO. Through this initiative, Committee members were able to share enhancement areas that could be implemented by the respective business units, and review the lessons learnt.

In addition, our Team Setia continuously monitors health and safety matters through enforcement of the OHS procedures at both the HQ and BU levels, conduct annual review on the adequacy of HSE policy and procedures and provide HSE awareness and trainings to our employees.

HSE Awareness and Trainings

In addition to the daily safety toolbox briefings conducted at project sites, we refined the HSE capability of our employees and construction workers through additional trainings conducted by the appointed external training providers and internal HSE subject matter experts.

Throughout the year, 21 HSE learning programmes were conducted comprising HSE technical trainings such as basic occupational first aid, cardiopulmonary resuscitation (“CPR”) and use of automated external defibrillator (“AED”), noise exposure monitoring awareness, construction safety awareness, working at height and basic firefighting, and emergency response plan and preparedness. Other trainings provided for non-technical aspects included a seminar on enforcement of the latest amended Act 446 under the Emergency Ordinance, Safety and Health Officer course, Emergency Response Team (“ERT”) remote online training and Intermediate Scaffolding Level 2.

In FY2021, we managed to conduct a virtual CEO Dialogue programme which is our signature annual engagement programme with business associates. The programme was participated by 229 representatives of 162 business associates. This programme was conducted with the aim to enhance our engagement with contractors and at the same time to acknowledge our business associates’ effort in relation to HSE management by providing an award to the company that scored the highest mark in the category of QEAP, i.e. HSE and Product Quality.

COVID-19 response

The year 2021 was a tough journey especially in Malaysia given the spike in confirmed cases of the novel coronavirus infection COVID-19. The appearance of the delta variant also raised the concern of people around the world. Supported by Setia Pandemic Taskforce, our Team Setia managed to stand strong in the face of the COVID-19 challenges throughout the year. The taskforce continuously monitored and tracked all COVID-19 matters and provided progress updates to the Strategic Executive Team (“SET”).

Upon declaration of the third nationwide lockdown in Malaysia in May 2021, we introduced and implemented WFH policy as a guideline for Team Setia to work remotely, whilst taking care of their health to prevent COVID-19 infection.

The Group established an online COVID-19 Information Centre platform as a one-stop communication centre where Team Setia could get important information including COVID-19 latest announcements, Return to Work (“RTW”) Guidebook, Information Links to the relevant authorities such as Majlis Keselamatan Negara (“MKN”), Kementerian Kesihatan Malaysia (“KKM”) and MITI, Frequently Asked Questions (“FAQ”) and contact details to obtain further information on COVID-19.

In FY2021, a total of RM2.72 million was spent by the Group to aid COVID-19 initiatives consisting of COVID-19 test kits, employee health and hygiene supplies, food supply aid, vaccination centres and workplace hygiene.

Items	Investment amount (RM)
COVID-19 test	803,578
Employee health & hygiene	227,880
Workplace hygiene	392,603
Food supply aid	641,267
Vaccination centre	365,494
Others	291,612
Total	2,722,434

We strived to protect our Team Setia from COVID-19 through strict enforcement of COVID-19 Prevention Standard Operating Procedures (“SOPs”) at our offices, sales galleries, clubhouses, project sites, convention centres and manufacturing plant. We implemented daily temperature screenings for all employees, visitors or customers at the entrance of the premises. Our premises were fully equipped with temperature scanners and additional temperature scanner were purchased in FY2021 to detect individuals with a body temperature of more than 37.5°C at all points of entry. Our security personnel were assigned to monitor and decline entry of individuals with a body temperature higher than 37.5°C and the individual would not be allowed to enter the premises if the temperature remained above 37.5°C after 5 minutes of rest from the first scanning.

Other initiatives taken as COVID-19 preventive measures included social distancing at our premises. Protection shields were installed at tables and workstation counters particularly for frontline employees at Setia Eco Glades, Setia Seraya, Setia Trio and Setia Sky Seputeh.

Employee Support Services for COVID-19 (“EES – 19”)		
Gauge Employees Basic Need	Provide Guidelines on Home Quarantine	Periodic Health Monitoring Status
<ul style="list-style-type: none"> To give one-off RM 100 to all Positive Cases and Close Contact for those in Executive levels and below. This applies to all cases reported to the Pandemic Task Force effective date of 1 June 2021. 	<ul style="list-style-type: none"> To enable employees who are to be quarantines at home within a safe and supported environment. 	<ul style="list-style-type: none"> Psychosocial support via Naluri platform Employees also may reach <i>Talian Bantuan Sokongan Psikososial</i> which is a platform organised by KKM and Mercy Malaysia 

Lockdowns or movement restrictions imposed in the year 2021 raised concern of the Group towards the well-being of our construction workers especially in relation to food supplies. Food Supply 2.0 was implemented by the Group with the objective to supply essential food to all workers staying in CLQs during the MCO periods. We spent a total of RM633,492 to ensure that our construction workers were well-fed during the MCO periods.

SUSTAINABILITY STATEMENT

We upgraded our CLQ for Alam Impian project for approximately 667 workers with a total cost of RM56,500. The upgrading work done involved additional security manpower and floodlight, installation of barb wire, provision of facility for supervision activity of the authority and development of mass and centralised decontamination. During the spike of COVID-19, Setia International Australia implemented an Employee Roster from August 2021 to October 2021 to coordinate employees working schedules to either work from home or office under strict SOP.

Workplace hygiene is our priority for employees coming to office and work to protect them from COVID-19 infection. We installed air purifiers at our premises to purify and filter the air, suppress activity of bacteria and humidify our offices, sales galleries, clubhouses, and convention centres. We also bought spray guns to be used at our premises and conducted regular sanitisations and disinfection.

The Group encourages and promotes Team Setia wellness and health. We distributed vitamins, pulse oximeters, hand sanitisers and personal protective equipment including medical face masks, face shields and hand gloves to our people. We encouraged our Team Setia to perform frequent COVID-19 tests by distributing COVID-19 self-test kits and conducting swab tests for the construction workers regularly. We also provided test kits to visitors as they are required to provide us with the test results prior to entering our premises.

Besides a mental health programme, we also initiated an Employee Support Services for COVID-19 (“EES-19”) to help and assist employees who were identified as a COVID-19 Positive Case or Close Contact. We believed a good support system was important to ensure our employees who contracted COVID-19, were fully supported during their quarantine and recovery periods.

Three steps of response were implemented by the Group for employees under EES-19. These comprised assessing employee’s basic needs, providing guidelines on home quarantine and reporting on their periodic health monitoring status.

SUSTAINABILITY STATEMENT

Food distribution at the CLQs



Setia EcoHill 2



Setia Sky Seputeh

With utmost pride and pleasure, we contributed towards helping the nation achieve herd immunity. We supported the National COVID-19 Immunisation Programme (“PICK”) and the Public-Private Partnership Industrial Immunisation Programme (“PIKAS”) by transforming 6 venues into Pusat Pemberian Vaksin (“PPV”) or Vaccination Centres for the National COVID-19 Immunisation Programme to help the Government ramp up the vaccination programmes. 4 out of the 6 venues were mega PPVs throughout Malaysia and these were:

- Setia City Convention Centre 1 and 2 in Shah Alam;
- Setia SPICE Arena; and
- Setia SPICE Convention Centre in Pulau Pinang.



PPV Club360 Setia EcoHill



PPV Setia City Convention Centre

The PPVs were managed by the COVID-19 Immunisation Task Force (“CITF”) and COVID-19 Vaccine Supply Access Guarantee Special Committee (“JKJAV”) and supported with the collaboration of public servants, medical personnel and a total of 395 of our Team Setia Volunteers.

Setia Vaccination Centre		
Venue	Period	Total Doses Administered
Setia Eco Templer	July 2021 to September 2021	More than 50k
Setia EcoHill 360	July 2021 to August 2021	More than 40k
Setia City Convention Centre 1	June 2021 to August 2021	More than 500k
Setia City Convention Centre 2	June 2021 to August 2021	More than 80k
Setia Spice Arena	June 2021 to October 2021	More than 400k
Setia Spice Convention Centre	August 2021 to October 2021	More than 200k
Total		More than 1.3 million

SUSTAINABILITY STATEMENT

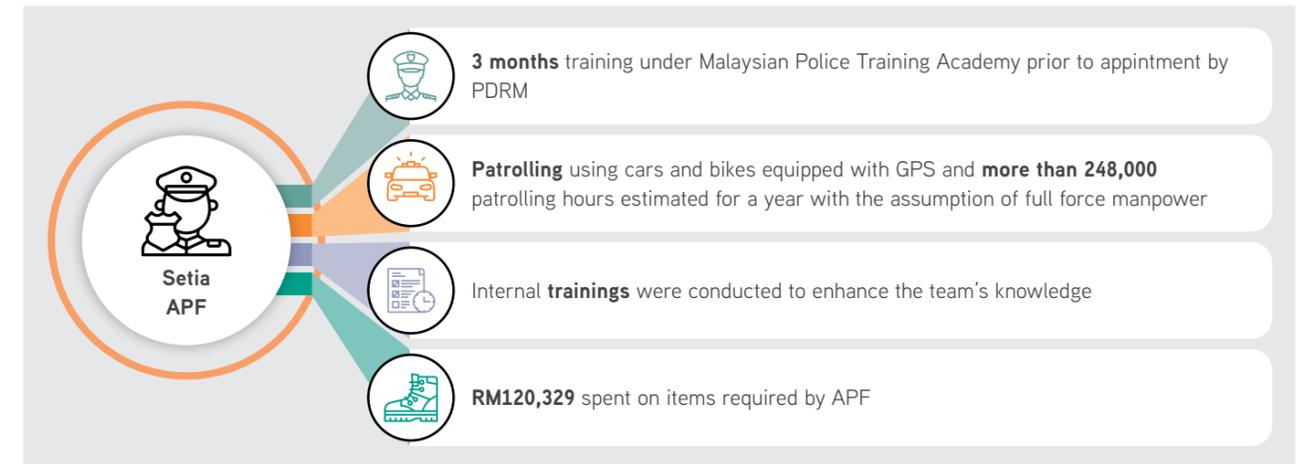
C Security

Creating a safe and secure environment is one of the Group’s salient roles in ensuring our Team Setia, residents and communities can enjoy performing their daily activities without fear or worry about security issues.

Our offices, sales galleries and township are protected by trained APF who are required to attend 3 months of police course training under the Malaysian Police Training Academy before being appointed by Polis Diraja Malaysia (“PDRM”). The APF conducts patrols in townships using patrol cars and bikes equipped with Global Positioning System (“GPS”) mobile system for communication and reporting to the APF’s Operational Room. In FY2021, we spent a total

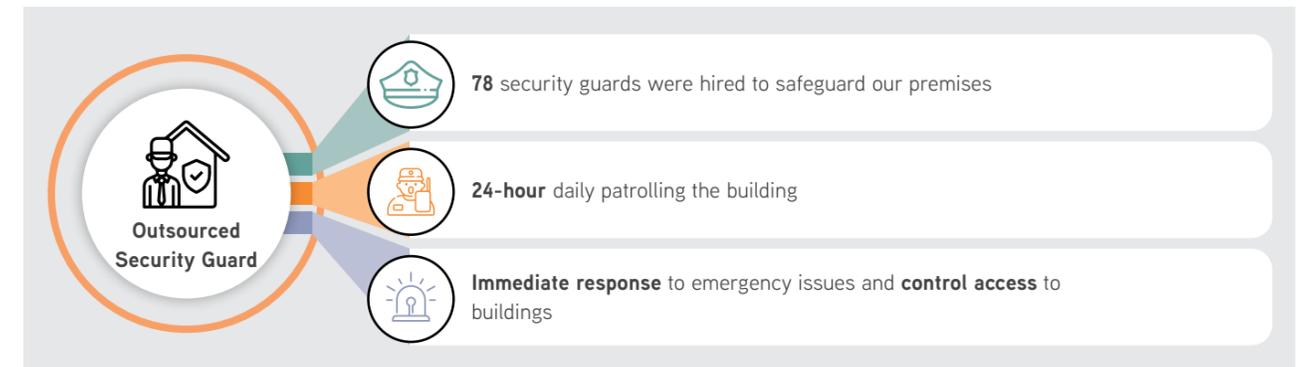
of RM120,329 to enhance the capability of our APF ranging from patrol bike replacement to enhanced PDRM stickers and accessories, and purchase of improved mobile GPS, walkie talkie holsters and operation shoes. As stipulated by the Police Act, the APF has the authority to arrest any criminal suspects and bring them to the nearby police station for investigation and further action by PDRM.

As of December 2021, eleven (11) crime cases were handled by our APF and a total of more than 248,000 patrolling hours were recorded. The patrolling hours were estimated with the assumption of full workforce and did not include the number of leave days taken by the employees.



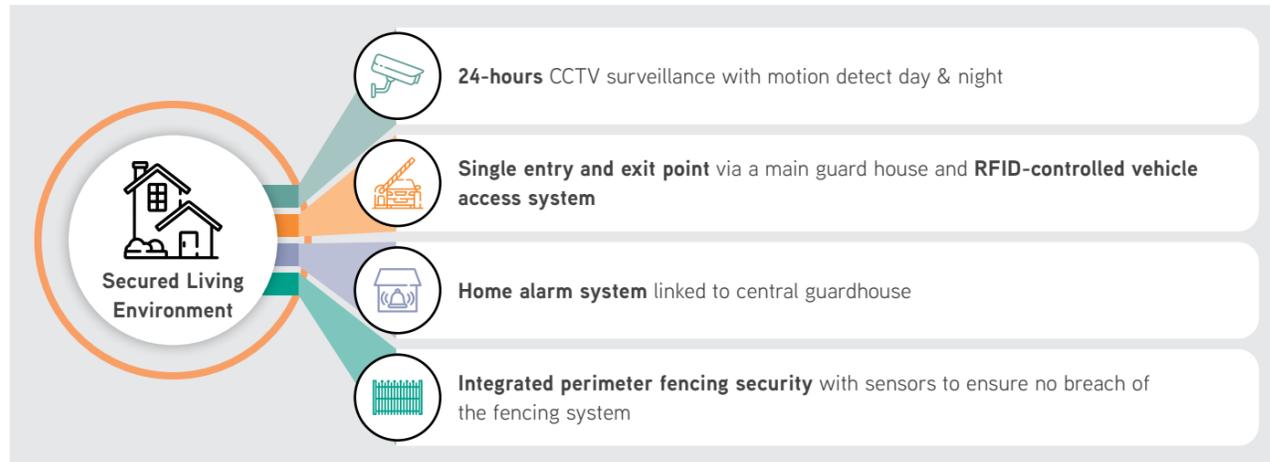
In FY2021, we conducted two internal trainings for our APF. The first training was a 3-hour session on Polis Bantuan or APF’s SOP and Regulation Awareness Training, attended by a total of 105 participants. A second training focusing on criminal law and procedures in 2-hour sessions were attended by a total of 96 participants.

We also outsourced 78 security guards for our premises including offices, sales galleries and show houses. These security guards are responsible for controlling access of people to our premises, ensuring no unauthorised access.



Our townships are designed with security features to prevent malicious activities or security breaches that may harm the residents and the public.

In addition to 24-hour patrolling, most of our townships are also equipped with 24-hour CCTV surveillance that has day and night motion detection. The residential areas access is controlled with a single entry and exit point via a main guard house. Vehicle access into the township is controlled using radio-frequency identification (“RFID”) system. The RFID stickers with embedded radio frequency chips are stucked at the headlight / windscreen of residents’ vehicles.



Each home is fitted with an alarm system that is linked to the guardhouse via Central Monitoring System (“CMS”). The system includes a home automation system and mobile application that allows users to receive update / status anytime from devices. Additional features of the mobile application include control of fittings at homes and a link to the home automation system. The system will alert guardhouses via the CMS system when the alarm is triggered.

To secure access of the townships, an integrated perimeter fencing security system is installed to detect intrusion. The system utilises the Perimeter Intrusion Detection System (“PIDS”) that combines surveillance system and sensors to detect vibration caused by cutting, climbing or attempt to breach physical perimeter fencing, enabling security guards to respond immediately when trespassing is detected. The system is paired with physical fencing and barbed wires to enhance security for the community.

D Community Engagement

S P Setia Foundation

We invested in the future of our nation, lending a helping hand to underprivileged Malaysians via the establishment of S P Setia Foundation. S P Setia Foundation was established to promote positive impact, foster integration and national unity.

Through the establishment of S P Setia Foundation, the Group persistently lent a hand to enrich underprivileged Malaysians. A total of RM1.16 million was spent by S P Setia Foundation in the financial year ended 31 December 2021 to cover, among others, donations for medical and financial assistance to Team Setia, COVID-19 expenses for Setia PPVs Centres and SCSP.

Setia Caring School Programme

As specified in the trust deed of the S P Setia Foundation, we are serving our nation with the objective of assisting in the advancement

of education for disadvantaged pupils in Malaysia through Setia Caring School Programme. Nine (9) schools from a diverse background in Selangor, Johor and Penang were selected and adopted into our scheme to assist students who are successful in both academic and non-academic areas, with high moral standards, and who demonstrate good behaviour and good values. The objective was to produce a community-conscious student body with a high sense of empathy for the disadvantaged and willingness to lend a helping hand in whatever form or manner irrespective of race, colour or creed; and enlightened future leaders who are imbued with a high sense of altruism whose eternal remit is to build a united and prosperous Malaysia irrespective of race, culture or creed.

Throughout the year 2021, we spent a total of RM 1.05 million on a variety of activities and programmes under SCSP.

School Hygiene Education

In March 2021, our team conducted the School Hygiene Education and “Jom Bawa Bekal” programme at our selected Setia schools which benefitted 5,200 students and teachers. The programme aimed to cultivate a hygienic culture in their daily lives and encourage them to bring healthy home-cooked food to school to protect the students and teachers from COVID-19.

A total of 5,100 set of tumblers and food containers were distributed to all 9 SCSP schools in Selangor, Penang and Johor. This initiative was carried out to support the Government’s initiative to encourage healthy meals and for the students and teachers to bring cooked food from home during the Conditional Movement Control Order (“CMCO”). In this programme, we spent a total of RM 304,000 on the purchase and distribution of essential items including food containers, tumblers and fabric face masks.

School Hygiene Education & Jom Bawa Bekal

SCSP Selangor

- SK Semenyih
- SJKC Kg Baru Semenyih
- SJKT Ladang Rinting



SCSP Penang

- SK Batu Ferringhi
- SJKC Aik Hua
- SJKT Tasek Permai



SCSP Johor

- SK Kota Dalam
- SJKC Seelong
- SJKT Kulai Besar



SUSTAINABILITY STATEMENT

Pastoral Care Programme

We believe that a favourable and conducive learning environment could boost the motivation of our Setia schools' students and enhance their academic performance. Comfortable and conducive school environment and facilities such as classrooms, library and common areas allow both students and teachers to develop a fun and meaningful learning experience. Through the Pastoral Care Programme - "My School My Home" - S P Setia Foundation inspired all Setia schools to enhance and lighten up their facilities. In March 2021, a soft launch of the fully completed pastoral care rooms were carried out by the teachers.

During the year 2021, RM 95,000 was spent by S P Setia Foundation for the Establishment of Pastoral Care Programme - "My School My Home" - in all Setia schools.

Pastoral Care Programme - "My School My Home"

SCSP Selangor

SK Semenyih

SJKC Kg Baru Semenyih

SJKT Ladang Rinting

Completed



SCSP Penang

SK Batu Ferringhi

SJKC Aik Hua

SJKT Tasek Permai

Completed



SCSP Johor

SK Kota Dalam

SJKC Seelong

SJKT Kulai Besar

Completed



SUSTAINABILITY STATEMENT

Pastoral Care Programme

Despite the strict COVID-19 SOPs imposed by the government in 2021, S P Setia Foundation continued to engage students through online activities under the Pastoral Care Programme. Under the programme, Story Telling Competition and Merdeka Video Competition were introduced. The programme involved all SCSP students and cost RM 37,400. Through these competitions, the participants could enhance their communication skills, sharpen their memory, brush up their creativity and nurture their imagination.

Pastoral Care Programme - Online Activities

Story Telling Competition



Merdeka Video Competition



SUSTAINABILITY STATEMENT

Teacher Development Programme

We continued our annual Teachers Roundtable Discussion involving 18 SCSP Teachers, with the Headmistress / master representing all Setia schools. These discussions were conducted in April 2021 via Microsoft Team to obtain teachers' views on current issues and needs of the students. Feedbacks and inputs received from the discussions were crucial for S P Setia Foundation to identify impactful activities or programmes to address issues faced by both teachers and students.

Student Annual Stipend

Concerned over the challenges faced by B40 (low-income) families, an annual stipend of RM 150 educational assistance was provided to students of selected Setia schools, allowing them to buy books. A total of 2,280 SCSP B40 students received educational assistance costing RM 342,000. The initiative helped relieve the cost of living these students faced and assisted those badly hit by the pandemic. This, in turn, eased their learning process. The Foundation spent RM 178,000 for the purchase of 2 full sets of school uniforms for distribution to the 940 SCSP B40 students in the hope to bolster their self-confidence and self-esteem with the new school uniforms.

#Setia4Malaysia

In August 2021, we launched our maiden #Setia4Malaysia programme which aimed to spread good cheer and show caring gestures and to remind fellow Team Setia and our stakeholders that we should be grateful and thankful for what we have during this pandemic environment.

The programme was conducted to cultivate national spirit through five (5) main initiatives, comprising Setia PPV Heroes, Truly Malaysian MasterChef, Unity Run 2021, Alongside Our B40s and Online Article Campaign.

#Setia4Malaysia

Setia PPV Heroes
August 2021



Truly Malaysian MasterChef
August 2021 - September 2021



Unity Run 2021
August 2021 - September 2021



Alongside our B40s
Starting August 2021



Setia PPV Heroes initiative

Through the Setia PPV Heroes initiative, we delivered tokens of gratitude to our frontliners and volunteers in Setia PPVs in the central region and Penang by distributing Merdeka snack packs. We provided more than 2,300 servings of savoury and sweet Malaysia snacks and desserts to approximately 1,060 frontliners and volunteers at Setia PPVs in central region and 4,000 servings given to 800 frontliners and volunteers at Penang's Setia PPVs. The snack packs were sourced from Food and Beverages local micro-enterprises mainly from the B40 community whose sources of income were affected by the prolonged lockdown in 2021.

Truly Malaysian MasterChef

Truly Malaysian MasterChef was an initiative conducted during the Hari Kebangsaan and Malaysia Day period with the objective to spread some festive cheer by engaging their staff members remotely. More than 100 of our employees across the nation were provided with a mystery cooking kit, filled with the necessary ingredients and recipes to prepare well-loved Malaysian desserts.

Unity Run

Our inaugural virtual #Setia4Malaysia Unity Run on Merdeka was launched in collaboration with JomRun as part of our effort to promote a healthy and united Malaysia amidst the lockdown and travel restrictions. Over 1,500 participants from Malaysia, London and Melbourne ran a total of 46,992.96 km in their respective locations from 16 September 2021 to 16 October 2021, to promote unity and strength of Malaysia.

Alongside Our B40s

In our effort to provide financial support to the B40 community, the Group collaborated with the Edge Property Malaysia to initiate a Caring Community Campaign, themed 'Alongside our B40s'. 25 out of 133 of the nominated F&B B40 microenterprises in the Klang Valley and Penang were shortlisted and we sponsored RM500 to each of them to upgrade their businesses. In total, the Group forked out RM46,000 for this initiative. We will continue to purchase food from these 25 microenterprises to be donated to nearby underprivileged homes.

Online Community Engagement

To nurture the Malaysia spirit and promote the #Setia4Malaysia campaign on social media, we conducted Facebook hygiene content on the #Setia4Malaysia updates and featured definitions of local slangs such as - 'lah', 'walao eh' and 'rojak'. These Facebook postings garnered interest and achieved almost 3 million impressions from the public consumption of newspaper articles, Facebook posts and shares, advertisement and blog posts.



SUSTAINABILITY STATEMENT

Flood Assistance

As we drew near to our financial year closure in December 2021, Malaysia was hit by the worst floods in history due to continuous torrential rains in many states of Peninsular Malaysia. S P Setia team sprang into action with the establishment of Flood Alert Crisis Taskforce ("FACT") and managed to swiftly respond to the flood crisis and provided immediate assistance to the communities, employees, project sites and CLQs that were affected by the floods.

Flood Aid Assistance (Setia Rescue)		
Community	Employees	Project Sites & CLQ
Managed by respective Business Unit Team	Managed by respective Group Human Resources	Managed by respective Group Quality Management & HSE Team
Aid provided including:	Aid provided including:	Aid provided including:
<ul style="list-style-type: none"> Accommodation Food Aid House and area cleaning (post-disaster) 	<ul style="list-style-type: none"> Accommodation Food Aid Financial Assistance Compassionate Leave 	<ul style="list-style-type: none"> Closely communicate and assist contractors as and when needed
Cost incurred:	Cost incurred:	Cost incurred:
A total of RM 117,221 was incurred by Bandar Setia Alam, Setia Bayuemas, Setia Alamsari, Setia AlamImpian, Setia Eco Park and Setia Warisan Tropika	RM139,975	Nil



Team Setia of Setia Alam, Setia Bayuemas, Setia Alamsari, Setia AlamImpian, Setia Eco Park and Setia Warisan Tropika, as well as S P Setia Foundation responded promptly with aid for residents of the flood hit areas in Selangor and Kuala Lumpur.

SUSTAINABILITY STATEMENT

As part of the flood crisis communication response, we leveraged on social media and digital platforms to inform the public of helplines, safety tips and Setia's efforts in assisting those affected by the floods. S P Setia Community Flood Information Portal was developed by our Team Setia as an additional digital platform where the affected communities can search and look for information such as a property's flood risk and find resources to help with understanding flood risk and flood risk reduction.

Flood Aid Assistance (Social Media and Digital Platform)

Facebook - Public Service Announcement: Latest News and Info

Facebook - Public Service Announcement: Cross shared Authorities Posting

Facebook - Setia Safety Posting: Guides and reminders for those affected by floods

S P Setia Community Flood Information Portal: Dedicated microsite for residents and staff reference

SUSTAINABILITY STATEMENT
MAPPING TO GRI

SUSTAINABILITY STATEMENT
MAPPING TO GRI

a. Mapping GRI Content Index – Core Option

	GRI STANDARD	DISCLOSURE	REFERENCE
GENERAL DISCLOSURES	102-1	Name of the organisation	S P Setia
	102-2	Activities, bands, products and services	Who We Are, What We Do, page 6
	102-3	Location of headquarters	Corporate Information, page 12
	102-4	Locations of operations	Where We Operate, page 8
	102-5	Ownership and legal form	Corporate structure, pages 13 to 15
	102-6	Markets served	What We Do, page 6 Where We Operate, page 8 Our Property Portfolio, pages 9 to 10
	102-7	Scale of the organisation	Corporate structure, pages 13 to 15 PCEO's Management Discussion & Analysis, pages 40 to 97
	102-8	Information on employees and other workers	Board at a Glance, pages 152 to 153 Profile of Board of Directors, pages 154 to 163 Key Management Team, pages 164 to 169 Human Capital, pages 126 to 134
	102-9	Supply chain	Economic and Property Market Report, pages 28 to 29
	102-10	Significant changes to the organisation and its supply chain	Not applicable
	102-11	Precautionary principle or approach	Not applicable
	102-12	External initiatives	Infrastructure Investment, pages 105 to 106
	102-13	Membership of associations	Membership in Association, page 357
	102-14	Statement from senior decision maker	Chairman's Message, pages 18 to 25
	102-18	Governance structure	Corporate Governance Overview Statement, pages 170 to 194
	102-40	List of stakeholder groups	Stakeholder Engagement, pages 188 to 191
	102-42	Identifying and selecting stakeholders	Stakeholder Engagement, pages 188 to 191
	102-43	Approach to stakeholder engagements	Stakeholder Engagement, pages 188 to 191
	102-44	Key topic and concerns raised	Key Risk and Mitigation, pages 42 to 43 Stakeholder Engagement, pages 188 to 191
	102-45	Entities included in the consolidated financial statements	Corporate structure, pages 13 to 15
	102-46	Defining report content and topic boundaries	Reporting scope, content and boundary, page 98
	102-47	List of material topics	Materiality, pages 32 to 33
	102-48	Restatements of information	Energy and Water, pages 117 to 122 Health and Safety, pages 135 to 138
	102-49	Changes in reporting	Not applicable
	102-50	Reporting period	Page 98
	102-51	Date of most recent report	The Sustainability Statement is issued on an annual basis together with S P Setia's Annual Report which is accessible here: https://spsetia.com/en-us/investor-relations
	102-52	Reporting cycle	Reporting scope, content and boundary, page 98
	102-53	Contact point for questions regarding the report	Reporting scope, content and boundary, page 98
	102-54	Claims of reporting in accordance with the GRI Standards	Framework application, page 98
	102-55	GRI content index	Sustainability Statement Mapping to GRI, pages 148 to 149
	102-56	External assurance	Our Approach to Sustainability, page 4

b. Mapping GRI Content Index – Specific Topics

	GRI STANDARD	DISCLOSURE	REFERENCE
MATERIAL TOPICS	Economic Performance		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	201-1	Direct economic value generated and distributed	Economic Performance, page 105
	203-1	Indirect Economic Impacts	Infrastructure Investment, page 105 to 106
	Anti-Corruption		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	205-1	Operations assessed for risks related to corruption	Anti-Corruption, pages 112 to 114
	205-2	Communication and training about anti-corruption policies and procedures	Anti-Corruption, pages 112 to 114
	205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption, pages 112 to 114

	GRI STANDARD	DISCLOSURE	REFERENCE
MATERIAL TOPICS	Energy		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	302-1	Energy consumption within the organisation	Energy Consumption Performance, page 119
	302-3	Energy intensity	Energy Consumption Performance, page 119
	Water		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	303-5	New employee hires and employee turnover	Water Efficiency and Consumption, page 120
	Biodiversity		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	304-1	Operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity, page 122 to 124
	Environmental Compliance		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	401-1	Non-compliance with environmental laws and regulations	Environmental, page 116
	Employment		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	401-1	New employee hires and employee turnover	Human Capital, page 130
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Human Capital, page 131
	Occupational Health and Safety		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	403-1	Occupational health and safety management system	Health and safety, pages 135 to 138
	403-2	Types of injury and rates of injury, lost days, absenteeism and no of work-related fatalities	Health and safety, pages 135 to 138
	403-3	Occupational health services	Health and safety, pages 135 to 138
	403-4	Worker participation, consultation and communication on occupational health and safety	Health and safety, pages 135 to 138
	403-5	Worker training on occupational health and safety	Health and safety, pages 135 to 138
	403-06	Promotion of worker health	Health and safety, pages 135 to 138
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety, pages 135 to 138
	403-8	Workers covered by an occupational health and safety management system	Health and safety, pages 135 to 138
	403-9	Workers covered by an occupational health and safety management system	Health and safety, pages 135 to 138
	403-10	Work-related injuries	Health and safety, pages 135 to 138
	Training and Education		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	401-1	Average hours of training per year per employee	Human Capital, pages 131 to 134
	Diversity & Equal Opportunity		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	405-1	Diversity of governance bodies and employees	Human Capital, pages 126 to 129
	Security Practices		
	103-1	Explanation of the material topic and its boundaries	Materiality, pages 32 to 33 Aligning Our Sustainability Agenda to GRI Indicators and UNSDGs, page 103
	410-1	Security personnel trained in human rights policies or procedures	Security Practices, pages 139 to 140

Stay Together. Stay Setia
livelearnworkplay

Setia

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Cover

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By printing on FSC® Certified Mix Credit paper,
we have reduced a total of 5,209 KgCO₂e
carbon emissions.