



Property

To Be a

VALUE MULTIPLIER

Championing Urban Biodiversity

About THIS REPORT

[GRI 2-1, 2-2, 2-3]

REPORTING APPROACH

This report adheres to leading sustainability reporting standards and frameworks. Developed using best practices, it provides stakeholders with transparent and relevant information for informed decision-making. The report has been prepared with reference to the following:

- Bursa Malaysia's Main Market Listing Requirements on Sustainability Reporting
- Global Reporting Initiative (GRI) Sustainability Reporting Standards
- The United Nations Sustainable Development Goals (UN SDGs)
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- Recommendations of the TCFD

For details on the Annual Performance Data, please refer to the Appendix on pages 139-152.

SCOPE AND BOUNDARIES

This report outlines our strategies, initiatives, and performance relating to key environmental, social and governance (ESG) issues for the period from 1 January 2024 to 31 December 2024 (FY2024), approved by the Board of Directors on 26 March 2025. It complements the information published in Sime Darby Property's Integrated Report 2024.

The boundary of this report is defined by the level of ownership and management control through which Sime Darby Property can implement its Sustainability Framework and influence ESG outcomes.

The boundary covers:

- 1. Corporate Operations** – Sime Darby Property's corporate policies, workforce, training, emissions and other impacts associated with managing business operations.
- 2. Direct Investment Portfolio** – directly owned property assets are divided into two management groups – operational control and non-operational control. Control is determined by the level to which Sime Darby Property has the capacity to implement its Sustainability Strategy.
 - **Operational Control** – where Sime Darby Property is responsible for setting operational standards for the property services and performance as well as for setting and delivering capital works and investment strategies to reduce energy and improve the asset.
 - **Non-Operational Control** – across some property assets, the tenant-customer holds a lease with full management control over the entire premises that they occupy. In these assets, Sime Darby Property is unable to directly set policy or implement change. Non-operational control property assets are excluded from the reporting boundary of this report.
- 3. Other Exclusions** – Disclosure at the Group level does not include other operational businesses where Sime Darby Property does not have a majority ownership of more than 51% and/or does not have operational control. Data collected excludes our joint ventures and associates and those who are not under our operational control.

Notably, there have been changes in our operational boundaries, and the following have been removed from our boundary due to:

- **Property Development**
 - BU5 Taman Pasir Putih Sales Gallery and Operations Office closed on 1 January 2024.
- **Leisure**
 - Bayuemas Sports and Events Complex has been leased out and is no longer under the operation of Sime Darby Property Berhad.

These changes are reflected in the reporting boundaries in this report.

Type of Business	Business Unit	Operating Unit
Property Development	BU1	City of Elmina (East & West), Denai Alam, Bukit Jelutong, Elmina Business Park, Elmina North
	BU2	Bandar Bukit Raja
	BU3	Serenia City, Hamilton Nilai City
	BU4	Bandar Ainsdale, Nilai Impian 1 & 2
	BU5	Bandar Universiti Pagoh
	BU6	KLGCC Resort, Ara Damansara
	BU7	KL East, Subang Jaya City Centre (SJCC) and Putra Heights, The Glades, SJ7, Taman Melawati <i>Putra Heights, The Glades was previously listed under BU8, which has been merged with BU7 at the time of reporting (2025)</i>
Leisure		Sime Darby Convention Centre (SDCC), Kuala Lumpur Golf & Country Club (KLGCC), Impian Golf & Country Club (IGCC)
Investment and Asset Management		Oasis Block F & G, KL East Mall (KLEM), Elmina Lakeside Mall, Glades Plaza, KLGCC Mall, Oasis Corporate Park – Carpark

Statement of Assurance

[GRI 2-5]

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

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

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

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

In addition, PricewaterhouseCoopers PLT was engaged to provide an independent limited assurance on the following subject matter information reported for FY2024, in accordance

with ISAE 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information":

- Percentage of operations assessed for corruption-related risks;
- Total energy consumption;
- Number of employees trained on health and safety standards;
- Total waste generated, and a breakdown of the following:
 - Total waste diverted from disposal;
 - Total waste directed to disposal;
- Scope 1 emissions in tonnes of CO₂e;
- Scope 2 emissions in tonnes of CO₂e;
- Scope 3 emissions in tonnes of CO₂e (Cat 6: Business Travel and Cat 7: Employee Commuting);
- Percentage of existing operations or projects assessed for biodiversity risks; and
- Total number of International Union for Conservation of Nature (IUCN Red List of Threatened Species) and national conservation list species with habitats in areas affected by the operations of the company.

Please refer to the independent limited assurance report on page 153 to 156 for details on the subject matter information, scope of assurance and the assurance conclusion thereon.



THIS DOCUMENT IS ISSUED BY

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ENQUIRIES

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



Please scan the QR code for the following documents of the Company which are available at

<https://www.simedarbyproperty.com/investor-relations>



You can find more information online at

<https://www.simedarbyproperty.com/>

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52nd

ANNUAL GENERAL MEETING OF
SIME DARBY PROPERTY

DATE: TUESDAY, 10 JUNE 2025

TIME: 10.00 A.M.



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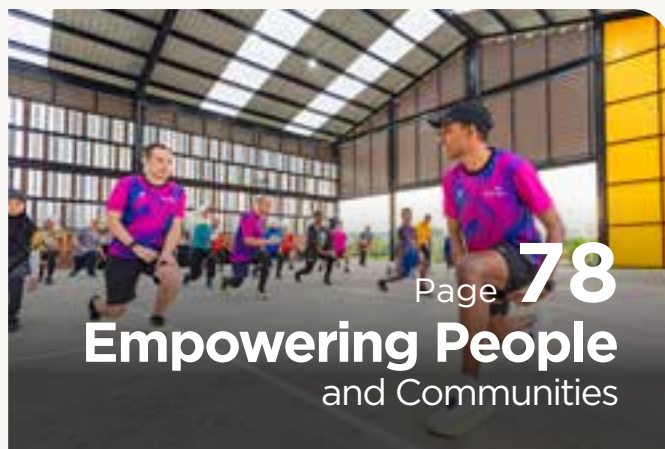
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We are delighted to unveil **Sime Darby Property's** Sustainability Report for 2024

**Cover Rationale**

At Sime Darby Property, we see every development as an opportunity to nurture both people and the planet. We aren't merely constructing homes or commercial spaces; we're creating vibrant ecosystems where urban biodiversity thrives alongside modern living, multiplying value in ways that will resonate for generations.

In a world increasingly focused on sustainability, we view urban biodiversity as a driving force for progress, not an obstacle. Our approach goes beyond reducing carbon footprints — we are actively integrating nature into our developments, cultivating green spaces, fostering wildlife, and designing landscapes that enhance the quality of life for residents. These green elements aren't just features; they're core to the health and well-being of the communities we create.

By championing biodiversity, we're building inclusive neighbourhoods that are resilient, vibrant, and in tune with their natural surroundings. This commitment to environmental stewardship is part of a broader vision — to lead in sustainable real estate, delivering economic and ecological value in harmony.

As we advance toward becoming a fully-fledged real estate development company by 2025, our dedication to multiplying value through urban biodiversity continues. With every project, we're laying the foundations for a legacy of sustainable growth where communities and nature flourish together.

OVERVIEW

Who WE ARE

[GRI 2-6]

With over 50 years of experience in developing sustainable communities, Sime Darby Property (“the Group”) is proud to be recognised as Malaysia’s leading property developer. To date, we have built more than 100,000 homes across 25 active townships and developments, with extensive operations and assets across the country. Expanding beyond the Malaysian market, we have established a presence in the United Kingdom through our involvement in a Malaysian consortium that successfully redeveloped the iconic Battersea Power Station in Central London.

In addition to residential and integrated developments, the Group has built a strong foothold in the industrial and logistics sector across three Malaysian states. Our industrial developments can be found in Bandar Bukit Raja, Elmina Business Park and Serenia City in Selangor; Nilai Impian and Hamilton Nilai City in Negeri Sembilan; and Bandar Universiti Pagoh in Johor. Through strategic partnerships with global players such as LOGOS SE Asia Pte Ltd (“LOGOS Property”), now part of ESR Group, Mitsui & Co Ltd (“Mitsui”) and Mitsubishi Estate Co Ltd (“Mitsubishi Estate”), we have established world-class industrial and logistics facilities, highlighted by the E-Metro Logistics Park in Bandar Bukit Raja. Additionally, in our Leisure segment, the Group is the proud owner of the Kuala Lumpur Golf & Country Club, one of the region’s most prestigious golf clubs.

The Group remains deeply committed to making a positive impact on society. In partnership with our philanthropic arm, Yayasan Sime Darby (“YSD”), we actively and continually implement various social welfare initiatives to support underprivileged communities within and around our townships.

As of December 2024, the Group holds approximately 13,800 acres of land, primarily in strategic locations along the west coast of Peninsular Malaysia. Within our Investment & Asset Management business, we manage around 7.8 million sq. ft. of net lettable area across commercial, retail, education and industrial segments.



MARKET CAPITALISATION

RM11.5 billion as of 31 Dec 2024



TOTAL ASSETS

RM16.5
billion as of 31 Dec 2024



TOTAL SALES

RM4.1
billion as of 31 Dec 2024

Our Purpose

To be a **Value Multiplier** for **people, businesses, economies and the planet**

Our Presence



UNITED KINGDOM

Battersea Power Station,
Central London





Our Vision

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



Our Mission

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



Figure 1.0: Our Presence

Our Core Values

T

Together
We Do
What's Right

E

We Lead
with
Excellence

A

We
Embrace New
Approaches

M

We **Make**
Things
Happen

What We Do:

Core Business Segments

[GRI 2-6]



PROPERTY DEVELOPMENT

With more than 50 years of experience in building sustainable communities, we have established a strong track record in planning, executing and delivering high-quality products and developments. Our expertise in property development spans a variety of sectors, including landed and high-rise residential properties, affordable and luxury homes, as well as commercial, industrial and logistics developments, and other specialised projects.

Among our most well-known and iconic townships in Malaysia are Melawati, Subang Jaya, Ara Damansara and Bukit Jelutong. In addition, we are actively developing newer townships in the Klang Valley, Negeri Sembilan and Johor, such as the City of Elmina, Putra Heights, Serenia City, Bandar Bukit Raja, KLGCC Resort, Nilai Impian, Hamilton Nilai City, Bandar Ainsdale and Bandar Universiti Pagoh.

SEGMENT REVENUE	TOTAL SALES	NO. OF UNITS SOLD
RM4.0 billion	RM4.1 billion	2,989

INVESTMENT & ASSET MANAGEMENT

Our Investment and Asset Management (IAM) division focuses on generating recurring income streams through the development, ownership, and operation of investment-grade assets, as well as the formation of real estate funds. With a presence across Malaysia, the United Kingdom, and Singapore, IAM manages a diversified portfolio of retail, commercial/office, education, and industrial assets.

Notable achievements include raising over RM1 billion for the inaugural Industrial Development Fund in a joint venture with LOGOS Property, now part of ESR Group. The venture’s first development, Metrohub 1 and 2 in Bandar Bukit Raja, has been successfully completed, offering world-class facilities for stakeholders and investors. The division has also secured two build-to-suit lease agreements for the development of hyperscale data centre projects in Elmina Business Park, with a combined lease value of RM7.6 billion, marking its entry into this rapidly growing asset class.

In retail, our second wholly owned mall, Elmina Lakeside Mall, opened with 100% committed occupancy, following KL East Mall’s success. A third wholly owned mall, KLGCC Mall, is set to launch in late 2025, with five anchor tenants secured.

Additionally, IAM’s portfolio includes the iconic Battersea Power Station in Central London and a Concession Arrangement business, managing campuses within the Pagoh Education Hub.



TOTAL
NUMBER OF
ASSETS OWNED/
MANAGED

33

TOTAL NET
LETTABLE
AREA

7.8

million sq. ft.



LEISURE

Kuala Lumpur Golf & Country Club

The Leisure segment of our business owns and manages Malaysia's premier golf and country club, the iconic KLGCC. Located in a serene and verdant region of Bukit Kiara, Kuala Lumpur, this world-class club boasts a 36-hole tournament-standard course and is a regular venue for high-profile golf tournaments, including the prestigious Ladies' Professional Golf Association (LPGA)-sanctioned Maybank Championship.

In addition to KLGCC, the segment manages the Impian Golf & Country Club (IGCC) in Kajang, and the SDCC—a renowned venue for meetings, conferences, events and exhibitions.

KLGCC is ranked 76th Top 150 Platinum Golf & Country Clubs of the World for 2024-2025

KLGCC is the first and only fully certified Audubon Cooperative Sanctuary for Golf in Malaysia



Elmina Lakeside Mall

Who We Are

REMAINING A FORCE FOR GOOD

Sime Darby Property is resolute in advancing real estate as a force for good. Guided by our purpose, vision, and mission, we strive to create thriving, sustainable communities while driving progress in harmony with the planet's resources.

➤ Partnership for Progress

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

➤ Championing Urban Biodiversity

Our commitment to urban biodiversity continues through a strategic partnership with Tropical Rainforest Conservation and Research Centre (TRCRC) on conservation and regeneration efforts. This collaboration led to the establishment of the Elmina Rainforest Knowledge Centre (ERKC) in 2022 and the development of a 10-acre Elmina Living Collection Nursery (ELCN), and has encouraged the participation of nearly 600 people over 21 educational and volunteer-based activities.



Snake Awareness & Safety Workshop held at Elmina Rainforest Knowledge Centre (ERKC)

➤ Corporate Responsibility

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

KEY AWARDS AND RECOGNITION

Awards and recognition play a crucial role in driving organisations towards continuous growth and excellence. They provide external validation of progress, holding us accountable to industry best practices. More importantly, they stand as powerful testimonials to the dedication and efforts of our workforce, whose commitment to excellence enables these achievements. In 2024, Sime Darby Property Berhad and its entities won a total of 51 awards, a testament to the hard work and dedication of our employees. Our key awards are highlighted below. For a comprehensive list of our awards and recognitions, please refer to our 2024 Integrated Annual Report.

Such accolades inspire us to continuously innovate and push boundaries, particularly in areas like sustainability, where long-term impact is vital. For Sime Darby Property, these honours reflect the success of our mission to build thriving, sustainable communities for both people and nature.

Highlighting our Group Wide Achievements



The Edge Malaysia Top Property Developers Awards 2024

- No. 1 Overall
- Best in Qualitative

The TPDA, established in 2003, ranks Malaysia's best property developers through a scoring system based on qualitative (65%) and quantitative (35%) criteria. Companies are evaluated on expertise, innovation, creativity, product quality, and value creation, while the quantitative assessment considers factors such as shareholders' funds, turnover, profitability, and financial stability.

In 2024, Sime Darby Property garnered an impressive portfolio of HR and employee awards, reflecting our holistic commitment to leadership excellence, innovative HR solutions, robust DEI principles, and the fostering of a supportive work culture. These accolades reinforce our status as an employer of choice and underscore how our talent strategies continually evolve to meet both employee needs and the shifting demands of our industry.

For an in-depth look at our achievements and our broader HR initiatives, please refer to Chapter 4 of this report.



Putra Brand Awards 2024: Platinum, Property Development

The Putra Brand Awards is Malaysia's premier brand recognition event, designed by and for brand managers and owners.

Launched in 2010 by the Association of Accredited Advertising Agents Malaysia (4As) in collaboration with Malaysia's Most Valuable Brands (MMVB), the awards celebrate brand building as a crucial business investment, assessed through consumer preference.

It is the only brand award in Malaysia endorsed by MATRADE and supported by the Malaysian Advertisers Association (MAA), Media Specialists Association (MSA), and Malaysian Digital Association (MDA).

Who We Are



Sime Darby Property won the BCI Asia Top 10 Developers (Malaysia) Award 2024

Sime Darby Property secured the BCI Asia Top 10 Developers (Malaysia) Award for the 12th consecutive year in 2024, marking a significant achievement in the Malaysian property development landscape. The Top 10 Developers award specifically recognises developers based on the total value of their active projects under construction during the previous calendar year, with consideration for their commitment to sustainability and green building ratings.



StarProperty Real Estate Developer Awards 2024:

- **All Stars Award (No. 1)**
- **Readers Choice Award - Most Preferred Developer (Top 3)**
- **Readers Choice Award - Newsmaker of the Year (Top 3)**

The StarProperty Awards 2024: Real Estate Developer pays tribute to developers who have significantly contributed to the nation's real estate growth. From iconic buildings to eco-friendly developments and integrated townships, these awards celebrate quality projects that form the backbone of society.

In collaboration with industry stakeholders, investors, entrepreneurs, and homebuyers, the awards honour property developers for their consistent outstanding performance year after year.



2024 PropertyGuru Asia Property Awards:

- **Best Landed Development (Malaysia) Award (The Residences III at The Glades)**

The PropertyGuru Asia Property Awards is Asia's largest and most prestigious real estate awards programme, celebrating the top achievers in the region's dynamic markets. It honours outstanding developers and developments at both domestic and regional levels. As a key milestone in the real estate industry calendar, the event attracts top decision-makers and esteemed trade and consumer media.



Malaysia Landscape Architecture Awards 2024 (MLAA14): Best Client Award

This year, the Institute of Landscape Architecture Malaysia (ILAM) celebrates the 13th edition of its awards, recognising excellence across the landscape architecture industry. These awards honor outstanding achievements by consultancy firms, developers, researchers, students, contractors, suppliers, government agencies, foundations, NGOs, media, and individuals in Malaysia and abroad.

The Best Client Award in the MLAA awarded at the Malaysia Landscape Architecture Awards (MLAA) recognises a property developer or client who demonstrates exceptional commitment to high-quality landscape design in their projects.



MDA d Awards 2024

- Best Digital Out-of-Home category for 'CNY 2023: From Point of Interest to Point of Sales' (Gold)
- Best Use of Data, Best Digital Customer Acquisition and Loyalty Campaign (Silver)
- Best Performance Marketing Campaign for 'Serasi: Gone in 60 Minutes' (Silver)

The d Awards 2025, organised by the MDA, honours talents, agencies, brands, publishers, and digital service providers that leverage digital technologies. The awards seeks innovation in designing, managing, marketing, or promoting digital campaigns, products, or services that transform how consumers perceive and engage with brands.

In 2024, Sime Darby Property garnered an impressive portfolio of HR and employee awards, reflecting our holistic commitment to leadership excellence, innovative HR solutions, robust DEI principles, and the fostering of a supportive work culture. These accolades reinforce our status as an employer of choice and underscore how our talent strategies continually evolve to meet both employee needs and the shifting demands of our industry.

For an in-depth look at our achievements and our broader HR initiatives, please refer to Chapter 4 of this report.



Life At Work Awards (LAWA) by TalentCorp

LAWA celebrates employers who have adopted forward-thinking strategies that exemplify their dedication to the DEI agenda and sustainability efforts for the Future of Work, Workplace, and Workforce.

These progressive employers proudly display the LIFE AT WORK brand mark, which serves as a recognition of their commitment to the future of work policies, placing them ahead in attracting top-notch talent.



HR Excellence Award

The HR Excellence Awards celebrate the top HR teams and individuals for their exceptional contributions across every aspect of the HR function.



GRADUAN Brand Awards

The GRADUAN Brand Awards presents insights into talent's preferences of organisations. Voted by talents, the GRADUAN Brand Awards identifies the factors that influence talent when it comes to choosing their preferred employers as well as their pick for the Malaysia's Most Preferred Employer, in general, and according to sector. Overall, the findings of the GRADUAN Brands Awards indicate employer branding and visibility of the organisations named.



M100

M100 Gala Awards ceremony recognises the most outstanding graduate recruiters in the country via the Overall Awards as well as those who stand out within key industry sectors via The Sector Awards.

Who We Are



Highlighting Our Achievements in Sustainability



At *The Edge Malaysia - ILAM Sustainable Landscape Awards 2024*, KL East Park (Phase 1) received a Silver award in the Landscape Planning category. This award recognises Sime Darby Property's dedication to preserving green spaces that promote biodiversity and provide tranquil environments for local communities. As a key feature of the KL East township, KL East Park exemplifies the Group's strategy to balance urban development with the protection of natural ecosystems.

Another notable achievement was the Special Mention award for *The PARC @ Taman Subang Ria* in the Below 10 Years - Specialised category. Opened last year, PARC was designed as a replicable community centre model, actively promoting sustainable living while positively impacting surrounding communities. This recognition highlights Sime Darby Property's innovative approach to creating vibrant spaces that foster social engagement and environmental awareness.



Additionally, Sime Darby Property was honoured at the *Best Managed & Sustainable Property Awards (BMSPA) 2024*, organised by *The Edge Malaysia*. Now in its eighth year, the awards celebrate Malaysian real estate projects designed, built, and maintained with sustainability as a core principle. KLEM, located within the KL East township, won Bronze in the Below 10 Years - Retail category. This recognition underscores the Group's ongoing efforts to implement green building practices that enhance sustainability and reduce carbon emissions.

Reflecting on these achievements, Sime Darby Property's Group Managing Director and Chief Executive Officer (GMD & CEO), Dato' Seri Azmir Merican, remarked that the awards reaffirm the Group's purpose to be a Value Multiplier for People, Businesses, Economies, and the Planet. He stated: "*The Group is committed to innovation and staying attuned to industry trends while championing sustainable development. We aim to create living environments where people and nature can coexist more harmoniously. With this long-term goal in mind, we will continue striving to enhance sustainable living in balance with nature.*"



Dear Shareholders and Stakeholders, [GRI 2-11]

2024 has been a remarkable year for our company, marked by strong financial performance and unprecedented growth. As we reflect on our accomplishments, it is important to also acknowledge the challenges facing our planet – the triple planetary crisis of climate change, biodiversity loss, and pollution.

While our company has made significant strides in our industry, we must also recognise our impact on the environment. Environmental apathy is a major driver of the planetary crisis, and we must take responsibility for our role in contributing to this issue. With increased business activities comes a rise in our emissions, presenting us with the challenge of balancing growth with environmental responsibility.

Chairman's Message

In the pursuit of maintaining our commitment to sustainability, we have set ambitious goals to drive down our energy consumption and achieve net-zero emissions. Our focus remains unwavering as we work towards reducing 40% of our Scope 1 and Scope 2 greenhouse gas emissions targets by 2030. Further advancing our decarbonisation ambitions, we have pledged to achieve net-zero carbon emissions by 2050. To fulfil this commitment, we are accelerating our decarbonisation efforts.

In 2024, we initiated physical climate risk assessments for some of our townships. We also took major steps to install rooftop solar panels across our portfolio in partnership with GSPARX, thereby reducing operational emissions and helping our customers reduce their own carbon footprints. Furthermore, we expanded our network of electric vehicle charging stations across key locations including our sales galleries, headquarters and KLGCC facilities bringing the total to 40, strengthening support for eco-friendly transport solutions.

In an era where sustainability, digitalisation, and affordability are paramount, we are committed to leading the way in driving positive change within the real estate industry. To this end, we have secured six provisional green building certifications, raising our total to 11 across the Group – further cementing our commitment to ensuring efficient resource use and minimal environmental impact. Additionally, rooftop solar photovoltaic systems are being installed across 10 assets. By fostering partnerships and embracing innovation, we aim to transform urban development practices and create habitats that are not only livable but also flourishing.

Recognising that nature conservation and climate action go hand in hand we remain committed to enhancing urban biodiversity, water and air quality. In 2024, we joined the Asia ESG Positive Impact Consortium (“A-EPIC”) with Star Media Group as an Urban Biodiversity Partner—an important milestone in championing green solutions for urban environments. Through community workshops on snake conflict management and first aid, we have also sought to foster greater harmony between urban spaces and local ecosystems.

I am particularly proud of the company's efforts in advancing urban biodiversity. In 2024, we took a more structured approach to planning, executing and maintaining green spaces. We have witnessed firsthand the positive impact of sustainable practices on communities and the environment, through initiatives such as the Elmina Urban Biodiversity Corridor and the 180-acre constructed wetland in Bandar Bukit Raja. While we have planted more than 150,000 trees to-date – 30,100 of which are endangered, rare and threatened (“ERT”) species – I believe we can do more. Building on these efforts, we introduced 1,450 trees and plants within the expanded biodiversity corridor this year, creating new habitats and recreational spaces for the surrounding community. In Bandar Bukit Raja, our biodiversity initiatives recorded 187 species of flora and fauna, including 17 ERT species, highlighting the fruits of our labor and impact of our commitment to enhance both urban biodiversity and community well-being.

As a public listed real estate company, we are committed to creating value for all our stakeholders and being a trusted partner in sustainable development. Our ESG commitments extends beyond borders, aligning with global objectives while meeting local needs and aspirations. In the words of Mahatma Gandhi, “The future depends on what we do in the present.” We are dedicated to shaping a future that is not only sustainable but also inclusive and thriving for all.

Let us embark on this journey together, with a shared vision for a sustainable future that transcends traditional practices and propels us towards global success. As we continue to grow, our commitment to sustainability will only strengthen, making us a force for good and progress in the ever-evolving landscape of real estate. Thank you for your continued support as we move forward towards a resilient future.

Dato' Rizal Rickman Ramli
Chairman



Dato' Seri Azmir Merican

Group Managing Director &
Chief Executive Officer

Dear Shareholders and Stakeholders,

Over the years, the growing demand for sustainable practices has become increasingly evident. At Sime Darby Property, I am proud to share our dedication and progress in driving sustainability, a key factor in safeguarding long-term success. Our purpose-driven TEAM culture underpins our commitment to creating opportunities for the next generation, in line with our SHIFT25 strategy. We strive to multiply value for people, planet, businesses, and economies by embedding sustainability into every aspect of our operations.

Group Managing Director & Chief Executive Officer's Message

At the heart of our approach is a transformative sustainability platform that aligns with eleven of the UN SDGs most relevant to our business. We also subscribe to the recommendations of the Task Force on Climate-related Financial Disclosures and reference the Kunming-Montreal Global Biodiversity Framework for our urban biodiversity efforts. By formalising our processes for measuring and monitoring ESG impact, we are able to integrate sustainability across our product offerings.

As a property developer, we constantly look for ways to enhance liveability, strengthen community ties, and build resilience in the areas where we operate. Our placemaking efforts across our various townships have been recognised by industry awards, reaffirming our commitment to shaping harmonious neighbourhoods that encourage social interaction and safeguard the environment. Our progress does not stop at our direct operations. In 2024, we delivered a human rights training programme for our supply chain to foster greater awareness and accountability among vendors. We now run community engagement initiatives in more than 25 townships, focusing on education, diversity and inclusion, poverty alleviation, and disaster relief. Meanwhile, we continue to collaborate with high-risk suppliers on sustainability, ensuring that responsible practices underpin our entire business ecosystem.

Beyond supply chain management, we aim to embed circular economy principles into our operations. Our FY2024 waste diversion rate stands at 50%, up from 25% in FY2023. This improvement can be attributed to the efforts of our dedicated team in Putra Heights, whereby our pioneering food waste disposal programme at a construction site workers' quarters has the capacity of collecting 3.5 tonnes of food waste from around 1,000 workers. In addition to this, at a Ladies Professional Golf Association event, 4,200 kg of food waste was prevented, avoiding 11 tonnes of CO₂e emissions which would have otherwise been emitted from disposal to landfill.

With a workforce of over 1,600 strong, our people are central to driving our value-driven culture. Understanding this, we strive to empower our robust, diverse and dynamic workforce. Women now comprise 46% of our C-suite, reflecting our commitment to nurturing an inclusive culture. To future-proof our workforce, we have invested RM5.9 million in training, with our people collectively logging more than 106,000 learning hours in 2024—up 43% compared to FY2023. Beyond the workplace, our social investments

extend into the communities we serve. In 2024 alone, Sime Darby Property contributed more than RM9 million to YSD and other community causes, with our employees devoting 900 hours to volunteer programmes.

In line with our sustainability framework, safety remains our highest priority. In 2024, we reduced our lost-time injury rate to 0.05, compared to 0.11 in 2023. Regrettably, we faced the tragic loss of two subcontracted workers in our supply chain; our deepest sympathies go to their families. We continue to strengthen collaboration through targeted training programmes, site engagements, and the integration of safety measures at every level of our operations. A notable initiative in FY2024 is the rollout of Barrier Thinking (BT)—an approach designed to help both employees and contractors better recognise hazards, implement control barriers, and apply recovery strategies. Moreover, our Safety Corporate Scorecard requires the submission of at least one identified barrier per executive, while Project TIGA mandates three barriers for high-risk activities. Together, these measures drive ongoing improvements in safety performance and underscore our commitment to the well-being of everyone in our supply chain.

Since our founding in the 1970s, Sime Darby Property has been unwavering in its commitment to advancing sustainable development. As we face emerging global challenges, we remain agile and resilient—continuing to provide connected, enduring experiences for the communities we serve. Our journey towards net zero, the expansion of renewable energy solutions, and the ongoing evolution of our supply chain practices all speak to our unwavering determination to leave a better planet for future generations.

On behalf of the Sime Darby Property Executive Committee, I would like to thank our people for their dedication to sustainability and our stakeholders for their invaluable partnership and support. Together, we will continue driving meaningful change, shaping a future where businesses, communities, and the planet thrive in unison. Thank you for standing alongside us in this mission. We look forward to sharing more as we expand our impact.

Dato' Seri Azmir Merican

Group Managing Director & Chief Executive Officer

Performance Scorecard

FINANCIAL PERFORMANCE



Market capitalisation

RM11.5
billion



Total Assets

RM16.5
billion



Total Sales

RM4.1
billion

Environmental



17,879 tCO₂e[^]

Scope 1 and Scope 2
location-based emissions

16,973 tCO₂e

Scope 1 and Scope 2
market-based emissions



1,933[^]

Megalitres water withdrawal



50%

Waste diverted from landfill



155,349

Total trees planted,
including **30,100** from
threatened species

3.6 mil m²

Area restored/conserved

Social



RM20.8
mil

in community
investment benefiting
70,000 people



11,971

employee safety training
hours achieved

983[^]

employees
trained in health and
safety standards



2,877

volunteer
hours
clocked in

Governance



100%[^] operations
assessed for corruption risk



Zero online breaches



38% of women hold
senior management positions



Zero substantiated reports of
corruption have been found

[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

Our Sustainability Approach

[GRI 2-22]



Baya Weaver weaving intricate nest in City of Elmina.
Photo by Izereen Mukri, Ecologist, Sime Darby Property.

Foundations of Sustainability

Sime Darby Property is steadfast in its commitment to sustainability, embedding EESG principles into the core of its operations. Our sustainability impact is guided by a comprehensive Sustainability Framework, and activated by four key imperatives instilled through our sustainability agenda. Our Sustainability Framework and Agenda are reinforced through alignment with the UN SDGs, ensuring that Sime Darby Property's initiatives contribute to broader global objectives.

Introduction

Our Sustainability Approach

Creating Value Through Innovation

Environmental Stewardship

Empowering People and Communities

Upholding Good Governance

Appendices

Foundations of Sustainability

SUSTAINABILITY FRAMEWORK

Our sustainability framework provides a common purpose and direction to our efforts across the EESG spectrum, highlighting key priorities essential to our business and its impacts and positioning Sime Darby Property as a catalyst for positive change, delivering value to all stakeholders.

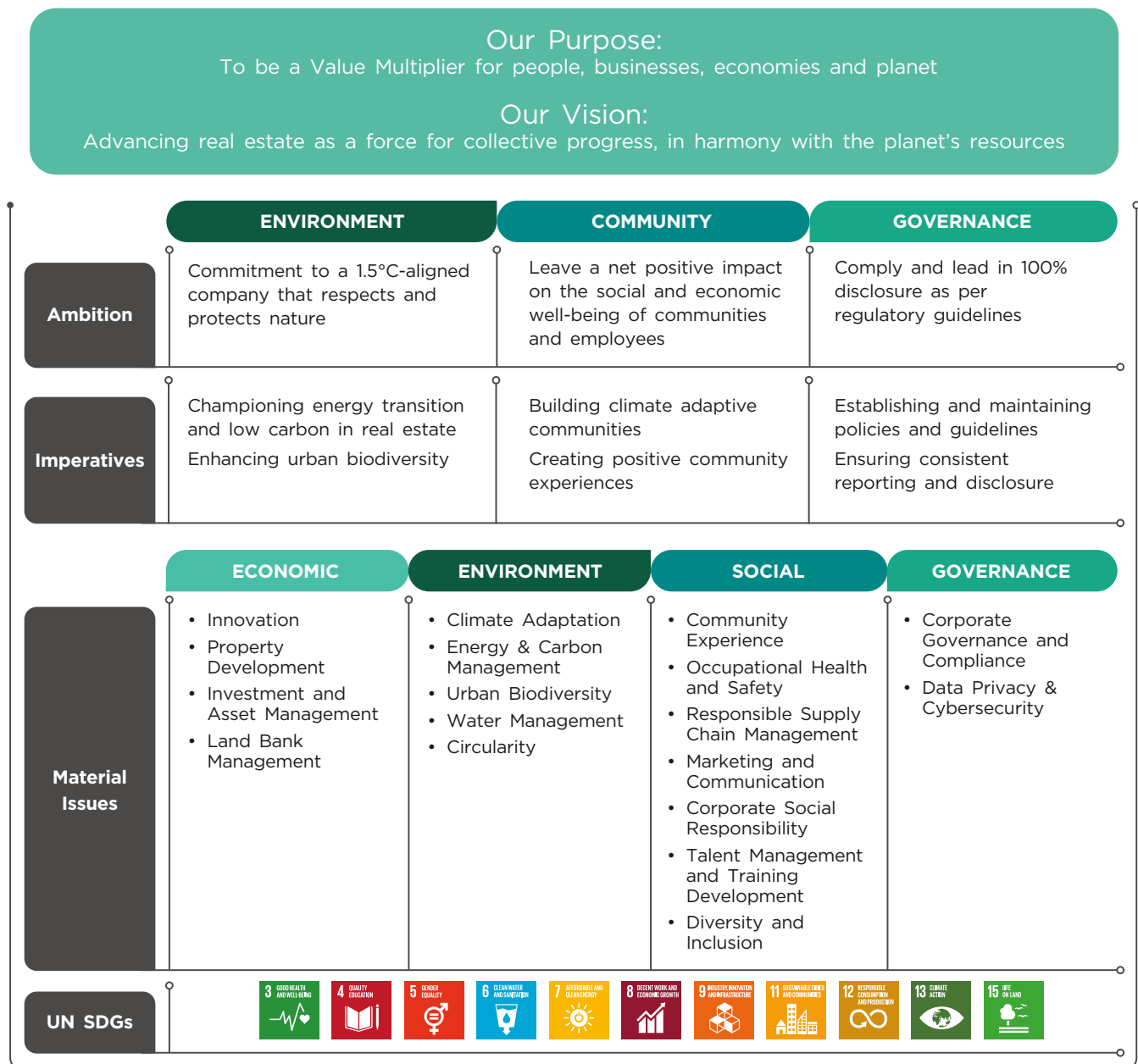


Figure 1.1: Sime Darby Property Sustainability Framework

SUSTAINABILITY AGENDA

Guided by our core purpose as a **Value Multiplier** for people, businesses, economies, and the planet, we strive to establish thriving, sustainable developments that create harmony between the built environment and nature. In line with this vision, our sustainability agenda is driven by four guiding principles that aim to foster resilient communities, strengthening the foundation for sustainable development.

A pertinent component of our sustainability agenda is our commitment to achieving Net Zero operational carbon emissions by 2050. We recognise that managing our emissions is crucial to minimising our impact on climate change and contributing to global efforts to keep the planet's temperature increase well below 1.5°C.

Our Net Zero journey is two-pronged:

1. **Technology-Based Efforts:** We are enhancing energy management by retrofitting our assets with energy-efficient technologies and transitioning to renewable energy sources. This includes installing rooftop solar photovoltaic panels at 14 operational sites and promoting energy-conscious behaviours among our staff.
2. **Nature-Based Solutions:** We harness the power of green spaces to regenerate and conserve urban biodiversity, enhancing ecosystem resilience while sequestering carbon and mitigating urban heat. Our initiatives include establishing urban biodiversity corridors within our townships and conserving high biodiversity areas such as the 53-acre KL East Park - an urban sanctuary that supports both urban biodiversity and community well-being.

Beyond conservation, we are dedicated to fostering climate resilience through education and community engagement. By empowering communities with knowledge on urban biodiversity and emission reduction, we cultivate a shared responsibility for sustainable living. Looking ahead, we are committed to designing strategies to address our Scope 3 emissions, particularly within our supply chain. We are actively collaborating with consultants, contractors, and suppliers to deepen our understanding of these emissions and develop comprehensive plans to reduce them.

At the core of our sustainability agenda is the seamless integration of biodiversity into urban planning. Our developments prioritise green and blue networks, restoring ecosystems that support diverse flora and fauna while enhancing urban livability. Through initiatives like the Elmina Urban Biodiversity Corridor (EUBC), we are working to conserve endangered species, rehabilitate natural habitats, and strengthen connections between nature and communities.

Urban biodiversity lies at the heart of resilient cities, ensuring long-term environmental health and socio-economic prosperity. We strive towards creating a nature-positive future. From community education to embedding urban biodiversity principles in how we design, build and operate, our unwavering commitment in urban biodiversity aims to reinforce confidence to our investors and stakeholders that we are steadfast in driving meaningful progress for generations to come.



Medium Egret regulates fish population in Elmina Twin Lakes.
Photo by Izereen Mukri, Ecologist, Sime Darby Property.

Foundations of Sustainability

As we move forward, we acknowledge the growing population and the increasing demand for resources. We believe it is our responsibility to ensure resilience for our communities and the planet, achieved through the careful assessment of climate risks and opportunities. We are committed to designing and implementing climate-resilient landscapes, such as the Bandar Bukit Raja wetlands, KL East Park and the EUBC, which offer urban green refuges for people and urban biodiversity, through community programmes, we strive to enhance public knowledge and awareness of the importance of climate resilience, empowering individuals to contribute to a sustainable future.

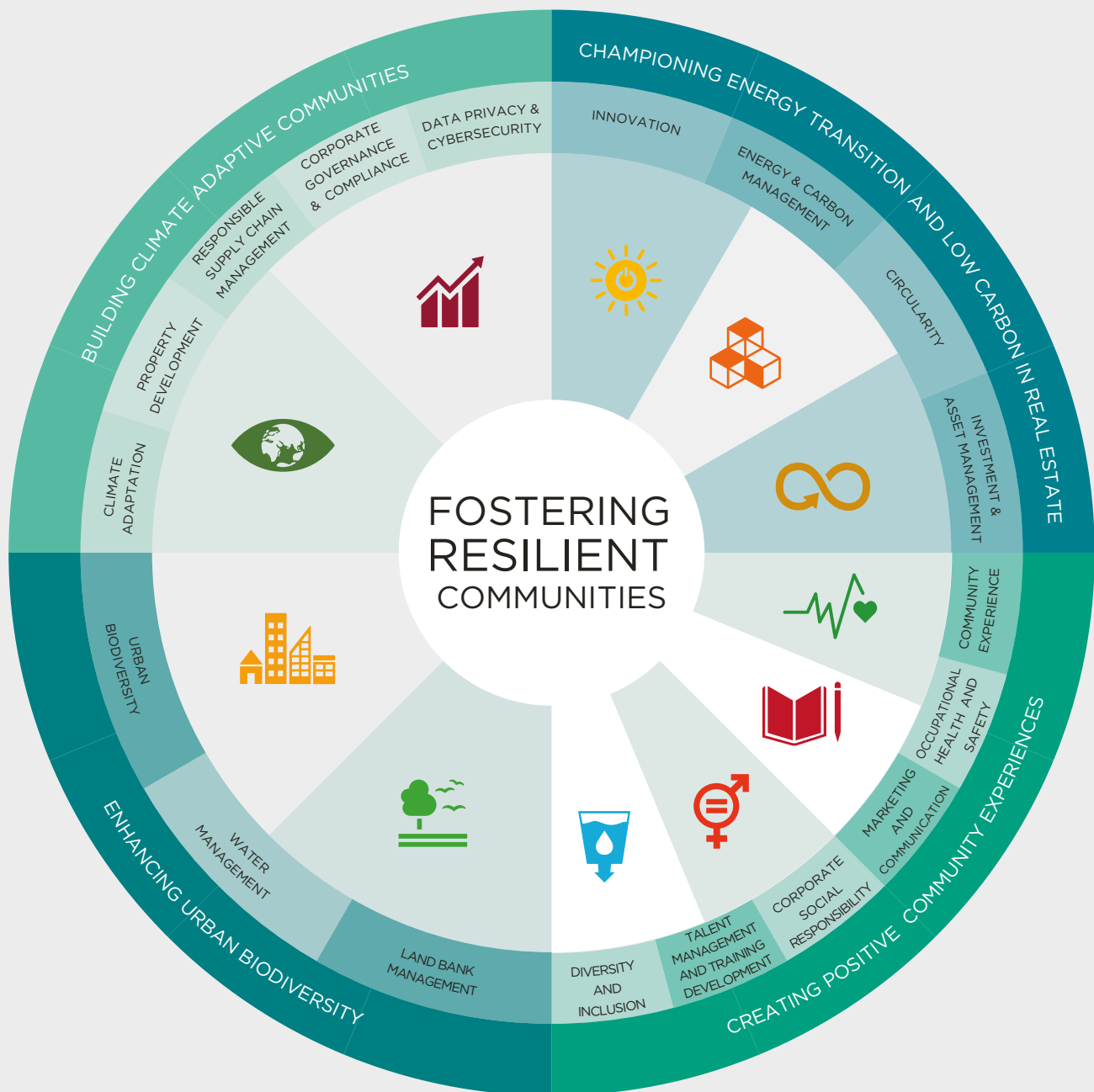


Figure 1.2: Our Sustainability Foundation

Value Creation and Stakeholder Engagement

[GRI 2-16, 2-29, 3-3]

Our approach to value creation focuses on leveraging our strengths as a leading property developer to diversify income streams and enhance operational excellence. This includes strategically expanding into industrial developments, renewable energy ventures, and investment assets.

With Innovation and Digital Transformation as one of the focus areas of our SHIFT25 Strategy, we believe that long-term stakeholder value could be created through process optimisation. Aligned with our sustainability agenda, we are dedicated to creating vibrant, sustainable townships that prioritise community well-being and ecological harmony. Initiatives like KL East Park and the EUBC exemplify our commitment to integrating green spaces and enhancing urban biodiversity while fostering climate resilience. These developments are further enriched by investments in affordable housing and community programmes that cater to diverse societal needs.

For further details on Sime Darby Property's value creation model and SHIFT25 Strategy please refer to our Integrated Report 2024, pages 32 to 33 and pages 132 to 136.

Collaboration is essential to our value creation approach, guaranteeing that our efforts are both significant and inclusive. By actively engaging with investors, governmental organisations, and local communities, we achieve concrete outcomes while strengthening our dedication to promoting the wider ESG agenda. This comprehensive strategy demonstrates Sime Darby Property's steadfast commitment to generating shared value, ensuring robust growth, and fostering a sustainable future for future generations.

Types of Engagement and Their Significance to Sime Darby Property

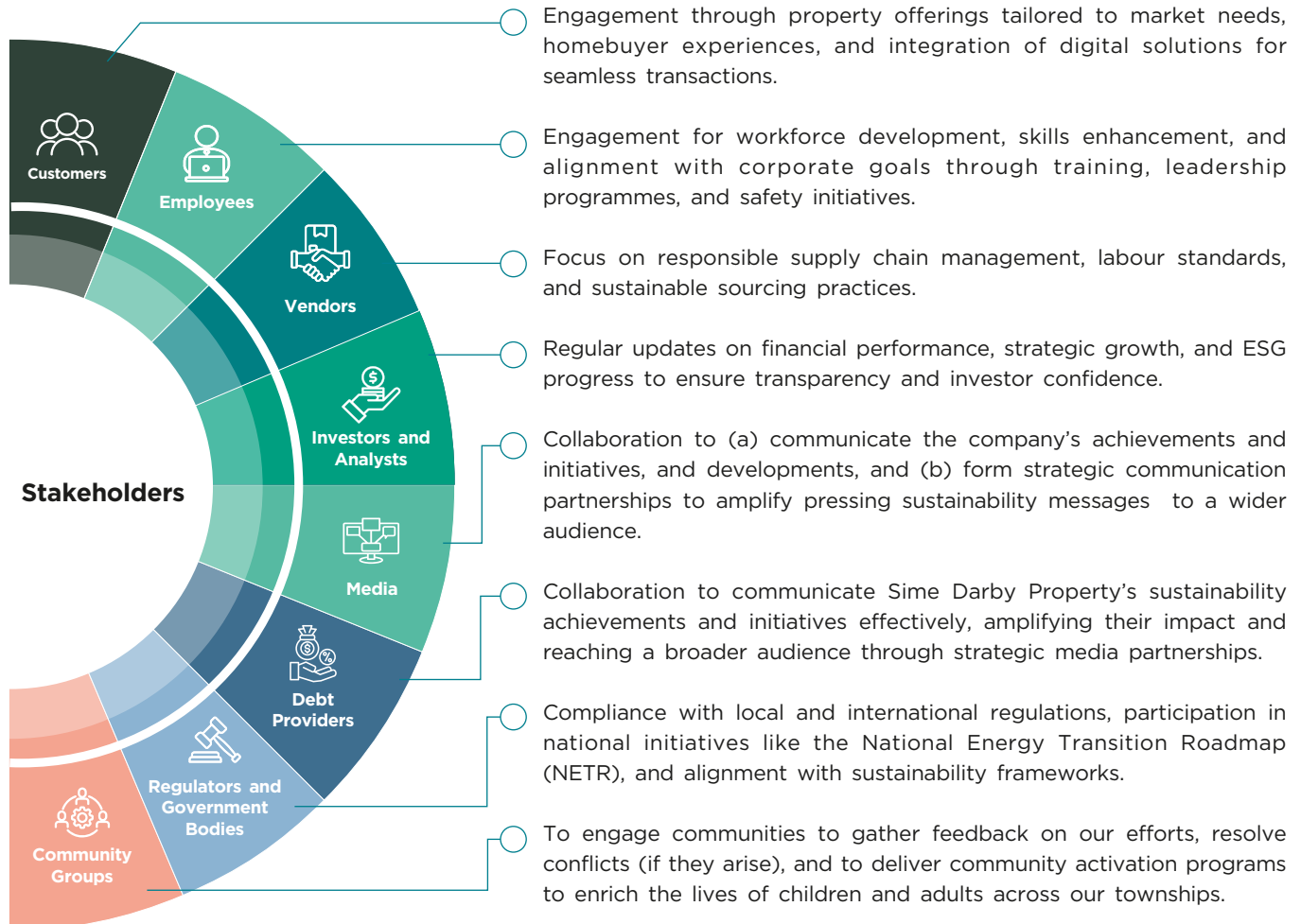


Figure 1.3: Types of Stakeholders Engaged by Sime Darby Property

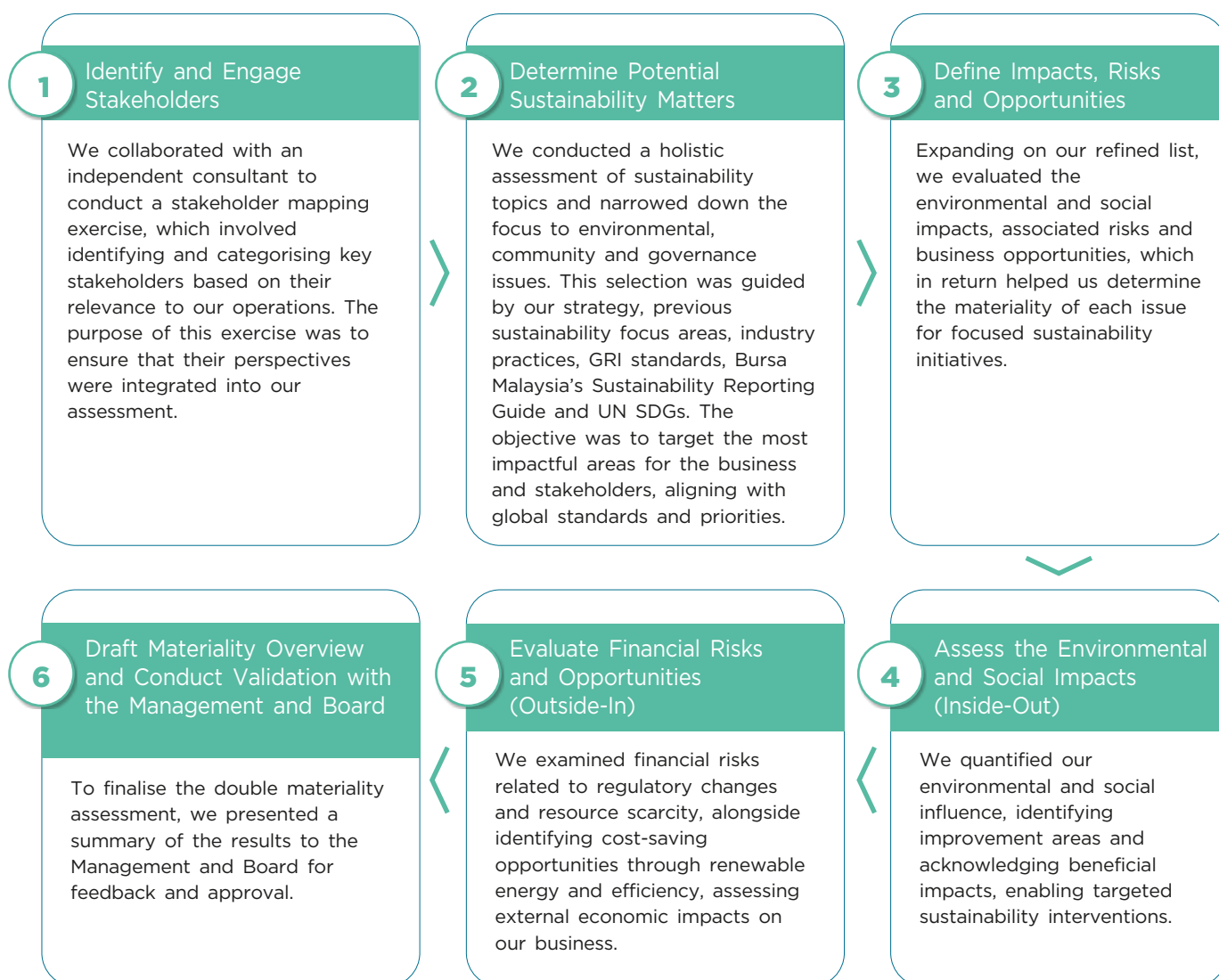
For further details on Sime Darby Property's stakeholder engagement, please refer to our Integrated Report 2024, Value Creation Chapter, pages 38-50.

Material Matters

MATERIALITY APPROACH [GRI 3-1]

Following our comprehensive double materiality assessment in 2023, we have reviewed our organisational boundaries, operations, and structure to determine whether any significant changes warrant a reassessment. As of 2024, these aspects have remained largely unchanged, with stakeholder expectations, industry regulations, and external environmental and social contexts remaining stable. Given this continuity, the findings from our 2023 assessment remain relevant and continue to guide our sustainability strategy.

Building on this foundation, our 2023 double materiality assessment was instrumental in enhancing our ability to analyse the company's impact across environmental, social, and ethical dimensions. By adopting this approach, we strengthened our sustainability reporting, ensuring a more comprehensive and transparent disclosure process. The double materiality approach enables us to evaluate both how sustainability issues affect our business and how our operations influence sustainability. This dual perspective—assessing external impacts on our company outside-in alongside our company's impact on society and the environment inside-out—provides a well-rounded understanding of our sustainability footprint. By implementing this methodology, we reinforce trust among stakeholders, including government bodies, investors, and the public, through clearer and more detailed reporting.



MATERIALITY OUTCOMES [GRI 3-2]

Through this assessment, **we identified 18 material topics** that are critical drivers of our overall sustainability performance. Among these, **nine (9) emerged** as particularly crucial. These key material matters continue to shape our strategic approach, ensuring that our sustainability efforts remain aligned with business priorities and stakeholder expectations.

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

Compete: Demonstrating strong efforts in championing the material matters

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

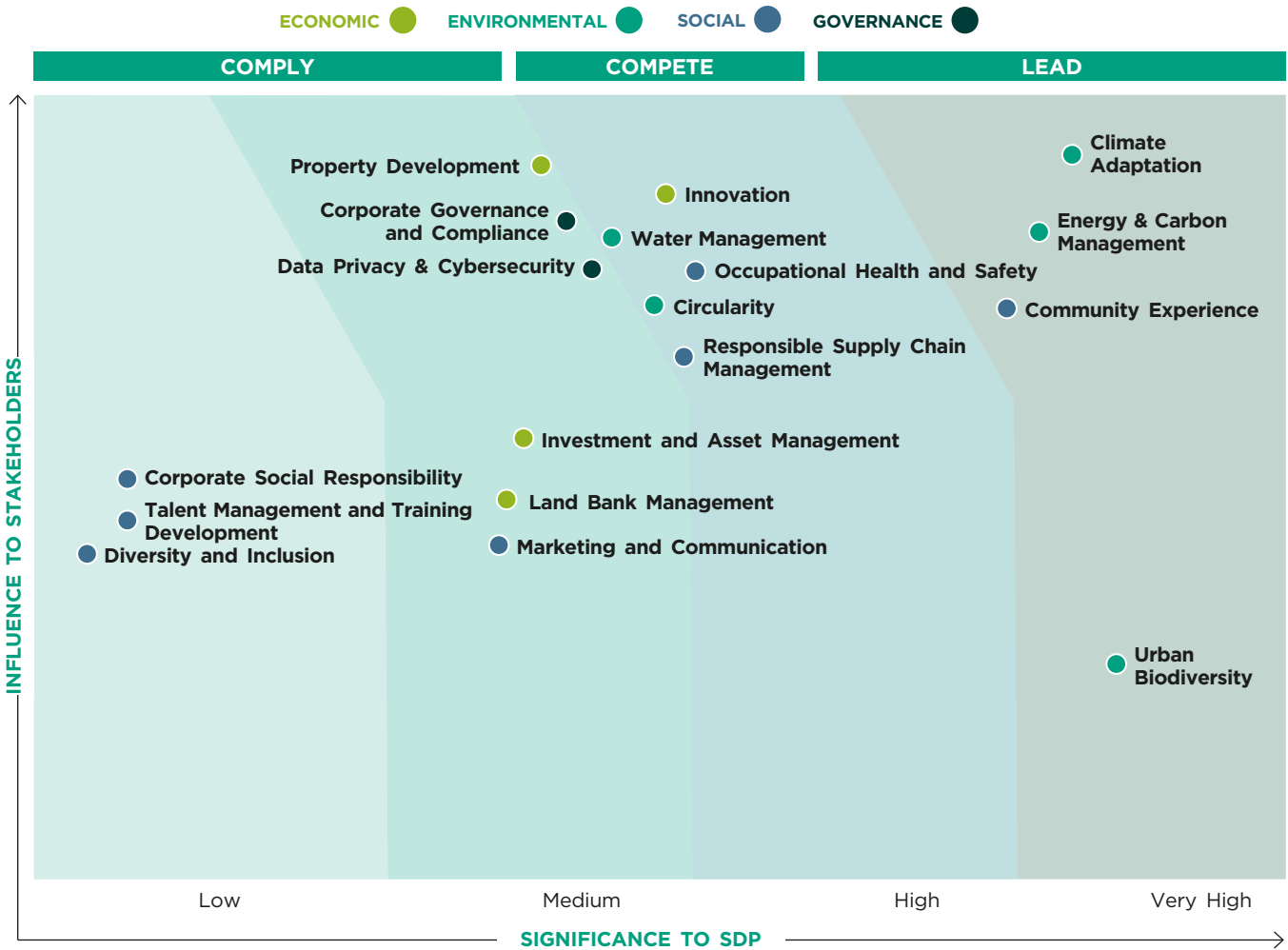


Figure 1.4: Sime Darby Property Materiality Matrix

Material Matters

ECONOMIC



INNOVATION

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



PROPERTY DEVELOPMENT

We design sustainable products to meet the growing demand for green building solutions by prioritising the reduction of embodied carbon emissions linked to building materials, with the aim of offering more sustainable options to our customers.



INVESTMENT AND ASSET MANAGEMENT

We integrate ESG considerations into our investment evaluations and operational processes when acquiring, maintaining, or enhancing our assets by assessing climate and environmental risks, ensuring that our investments create positive outcomes for both the organisation and the communities they serve.



LAND BANK MANAGEMENT

We consider ESG factors when acquiring and maintaining undeveloped land to preserve or enhance its value by assessing climate and environmental risks that may lead to stranded assets, while seeking to maximise positive societal impact through community-focused development.

ENVIRONMENTAL



ENERGY & CARBON MANAGEMENT

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



URBAN BIODIVERSITY

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



CIRCULARITY

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



WATER MANAGEMENT

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



CLIMATE ADAPTATION

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

SOCIAL



COMMUNITY EXPERIENCE

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



OCCUPATIONAL HEALTH AND SAFETY

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



RESPONSIBLE SUPPLY CHAIN MANAGEMENT

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



MARKETING AND COMMUNICATION

We continuously evolve our communication style, tools, and channels to increase brand awareness and strengthen relationships with customers, prospects, and other stakeholders, thereby enhancing our market presence and fostering greater engagement.



CORPORATE SOCIAL RESPONSIBILITY

We foster inclusive environments for local communities by addressing their needs through financial and non-financial support, reflecting our commitment to community well-being in our portfolio of affordable homes and demonstrating our dedication to meeting diverse societal needs.



TALENT MANAGEMENT AND TRAINING DEVELOPMENT

We offer training programmes to bridge skills gaps and enable continuous professional growth, and we provide competitive compensation and benefits while cultivating a supportive work environment that recognises employee contributions, fostering long-term engagement and retention.



DIVERSITY AND INCLUSION

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

This material matter also addresses the Bursa Listing requirement for reporting on the common sustainability matter "Diversity and Inclusion"

GOVERNANCE



CORPORATE GOVERNANCE AND COMPLIANCE

We uphold good corporate governance through effective boards, board independence, and diversity, ensuring transparency, accountability, and stakeholder engagement, while complying with all relevant laws and regulations through robust internal controls.

This material matter also addresses the Bursa Listing requirement for reporting on the common sustainability matters "Labour Standards and Practices" AND "Anti-Bribery and Corruption (ABC)"



DATA PRIVACY & CYBERSECURITY

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

This material matter also addresses the Bursa Listing requirement for reporting on the common sustainability matter "Data Privacy and Security"

Contribution to the UN SDGs



Figure 1.5: Contribution to the UN SDGs

Sime Darby Property contributes positively to 11 UN SDGs by integrating sustainability into its operations and driving positive impacts. Through initiatives like ensuring worker health and safety, promoting technical and vocational education, and advancing gender diversity with 36% female board representation, we support **Good Health and Well-being (Goal 3)**, **Quality Education (Goal 4)**, and **Gender Equality (Goal 5)**. Our commitment to **Clean Water and Sanitation (Goal 6)** is driven by our initiative in reducing potable water usage by installing water-saving features in over 400 homes in 2024. **We champion Affordable and Clean Energy (Goal 7)** by implementing solar photovoltaic systems and reducing energy consumption while driving **Industry, Innovation, and Infrastructure (Goal 9)** with eco-certified, energy-efficient homes across 6 townships. Furthermore, we support **Decent Work and Economic Growth (Goal 8)** by upholding labor rights across our operations and supply chain. Our townships embody **Sustainable Cities and Communities (Goal 11)** by integrating green spaces and nature-based solutions that enhance biodiversity, promote climate resilience, and improve overall well-being for residents, aligning with our **Climate Action (Goal 13)** commitment to reach Net Zero by 2050. By advancing circular economy principles, we diverted 50% of waste from landfills in 2024, contributing to **Responsible Consumption and Production (Goal 12)**. As the first Malaysian real estate company to achieve ArbNet Arboretum Level II Certification, we actively regenerate and conserve biodiversity, supporting **Life on Land (Goal 15)** by planting over 155,349 trees, including ERT species.

Creating Value Through Innovation

[GRI 203-1, 203-2, 3-3]



Rooftop Solar Panels – Sime Darby Property's pilot rooftop solar initiative in conjunction with the government's National Energy Transition Roadmap ("NETR")

Innovation at Our Core

Innovation is the driving force behind everything we do. It shapes the way we evolve and create value. Anchored by our SHIFT25 strategy and three Engines of Growth – Property Development, IAM, and Experimental Bets – we continuously explore new frontiers to enhance our offerings, optimise efficiency, and build resilient, future-ready communities.

Our Development Services division plays a central role in this journey, supporting Township and Integrated Developments focusing on technical services, sustainability, quality management, and new ventures. This commitment to progressive solutions is embodied in the SDP Innovation Park, a 6-acre hub in Elmina City Centre, dedicated to experimentation, collaboration, and learning.

Innovation at Our Core

We continue to challenge the limits of possibility, establishing new benchmarks for the industry and reshaping the definition of excellence. By remaining proactive and accepting change, we are not only ensuring our position in the market but also generating enduring value for the communities and stakeholders we support. Our dedication to innovation remains steadfast, and we are eager to keep paving the path toward a brighter and more sustainable future.

OUR PURPOSE, VISION, AND MISSION

SHIFT25 Strategy remains intact and aligned with our Purpose, Vision, Mission, and Values

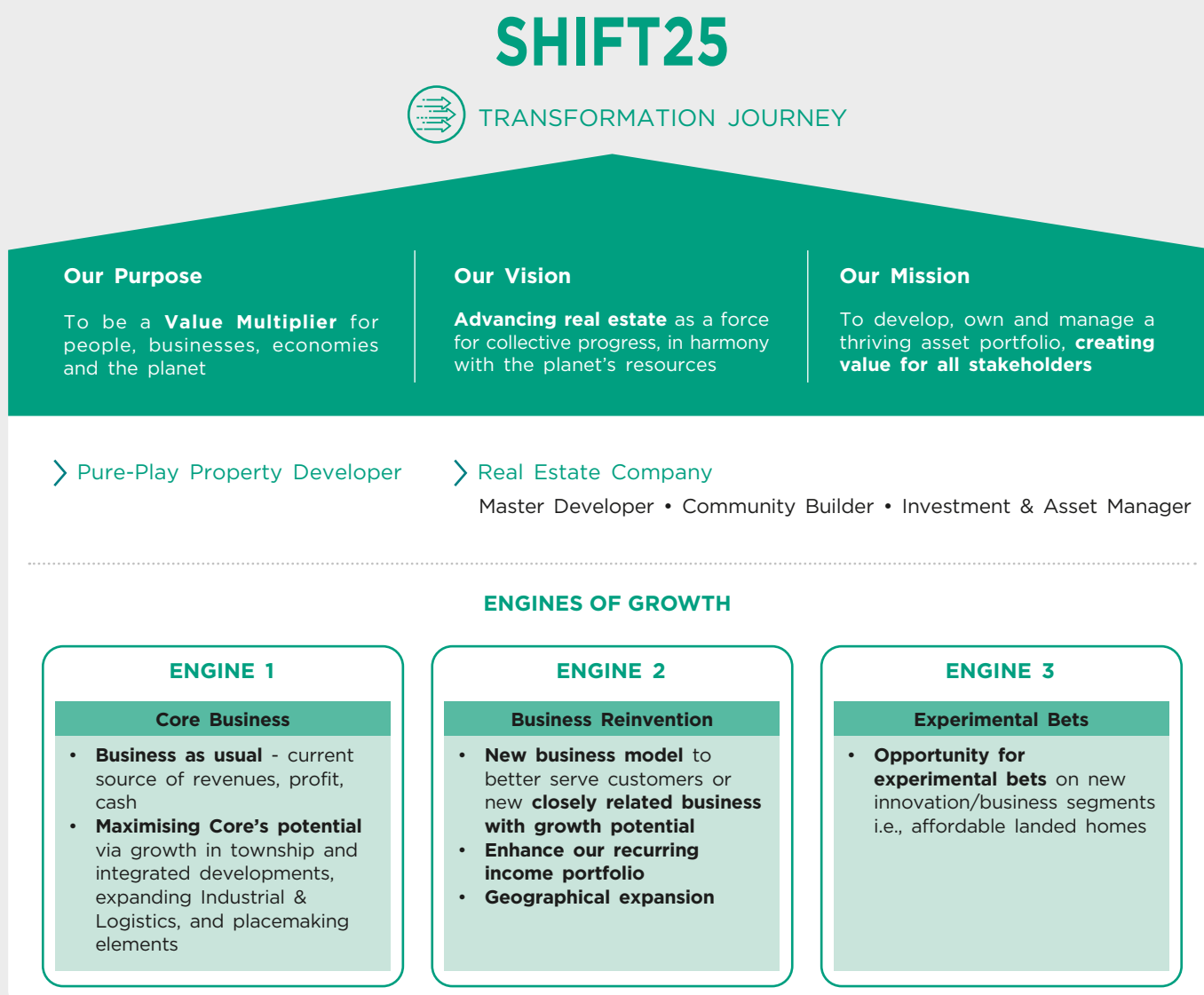


Figure 2.0: SHIFT25 Strategy Roadmap

ENGINE 1: PROPERTY DEVELOPMENT

[GRI 3-3, 203-1, 203-2]

Property Development serves as a central catalyst for growth at Sime Darby Property, influencing the creation of sustainable communities with a focus on innovation, digital advancement, and eco-friendly practices. In accordance with the Group's SHIFT25 strategy, Sustainability Framework, and changing market demands, innovation in Engine 1 aims to improve efficiency, minimise environmental harm, and provide lasting value to stakeholders.

SHIFT25 STRATEGY

Innovation in Property Development fosters lasting success by incorporating new technologies, intelligent solutions, and flexible business models to improve operational efficiency and product services.

SUSTAINABILITY FRAMEWORK

By embedding our Materiality Matters into design and construction, Property Development adopts green building practices, energy-efficient solutions, and low-carbon technologies to reduce its environmental footprint.

MARKET RESPONSIVENESS

Innovation enables Property Development to meet evolving consumer preferences for smart homes, community-oriented spaces, and sustainable living while addressing urbanisation trends and emerging lifestyle shifts.

Property Development plays a significant role in driving sustainability innovation, especially by focusing on those relatively easy-to-implement measures that can quickly improve efficiency and environmental performance. Standardising design elements allows for economies of scale, which is crucial for improving affordability in housing while keeping sustainability goals on track. This approach also lends itself well to integrating green technologies, which can become more effective when applied on scale. Integrating more sustainable materials or adopting energy-efficient technologies can make a noticeable impact on both the environmental footprint and long-term operational costs. The integration of passive design principles, including natural ventilation and efficient insulation, enhances long-term energy savings and resident comfort while also preparing properties for future technologies like solar PV systems with battery storage and EV charging infrastructure. Establishing the necessary infrastructure from the outset significantly simplifies and reduces the cost of incorporating renewable energy and EV charging solutions in the future. Similarly, waste reduction and water conservation strategies, whether through rainwater harvesting or water-efficient fixtures—can have a substantial impact.

Our approach effectively implements sustainable design and construction practices. Our design process integration relies on Building Information Modelling (BIM) for design optimisation, and the utilisation of Procore, a digital platform for quality and collaboration management. These tools streamline workflows, enhance project coordination, and improve overall outcomes, ensuring that sustainability considerations are met at every stage of development. By adopting this proactive approach, we are positioned to align with the ongoing shift towards clean energy, future-proofing our properties while delivering efficiency and cost savings.

While each of these initiatives may seem modest in isolation, their collective implementation across multiple projects has the potential to drive a significant transformation in the property development sector. These elements are integrated into a comprehensive Sustainability Design Checklist, which addresses our key sustainable material considerations, ensuring that our developments are designed with a holistic approach from the outset.

Innovation at Our Core

We are actively integrating energy-efficient technologies and sustainable systems across our Leisure and Retail assets, focusing on reducing energy consumption, improving resource efficiency, and enhancing operational effectiveness. Through retrofitting efforts and smart innovations, assets such as KLGCC and SDCC are implementing advanced solutions to optimise performance and reduce environmental impact.

SMART AND EFFICIENT TECHNOLOGIES AT KLGCC

To improve the maintenance efficiency of the golf course, KLGCC has adopted the following technologies:



POGO Moisture Meter

Enhances soil moisture, temperature, and salinity monitoring, preventing over-watering and optimising water consumption.



Upgraded Irrigation Pump System (Simflo Vert Turbine Pump)

Installed at the West Course and now being upgraded at the East Course, this system reduces maintenance needs by improving water efficiency, reducing our operational costs.



Cordless (Battery-Powered) Maintenance Equipment

Switching from fuel-based to battery-driven tools (such as blowers, pruners, and hedge trimmers) lowers Scope 1 emissions, decreases noise pollution, and enhances employee safety.



MyTurf Fleet Management System

Introduced to monitor machinery performance and servicing needs, optimising fleet efficiency and prolonging equipment lifespan.



Bernhard 5500 Reel Grinder

The latest reel grinding system enhances precision and efficiency in turf maintenance, further improving course playability.



Advanced BESS Integrated with EV Charging Hub

Partnering with chargeEV to launch an advanced EV charging hub with BESS, ensuring faster and more reliable charging while enhancing sustainability within our premier township at KLGCC Resort.

ENERGY OPTIMISATION AT SDCC

SDCC has undertaken significant energy efficiency upgrades, particularly in HVAC and escalator systems:

Chiller System Upgrade - In 2023, SDCC replaced one of its two chillers, leading to a 45% reduction in energy consumption. Chillers account for 52% of total energy use, making this upgrade a major step towards improved efficiency and cost savings.

Energy-Saving Motion Sensor Escalators - The modernisation of six escalators with motion sensors is expected to reduce energy use by 30%, further optimising operational efficiency.

SDCC has engaged a **Charging Point Operator (CPO)** to install **three 22kWh EV charging stations** at the car park level, with completion targeted for the **first quarter of 2025**.

ENGINE 2: INVESTMENT AND ASSET MANAGEMENT

[GRI 3-3]

INNOVATION IN ENERGY EFFICIENCY AND WASTE MANAGEMENT

The IAM segment remains committed to sustainability through innovative energy efficiency and waste management initiatives.

ENERGY EFFICIENCY



At KLEM and Elmina Lakeside Mall (ELM), we have implemented various measures to enhance energy efficiency within our malls. This includes the replacement of 2,187 conventional T5 fluorescent lights with T8 LED tubes in the car park from last year to early this year. The move is expected to reduce electricity consumption by 72%. The target saving is 23,712 kWh or RM9,722 per month. Other efforts to enhance energy efficiency include:

- Investing in renewable energy, such as rooftop solar photovoltaic panels.
- Implementing smart building technology to optimise energy usage.

These measures not only lower our carbon footprint but also reduce operational costs, reinforcing our commitment to sustainable asset management.

WASTE MANAGEMENT



KLEM leads the way in waste management, achieving the highest waste diversion rate among all assets. Our strategy includes:

- Comprehensive recycling programmes and composting initiatives to minimise landfill waste.
- Waste reduction strategies aimed at creating a circular economy within our mall.

By prioritising waste diversion from landfill, we are committed to reduce environmental pollution and enhancing the quality of life.

Energy efficiency and waste management are indispensable pillars of sustainable real estate practices. By embracing these strategies, we are able to significantly minimise our ecological footprint, reduce energy costs, enhance brand reputation, and contribute to a more sustainable future.

As the world transitions towards a more environmentally conscious era, we will continue to prioritise energy conservation and waste management to remain competitive, responsible, and resilient.

AWARDS & RECOGNITION

The operation of KLEM is aligned with the group's ESG commitments. With that in mind, financial sustainability is something the team looks at and several cost-saving initiatives have been implemented. Our commitment to ESG has resulted in us being awarded Bronze in the Below 10 Years – Strata Retail category at the Edge Malaysia Best Management & Sustainable Property Awards 2024.

LOOKING AHEAD

We will continue to push the boundary in enhancing more energy efficient initiatives while working strategically with our tenants and communities to drive higher waste diversion from landfill. Our journey forward is underpinned by our commitment to design and operate malls in a sustainable manner for communities and future generations.

Innovation at Our Core

ENGINE 3: EXPERIMENTAL BETS

Experimental Bets aims to explore innovative business areas and trailblazing projects to vary income sources and foster sustainable expansion. In line with the SHIFT25 strategy, this method motivates the company to explore new sectors, like utility-scale solar, to address changing market needs. Through taking on experimental bets, Sime Darby Property seeks to expand its revenue sources.

SIME DARBY PROPERTY'S INNOVATIVE INITIATIVES

At Sime Darby Property, we are continuously exploring ways to improve real estate development by adopting advanced construction methods and materials, designing homes that meet evolving customer needs, integrating smart technologies and sustainable systems to enhance operations, and reducing costs while minimising environmental impact. We also focus on creating townships that prioritise sustainability, adaptability, and community well-being.

Our innovation efforts are led by a dedicated innovation team that works closely with internal business units, technical experts, and external partners to ensure strategic alignment and effective execution of projects. To support this commitment, Sime Darby Property consistently allocates a dedicated budget for innovative initiatives, enabling the company to explore, test, and implement new ideas and solutions that drive long-term value.



Innovations in Construction and Sustainability: Modern Methods of Construction (MMC)



A double storey link home mock-up using new technologies and materials was constructed at Innovation Park in an effort to push the boundaries of sustainable construction. Using this prototype, we have successfully reduced carbon emissions from concrete by 30% through the use of Ground Granulated Blast-furnace Slag (GGBS) concrete and carbon capture technology that pumps carbon dioxide into the concrete. We also reduced construction time by 3-6 months and labour requirements by 30% using precast elements and volumetric construction. As a result of our innovations, we have obtained an Industrialised Building System (IBS) Score of 91 points, far above the requirement of 70 points for government projects, demonstrating our excellence in industrialised construction methods.



“

Second Life Battery: Redefining Energy Storage

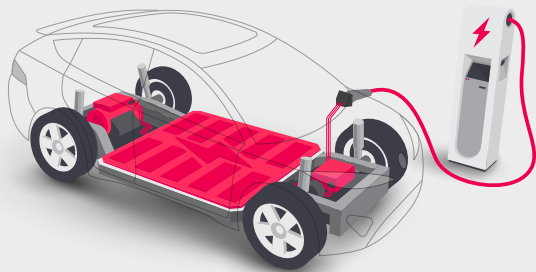


In a groundbreaking move, we experimented on repurposing electric vehicle (EV) batteries for home solar energy storage. This initiative addresses the growing need for the cost-effective energy storage solutions while mitigating hazardous waste disposal, which impacts the environment. Our research indicates that repurposed batteries can offer a viable alternative to new Energy Storage System (ESS) at a fraction of the cost. A mock-up battery unit has been successfully developed, with real-time monitoring of stored energy completed and installed in our MMC unit, demonstrating the potential of sustainable energy storage solutions for future residential applications.

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PROCESS FOR EXTRACTION, TESTING & REPACKAGING

1 EV Battery



3 Sorting & Reuse

Screening EV batteries which have >70% health capacity.



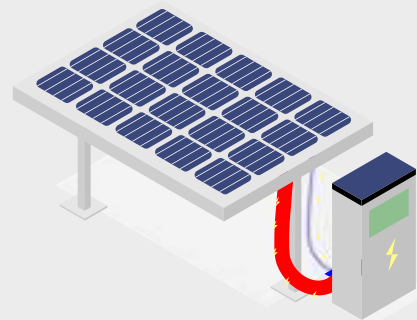
2 Extraction

Extracting faulty batteries from cars to be discarded. Battery with good remaining health to be salvaged for reuse.



4 Repackage & Fabrication

Fabrication of housing to suit home solar BESS.

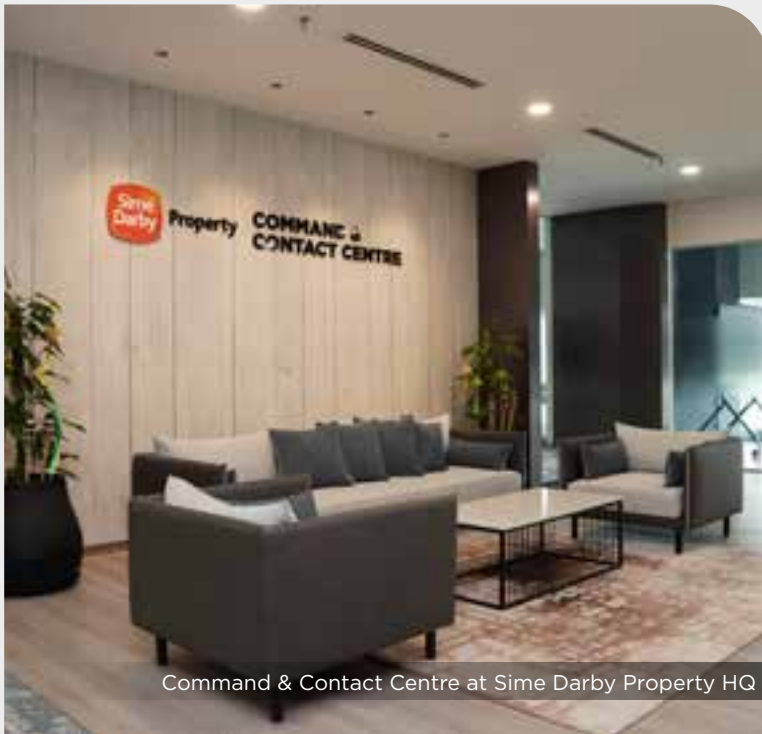


Innovation at Our Core



Bio-pond as Natural Filtration for Surface Runoff

We have completed the construction of a bio-pond at the Innovation Park. It serves as a natural water management system that filters stormwater, enhances biodiversity, and improves the landscape's ecological value.



Enhancing Defect Management and Elevating Customer Experience

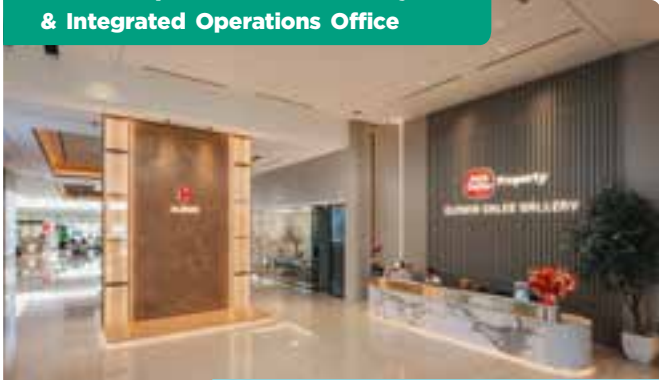
Sime Darby Property has undertaken a comprehensive review of its Quality Management System (QMS) to improve construction efficiency, customer service and sustainability. This initiative focuses on streamlining defect identification, tracking, and resolution to minimise errors and inefficiencies across all construction phases—pre-, during, and post-construction. The exercise encompasses the development of a Quality Assessment Manual for purchaser home assessment, holistic end-to-end process review exercise, and the setting-up of a centralised hub, the Command & Contact Centre (CCC), housing all our Quality Practitioners to improve efficiency of defect management and elevating customer experience. These improvements were completed in 2024 and the CCC is targeted for operationalisation in Q1 2025 to manage customer communications, disputes and defects.



PRODUCTS AND SOLUTIONS

5 buildings and 1 township development achieved provisional GreenRE certification in 2024

Elmina Experience Sales Gallery & Integrated Operations Office



GreenRE Platinum

Non-Residential Buildings (NRB) v3.2

Elmina Lakeside Mall



GreenRE Silver

Non-Residential Buildings (NRB) v3.2

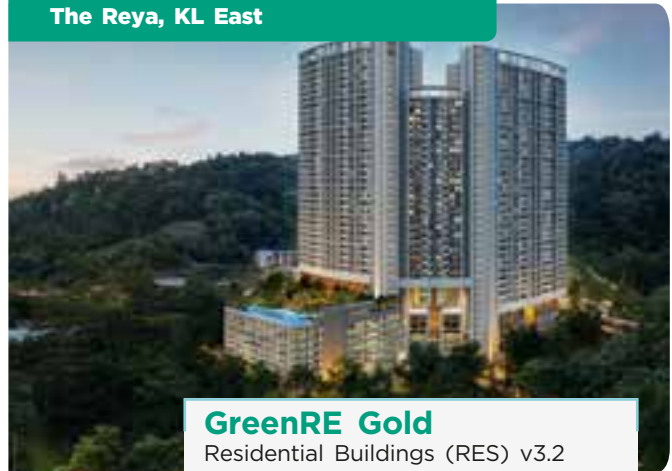
Kanopi Residences



GreenRE Silver

Residential Buildings (RES) v3.2

The Reya, KL East



GreenRE Gold

Residential Buildings (RES) v3.2

E-Metro Logistics Park (Metrohub 1)



GreenRE Silver

Non-Residential Buildings (NRB) v3.2

BBRX Business Park



GreenRE Platinum

Township (TS) v1.0

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Innovation at Our Core

OUR COMMITMENT TO SUSTAINABLE LIVING

Sime Darby Property is transforming the built environment by incorporating cutting-edge technologies and energy-saving systems to develop projects that are environmentally conscious and economically viable. This progressive strategy demonstrates our commitment to designing environments that emphasise the well-being of the planet and people.

In 2024, we obtained Provisional GreenRE certification for 5 buildings and 1 township development. This commitment helps reduce negative impacts on the natural environment by using less water, energy, and other natural resources; employing renewable energy sources and eco-friendly materials; and reducing emissions and other waste.

Sime Darby Property sets a new standard for sustainable residential living with Elmina Ridge, becoming Malaysia's first developer to offer an integrated solar BESS. This integrated system enables a low-carbon lifestyle and reduces reliance on the grid. BESS also allows homeowners to store excess solar energy for nighttime use, maximising energy savings.

Elmina Ridge builds on the company's earlier efforts, such as Ilham Residence 1 in 2020, which featured solar panels, smart meters, and energy management systems in collaboration with TNBX. These homes offered savings on electricity bills and the ability to sell surplus energy back to the grid.

Sime Darby Property is also expanding solar photovoltaic (PV) infrastructure to other townships, including Bandar Bukit Raja, Serenia City, and Nilai Impian, fostering resilient communities equipped for climate adaptation.

Innovating further, the company is repurposing EV batteries for solar energy storage, addressing the growing need for cost-effective energy solutions while mitigating the environmental impact of battery disposal. This approach is being tested at the MMC show unit in Elmina City Centre.

Aligned with global energy and carbon management standards, Sime Darby Property emphasises sustainability through low-carbon development and climate adaptation. The company envisions communities benefiting from clean energy, resilient infrastructure, and reduced environmental impact, creating future-proof homes for Malaysians.

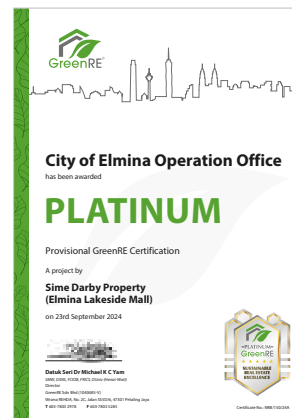
Through initiatives like Elmina Ridge, Sime Darby Property demonstrates its commitment to shaping interconnected, sustainable communities and leading the energy transition towards a greener future.

STRIVING FOR ECO-CERTIFIED BUILDINGS

Sime Darby Property integrates energy-efficient technologies and sustainable systems across its buildings and developments to optimise energy consumption, reduce environmental impact, and lower operational costs.

Key features include rooftop solar PV systems, solar landscape lighting, roof insulation, energy-efficient lifts, EV charging infrastructure, rainwater harvesting systems, and water-efficient fittings. During construction, the adoption of IBS, modular systems, BIM, and reusable formwork systems helps minimise material waste and enhance resource efficiency.

A prime example is the Elmina Operations Office, which has achieved Provisional GreenRE Non-Residential Building (NRB V3.2) Platinum certification. The building features VRV and split unit air-conditioning, an Energy Efficiency Index (EEI) of 137.29 kWh/m²/year. Additionally, its Concrete Usage Index (CUI) of 0.15 m²/m² and 22.5% replacement of Ordinary Portland Cement (OPC) contribute to a lower carbon footprint, reinforcing Sime Darby Property's commitment to sustainable and high-performance developments.



We are also proud to announce that we have obtained GreenRE Township Provisional Platinum Certification for BBRX Business Park, a high-value, ESG-focused industrial park within the Bandar Bukit Raja township. This development is positioned as a new industrial gateway, enabling the launch of products over the next 10-15 years, with an estimated gross development value (GDV) of RM5-6 billion.

OPPORTUNITIES FOR CIRCULARITY

This year, the Group reinforced its commitment to sustainable practices by enhancing its Integrated Waste Management Guideline. To ensure its effective implementation, we conducted workshops to engage our business operations and familiarise teams with the updated guideline. Additionally, we established group-wide key performance indicators (KPIs) focused on advancing circularity.

Our strategy centers on setting ambitious corporate targets and fostering active engagement across all business units. This approach ensures alignment with our sustainability goals and promotes shared accountability within the organisation.

Recognising the pivotal role of contractors in achieving circularity, we integrated awareness programmes into our vendor development initiatives. Through these engagements, we educate contractors on circularity

principles, enabling them to adopt more sustainable practices and align with the Group's vision for a circular economy.

For our property products, materials are designed to contain a minimum amount of recycled content and procured from sustainable sources, effectively reducing the strain on virgin materials. Where possible, offsite fabrication is also adopted to reduce waste at construction sites. Additionally, developments also actively monitor construction waste coming off sites and all effort is made to recycle recyclables and divert as much waste away from landfills as possible.

These efforts reflect our dedication to embedding sustainability at every level of our operations, driving meaningful progress toward a more resilient and sustainable future.

For more information on our Waste Management and Circularity initiatives, please refer to Chapter 3: Environment.

PARTNERSHIPS



Technogym Malaysia (Technogym)

Sime Darby Property has partnered with Technogym Malaysia in a strategic collaboration that underscores the critical role of innovation in enhancing health and wellness within its townships and developments. Renowned for its innovation and performance, Technogym brings a holistic ecosystem of personalised fitness experiences, including precision training, app integration, and access to a wealth of wellness content.

This collaboration not only promotes a comprehensive Wellness Lifestyle that addresses mental, nutritional, and physical health, but also exemplifies how innovation can elevate residents' lifestyles, creating healthier and happier communities. Within the next five years, Technogym's innovative fitness equipment and AI-driven digital solutions will be integrated into Sime Darby Property's flagship developments, raising the bar for wellness in modern living.



Joint Venture with TNB for Rooftop Solar Projects

Our partnership with GSPARX Sdn Bhd, a subsidiary of TNB, highlights the pivotal role of innovation in advancing renewable energy adoption through the implementation of rooftop solar solutions across its developments. This collaboration aims to support carbon emission reductions and foster sustainable energy practices among property owners. This innovative approach aligns with Sime Darby Property's strategy to reduce 40% of its Scope 1 and 2 emissions by 2030, leveraging renewable energy to power operations and provide sustainable energy solutions to its commercial, industrial, and residential clients, ultimately driving the transition towards a greener future.

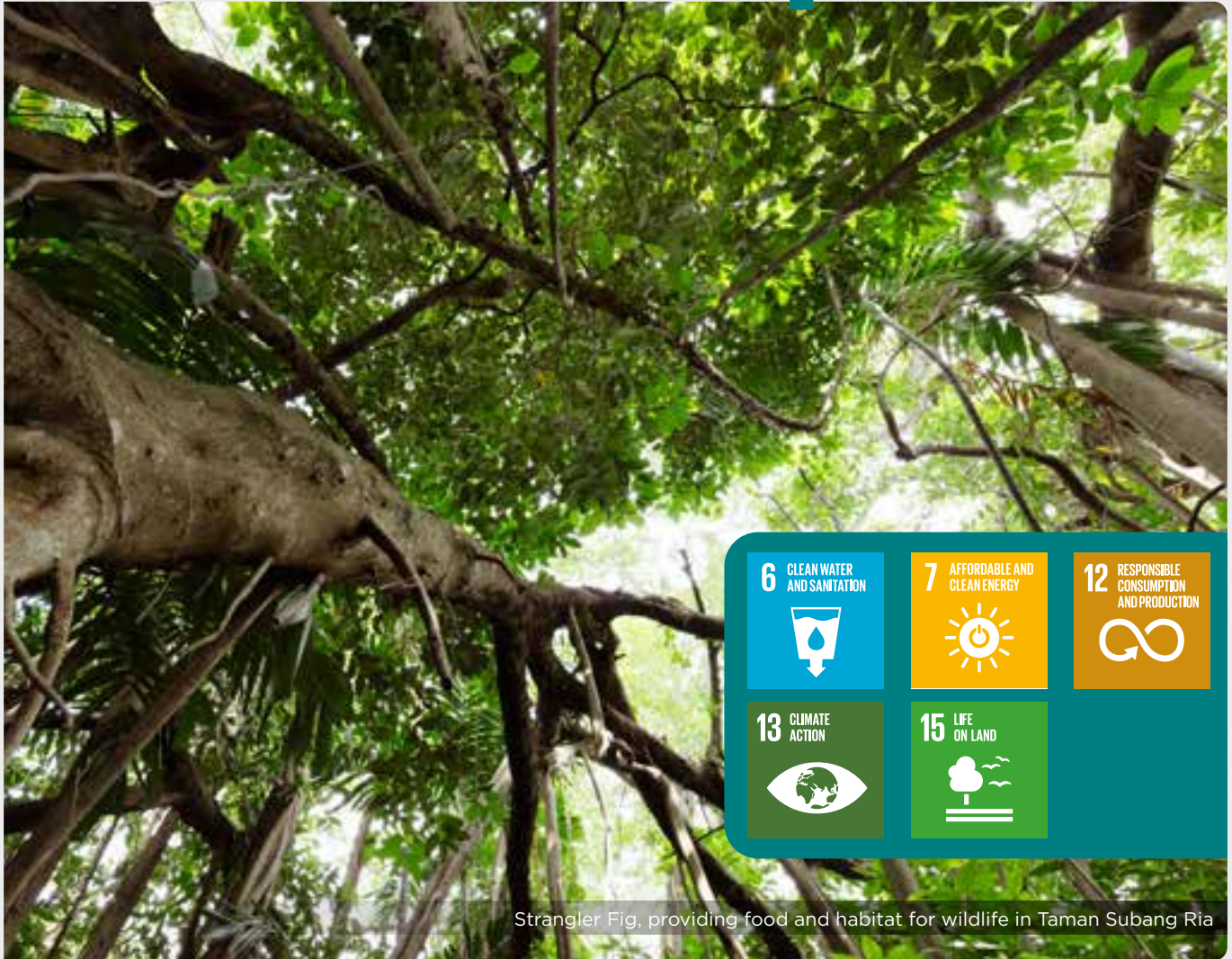


Promoting Citizen Science at the Elmina Rainforest Knowledge Centre (ERKC) in Partnership with the Tropical Rainforest Conservation and Research Centre (TRCRC)

Located within the 300-acre Elmina Central Park and adjacent to the 2,700-acre Bukit Cherakah Forest Reserve, the 1.09-acre ERKC is a hub for forestry research, conservation, education, and eco-tourism. Established in 2020 through a collaboration with TRCRC, ERKC has cultivated 187 plant species, including 35,000 seedlings and 10,000 saplings, contributing to conservation efforts across Selangor. Beyond conservation, ERKC fosters community engagement, hosting programmes that raise environmental awareness and encourage active participation. Its "Friends of ERKC" initiative has attracted over 10,000 members, including students, educators, and corporate representatives.

Recognising its efforts in urban biodiversity, the ERKC received a Silver Award in the Environmental Category at the 2024 FIABCI World Prix d'Excellence Awards, highlighting its impact on environmental literacy, conservation, and sustainability in Malaysia's real estate industry.

Environmental Stewardship



Strangler Fig, providing food and habitat for wildlife in Taman Subang Ria

The heart of our long-term vision for Net Zero is our deep commitment to minimising our contribution to global emissions. This isn't just about protecting the planet – it's about ensuring resilience in our operations and playing a meaningful role in the transition to a low-carbon economy.

Net Zero Strategy

To achieve this vision, we are implementing our short- to mid-term decarbonisation strategy that encompasses all three of our main business segments – Property Development, IAM and Leisure. Our short- and mid-term decarbonisation strategy adopts a tech-based approach to reduce emissions across our operations, managed assets, and product designs, such as residential homes and industrial parks. One of the cruxes of our strategy is to increase onsite renewable energy generation, as well as by implementing energy efficiency and retrofitting initiatives across our Leisure and Retail assets, like KLGCC, SDCC, IGCC and KLEM.

This journey to Net Zero isn't just about corporate goals; it's about the people and communities we serve. A Net Zero strategy means cleaner air, lower energy costs, and healthier, more liveable environments. It's about giving residents a better quality of life and a deeper sense of pride in their communities. Our newly launched Elmina Ridge 1 homes feature a solar photovoltaic system integrated with a BESS, yielding a total installed solar

capacity of 1MWp across 228 units, reinforcing the company's commitment to increasing the share of renewable energy in its developments. On a broader scale, the wider community also benefits as we strive to create new green job opportunities and stimulate economic growth.

For investors, we see this as an opportunity to create shared value. By integrating sustainability into our operations, we can enhance property values, reduce operating costs, and deliver market competitiveness. Coupled with our strong 2024 financial performance, we aim to attract like-minded, socially responsible partners who share our vision of long-term value and climate resilience.

It's about making a real difference—delivering environmental, social, and economic value that will benefit everyone. Together, we can create a more resilient, sustainable, and prosperous future for all.



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HIGHLIGHTS

Sime Darby Property has developed a Net Zero pathway referencing the Science Based Targets initiative (SBTi), providing a scientifically validated approach to reducing GHG emissions. This alignment ensures that our ambitious goals support global efforts to effectively mitigate climate change. With 2023 as our baseline year, our Net Zero Pathway focuses on short- to medium-term measurable carbon reduction initiatives.

Group emissions reductions



Installed total of
603 kWp
capacity of solar PV systems on
9 assets



11% emissions reduction
in HQ through energy habits
and EE initiatives

(compared to FY2023 baseline)



Avoided **906 tCO₂e**
by sourcing green energy
through TNB's GET



532 tCO₂e
emissions reduction
in KLEM from energy
efficiency initiatives



Equipped **228** homes in Elmina Ridge 1 with solar panels and Battery Energy Storage Systems (BESS), with a total installed capacity of 1 MWp.

Scope 1
emissions

852 tCO₂e[^]

Scope 2
emissions

17,027 tCO₂e[^]

location-based

16,120 tCO₂e

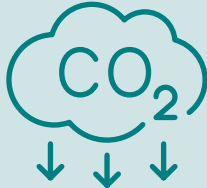
market-based

Scope 3 emissions

2,775 tCO₂e[^]

(Cat 6: Business Travel and
Cat 7: Employee Commuting)

[^] This data was subjected to an external limited assurance by an independent third party.
Refer to the independent limited assurance report on pages 153 to 156



Our dedication to environmental responsibility is reflected in our bold target to reduce 40% of Scope 1 and 2 emissions from our baseline year 2023 by 2030, in line with Malaysia's commitments under the Paris Agreement.

In addition to our Scope 1 and 2 reduction targets, we will strive to develop an in-house view and approach before we embark on tackling our Scope 3 emissions. We have been educating our supply chain to enhance Scope 3 awareness and aspire to work collaboratively with our vendors and contractors to develop our Scope 3 baseline assessment in the near future. From there, we will explore opportunities to reduce our Scope 3 emissions.



We recognise the urgency of climate change and its impact on our business and stakeholders. Committed to sustainability, we proactively address climate change, enhancing resilience of our operations, reduce our environmental footprint and support community adaptability across our townships and assets.

Net Zero Strategy

[GRI 3-3]

1

Building Climate Resilience

Assessing climate risks is a fundamental part of our investment decision-making process, involving the analysis of both direct and indirect potential impacts on our assets and operations. All our developments are designed in strict compliance with regulatory requirements, including the Manual Saliran Mesra Alam (MSMA), Uniform Building By-Law (UBBL), Environmental Impact Assessment (EIA), and other local authority standards. By adhering to these frameworks, we can identify vulnerabilities, strengthen asset resilience, and mitigate climate-related risks, ensuring the long-term stability and security of our stakeholders' investments.



For more information about our climate resilience strategy, please refer to Chapter 5: Upholding Good Governance – Climate Risk Management pg 115

2

Decarbonising Our Operations

Reducing the emissions carbon footprint of our projects is a central goal of our environmental sustainability strategy. Our efforts focus on implementing strategies that lower greenhouse gas emissions across our developments through energy-efficient design, renewable energy integration, and increased green spaces. These steps are aimed at improving the sustainability of our developments and enhancing their long-term value.

We are currently working with our businesses to establish a houseview on Scope 3 emissions. We will soon work with our suppliers and contractors to establish our Scope 3 inventory, which will lay the groundwork for furthering our decarbonisation strategy moving forward.

3

Driving Sustainable Growth

Innovation is central to our strategy for sustainable growth, as we are committed to creating sustainable revenue streams that benefit our investors, tenants, and communities while minimising environmental impacts. By exploring new avenues like green financing and investing in eco-friendly technologies, we aim to develop a portfolio that delivers both strong financial returns and positive environmental and social outcomes.



For more information about our Innovation Initiatives, please refer to Chapter 2. 29

4

Leveraging Collaboration for Transformative Change

Collaboration is crucial for addressing climate change effectively. By working with diverse stakeholders—including industry peers, government agencies, and research institutions—we can accelerate progress towards a sustainable future. Our partnership with Tenaga Nasional Berhad (TNB) explores innovative renewable energy solutions, transforming our townships into hubs of clean energy integration.

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

Carbon Management

ROAD TO NET ZERO

Sime Darby Property has recently undertaken a rebaselining of its Scope 1 and Scope 2 GHG emissions, prompted by a significant change in the national grid emission factor. Rebaselining ensures that the company's emissions reporting remains accurate and aligned with the latest industry standards, providing a solid foundation for setting and tracking progress toward decarbonisation targets. This initiative underscores Sime Darby Property's commitment to transparency and continuous improvement in its sustainability practices.

Through comprehensive GHG accounting, we have determined that our emissions hotspots originate from our Scope 2 emissions. Hence, on our journey to Net Zero, we have adopted a three-pronged approach:

1

Installing rooftop solar panels across our assets in collaboration with GSPARX

**2**

Conducting energy audits and implementing energy efficiency initiatives

**3**

Purchasing green energy



In 2024, we installed rooftop solar panels across 9 assets, with a combined capacity of approximately 603 kWp. An additional project, scheduled for completion by April 2025, will increase the total capacity to 811 kWp. Once fully operational, these installations are expected to generate up to 1,037 MWh annually.

Assets like KLEM, KLGCC, and SDCC continue to implement energy efficiency initiatives based on their 2023 energy audit findings, focusing on retrofitting, optimised cooling, and smarter energy management. In addition to these efforts, KLGCC, and selected township assets have strengthened their commitment to decarbonisation by sourcing green energy through TNB's GET, reinforcing our transition towards a lower-carbon future.

Since September 2024, select assets have sourced 1,171 MWh of green energy via TNB's GET, avoiding 906 tCO₂e. This means that in 2024, 5% of our energy consumption was sourced from renewable energy.

Carbon Management

**Scope 1
emissions**
852 tCO₂e[^]

**Scope 2
emissions**
17,027 tCO₂e[^]

location-based

16,120 tCO₂e

market-based

**Scope 3
emissions**
2,775 tCO₂e

Cat 6: Business Travel

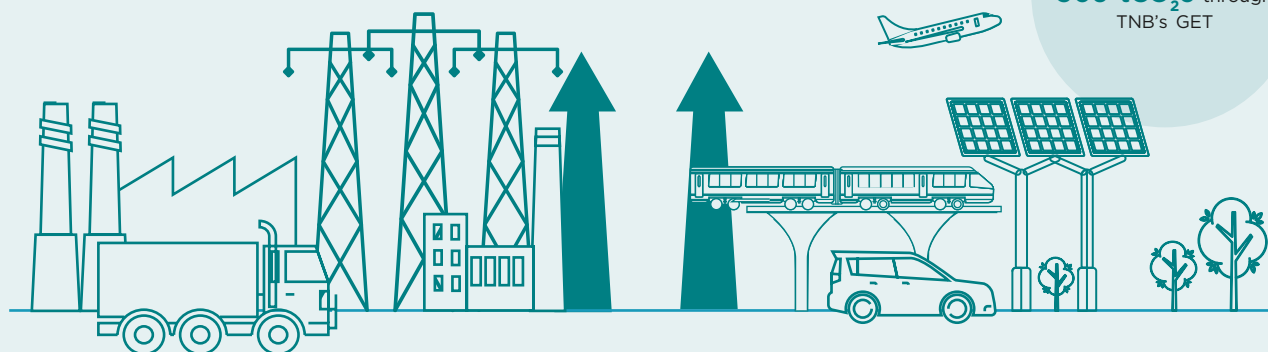
651 tCO₂e[^]

Cat 7: Employee Commuting

2124 tCO₂e[^]



Avoided emissions
906 tCO₂e through
TNB's GET



In line with our goal of achieving Net Zero Emissions by 2050, we are transforming our operations, prioritising the use of sustainable materials and resources, and actively supporting the supply chain's transition to sustainable practices.

Target

**40% Scope 1 and
Scope 2
Emissions
Reductions by
2030**

Near-term strategy

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

Long-term strategy

- Transition towards utilising renewable energy sources for all our operations

**Net Zero by
2050**

- Transition towards electrification of corporate fleet and equipment
- Implement nature-based solutions and carbon removal through urban biodiversity enhancement and regeneration efforts

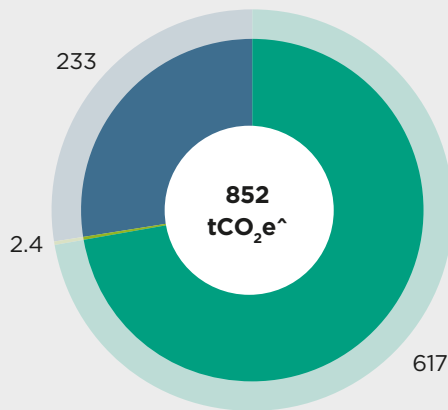
[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

SCOPE 1: DIRECT EMISSIONS

[GRI 305-1]

In 2024, Sime Darby Property's Scope 1 emissions was 852 tCO₂e, a 59% increase from 2023. A major factor behind this increase is the use of a diesel generator at KLGCC Resort's International Gallery due to a 2-month power failure.

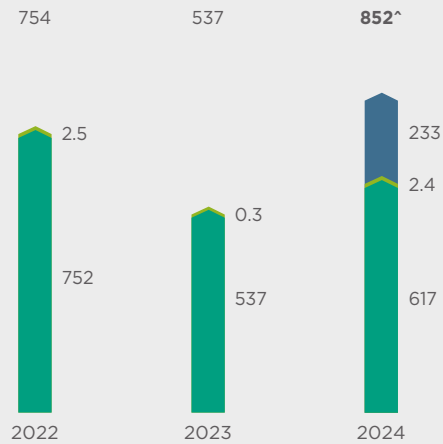
Excluding this one-off event, Leisure accounts for 99% of Scope 1 emissions, with a year-on-year increase of almost 15% mainly due to an increase in business activities.

FY2024 Scope 1 Emissions by Segment (tCO₂e)

Leisure

Investment and Asset Management

Property Development

FY2022-FY2024 Scope 1 Emissions (tCO₂e)

2022

2023

2024

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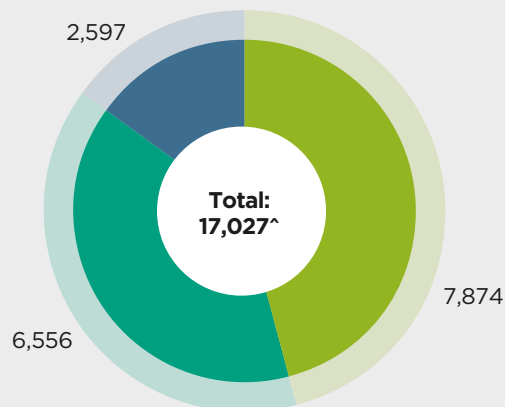
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SCOPE 2: INDIRECT EMISSIONS

[GRI 305-2]

We have determined that the majority of our emissions originate from electricity use. The largest share of these emissions originated from our Investment & Asset Management business, contributing 7,874 tCO₂e (46%), followed by our Leisure division at 6,556 tCO₂e (39%) and Property Development at 2,597 tCO₂e (15%) in 2024. In total, our Scope 2 market-based emissions are 16,120 tCO₂e.

FY2024 Scope 2 Location-based Emissions (tCO₂e)

Leisure

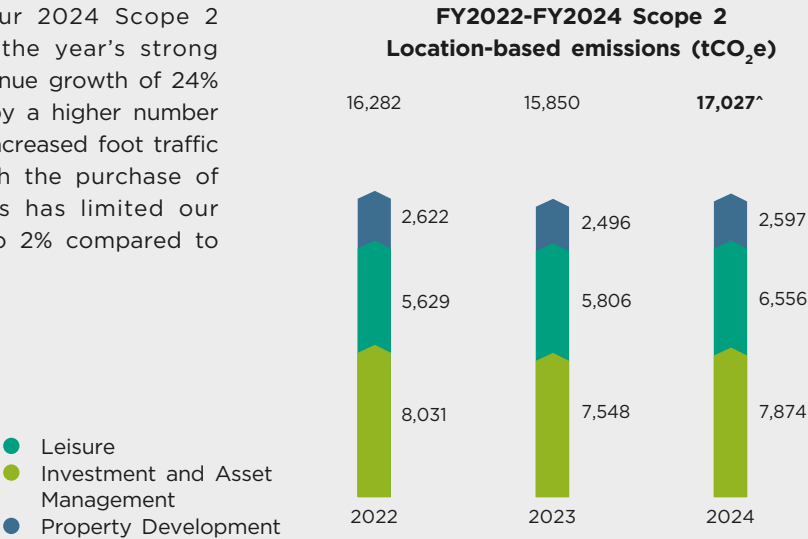
Investment and Asset Management

Property Development

[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

Carbon Management

There was a 7% increase in our 2024 Scope 2 emissions, primarily driven by the year's strong business performance, with a revenue growth of 24% compared to FY2023, propelled by a higher number of product launches, events and increased foot traffic across our retail assets. Through the purchase of renewable energy via GET, this has limited our increase in Scope 2 emissions to 2% compared to FY2023.



[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

SCOPE 3 [GRI 305-3]

We began calculating Scope 3 emissions for employee commuting in 2023. In 2024, these emissions increased by 7%, aligned with an increase in employees. We also tracked our business travels in 2024. We aim to establish a house view on Scope 3 emissions in 2025. We are collaborating with business units to identify additional Scope 3 emission indicators. To strengthen our approach, we have also initiated supply chain engagement to enhance awareness and understanding of carbon emissions. Moving forward, we will continue to foster stakeholder engagement and capacity-building efforts before finalising our Scope 3 emissions position.

Scope 3 emissions

EMPLOYEE COMMUTING

FY2024

2,124 tCO₂e[^]

FY2023

1,989 tCO₂e

BUSINESS TRAVELS

FY2024

651 tCO₂e[^]

[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

EMISSIONS REDUCTION THROUGH ENERGY MANAGEMENT

Our high Scope 2 emissions are closely tied to the nature of our business, which involves significant electricity consumption across our operations. Our extensive property portfolio—encompassing offices, Leisure assets, sales galleries, and malls—relies heavily on energy for daily operations. As a result, the energy demand across managed assets and ongoing development projects represents a major source of our indirect emissions, highlighting the critical role of electricity in its operational footprint.

In response, we are implementing targeted reduction strategies, such as transitioning to energy-efficient technologies, incorporating renewable energy solutions, and optimising energy use across our assets and construction projects. These initiatives align with the company's commitment to reducing our carbon footprint while addressing the energy demands intrinsic to our operations.

Source of Scope 2 emissions

IAM Scope 2 Emissions by Asset (tCO₂e)



Leisure Scope 2 Emissions by Asset (tCO₂e)




Calculated using Scope 2 location-based emissions method.

Carbon Management


[GRI 302-1]

Through energy audits conducted in 2023, we identified energy hotspots and focused our energy reduction efforts there. Our short, medium and long-term initiatives to reduce our emissions are as follows:


Short-term



Retrofitting infrastructure with energy-efficient technologies.




Transitioning to renewable energy sources.




Fostering a culture of good energy habits within our workforce.


Medium-term



Expanding renewable energy projects, including solar panel installations.




Intensifying waste reduction and recycling initiatives.




Adopting energy-efficient appliances and practices for enhanced operational sustainability.


Long-term




Significantly reducing GHG emissions through electrification of transportation and machinery.




Creation of biodiversity corridors and the conservation of natural habitats.



Sustainable design principles in our developments.



Adoption of green procurement methods.



Investing in nature-based solutions, including biodiversity corridors and natural habitat conservation, to enhance urban biodiversity and increase carbon sequestration.

Our Sime Darby Property headquarters made significant strides in reducing electricity consumption and lowering emissions through a series of low-cost and operational efficiency initiatives. This was achieved through continuous monitoring via Digital Power Meters (DPM) to detect and rectify abnormalities, adjusting the operating hours of the centralised air-conditioning system, and installing sensor light dimmers in common areas and washrooms.

As part of our strategy to address energy consumption across the Leisure and selected IAM assets, energy audits were conducted in 2023. These audits enabled key assets to identify pathways for emissions reduction through retrofitting, energy efficiency measures, and renewable energy initiatives. Additionally, across our galleries, we focused on fostering energy-conscious behaviours among employees. Following the audit recommendations, these assets implemented no- to low-cost energy efficiency measures in 2024, while several assets recorded significant reductions in energy use simply by adopting good energy practices.

In 2024, our total energy consumption was 91,995 GJ. To further lower energy consumption and carbon emissions, Sime Darby Property is investing in several upcoming initiatives as follows:



Solar Panel Installation

The rooftop solar panel installation at Oasis Block G is complete, pending TNB meter installation in Q1 2025. This is expected **to reduce electricity consumption by 20%**, lowering both energy costs and emissions.



LED Lighting Upgrade

The replacement of 1,750 light fittings with LED alternatives is set to begin at Oasis Block G, targeting a **15% reduction** in energy use.



Building Automation System (BAS) Replacement

The centralised controller for air-conditioning, electrical, pumps, and lighting at Oasis Block G will be upgraded in 2025 to enhance energy efficiency and operational control, with a projected **10% reduction** in electricity consumption.



Optimising HVAC and Air Conditioning Systems

Adjusting HVAC operating hours in our IAM and Leisure assets and improving AHU efficiency contributed to annual reductions of 146 tCO₂e.



Behavioural and Operational Shifts

Promoting energy conscious habits among employees and implementing FCU submetering to track individual energy use led to total annual reductions of 448 tCO₂e.

In addition to infrastructure upgrades, employee engagement plays a vital role in reducing energy consumption. Employees are encouraged to turn off lights during lunch breaks, maximise natural lighting, and unplug appliances when not in use to further optimise energy use. By integrating technological advancements and behavioural changes, we aspire to drive a sustainable energy transition, reducing its environmental impact while enhancing operational efficiency.

Carbon Management

Impact and Future Direction

Through a combination of low-cost energy efficiency measures, HVAC optimisation, and solar energy adoption, we are making steady progress in reducing our carbon footprint. In 2024, these energy-saving initiatives have resulted in an 11% decrease in electricity consumption at Sime Darby HQ (Oasis Block G), effectively reducing emissions by 109 tCO₂e.

Moving forward, the company will continue investing in energy-efficient technologies, integration, and enhancing data-driven energy management systems to further optimise emissions reduction efforts across all its developments.

ENERGY EFFICIENCY INITIATIVES AT KL EAST MALL (“KLEM”)

KLEM has taken proactive steps to reduce energy consumption and lower Scope 2 emissions, which were primarily driven by its centralised air-conditioning system (chiller plant room, AHUs, and FCUs) and fluorescent tube lighting in common areas and parking lots. Recognising these challenges, the mall conducted an energy audit through a SEDA-approved grant, establishing a baseline for total building energy use and identified both low and high-investment energy-saving measures.





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Key Energy Efficiency Measures

KLEM implemented several low-cost initiatives, including reviewing operational controls, retrofitting with energy-efficient devices, and reducing standby power consumption. For greater emission reductions, high-investment measures focused on HVAC optimisation, installing new control equipment for chiller and AHU efficiency, improving indoor condensation issues from air infiltration, and adjusting chiller operation hours to reduce unnecessary energy use. The mall also installed motion sensor LED lighting in place of fluorescent tubes, significantly lowering electricity consumption.



KL East Mall



Advanced Energy-Saving Initiatives

To further optimise energy use, KLEM has begun implementing:

- Airside Optimisation (In Progress) - Enhancing air distribution and ventilation efficiency.
- Submetering for Tenants' AHUs - Enabling more precise tracking of energy usage and reclassifying tenant energy consumption as Scope 3 emissions.



Renewable Energy Integration

The mall has also introduced rooftop solar energy, with a **25 kWp system** now **95% complete** and targeted for energization by April 2025.



Impact and Future Outlook

By implementing these measures, KLEM is significantly reducing its carbon footprint and energy costs, demonstrating a structured approach to energy efficiency. Moving forward, the mall will continue optimising HVAC performance, expanding submetering efforts, and exploring additional efficiency improvements to sustain long-term emissions reductions.

Safeguarding Urban Biodiversity

[GRI 3-3]



“

Urban biodiversity is a gradual, long-term process that requires patience and commitment. As the saying goes, ‘The best time to plant a tree was 20 years ago; the next best time is today.’

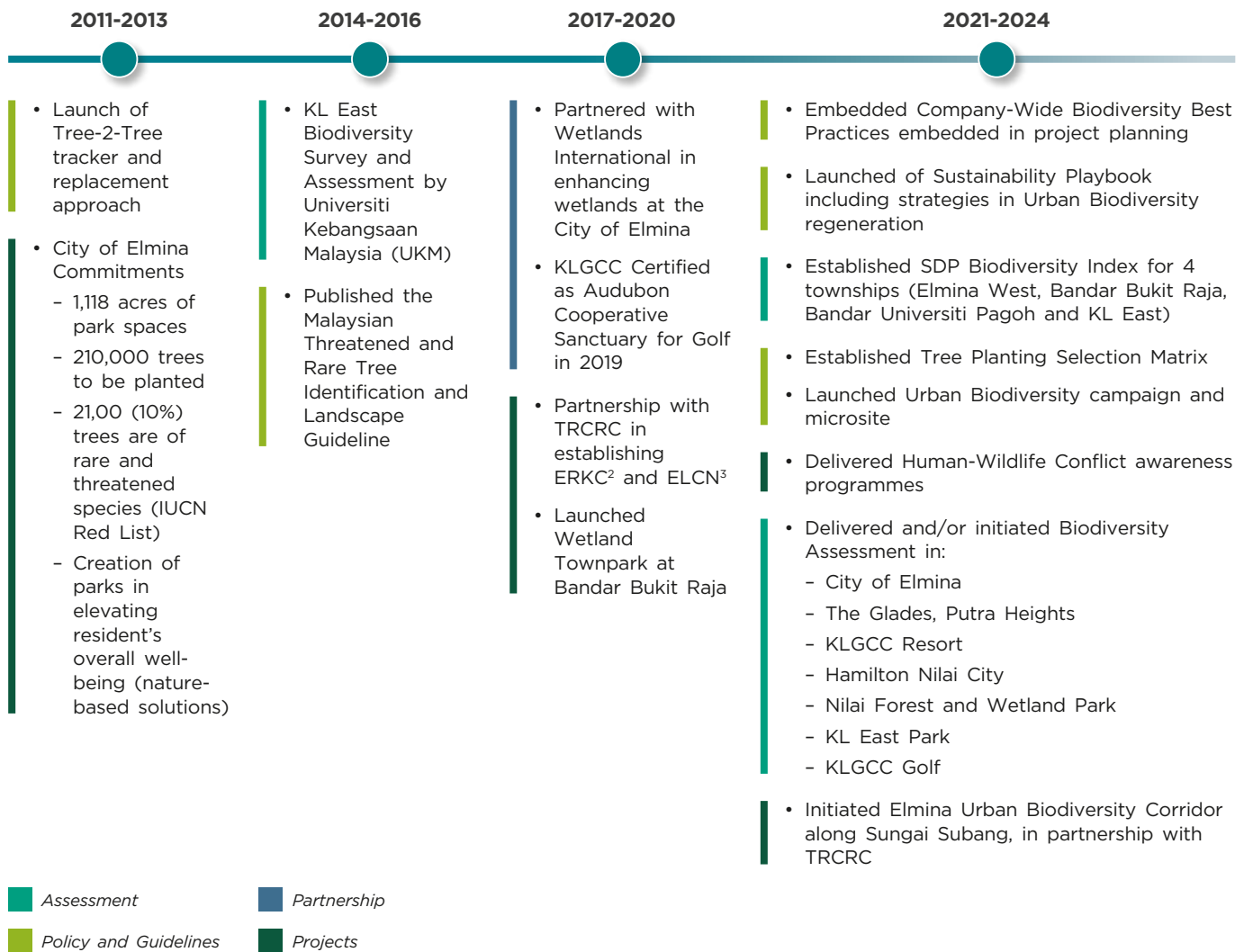
-Chinese proverb

”

OUR URBAN BIODIVERSITY EFFORT OVER THE YEARS

FROM THEN TO NOW - 14 YEARS STRONG

We have been committed to stay at the forefront of biodiversity regeneration and conservation in urban development for 14 years, pioneering innovative approaches to create thriving, sustainable communities. Our journey has been marked by bold initiatives, impactful partnerships, and a steadfast commitment to integrating biodiversity into the heart of our developments. As we move forward, we remain dedicated to setting new benchmarks, driving meaningful change, and shaping the future of sustainable urban landscapes.



Notes:

1. ERT - Endangered, Rare and Threatened
2. ERKC - Elmina Rainforest Knowledge Centre

3. ELCN - Elmina Living Collection Nursery
4. BESA - Biodiversity and Ecosystem Service Assessment

5. BIA - Biodiversity Impact Assessment

2024 HIGHLIGHTS



90.3%[^] operations assessed for biodiversity risk



9 Communication, Education and Public Awareness (CEPA) programs benefiting **440** community members



Area restored/conserved:
3.6 mil m²



7 Human-Wildlife Conflict Workshops with **231** participants



Total no. of trees planted to-date:
155,349



Total no. of threatened trees planted to date: **30,100**



Total of **291** flora species planted, of which **63 are ERT species**



Total of **310** fauna species identified as of 2024, of which **48** are ERT species

The diagram below illustrates a significant positive trend in biodiversity across our development, underscoring the effectiveness of our regeneration and conservation efforts.

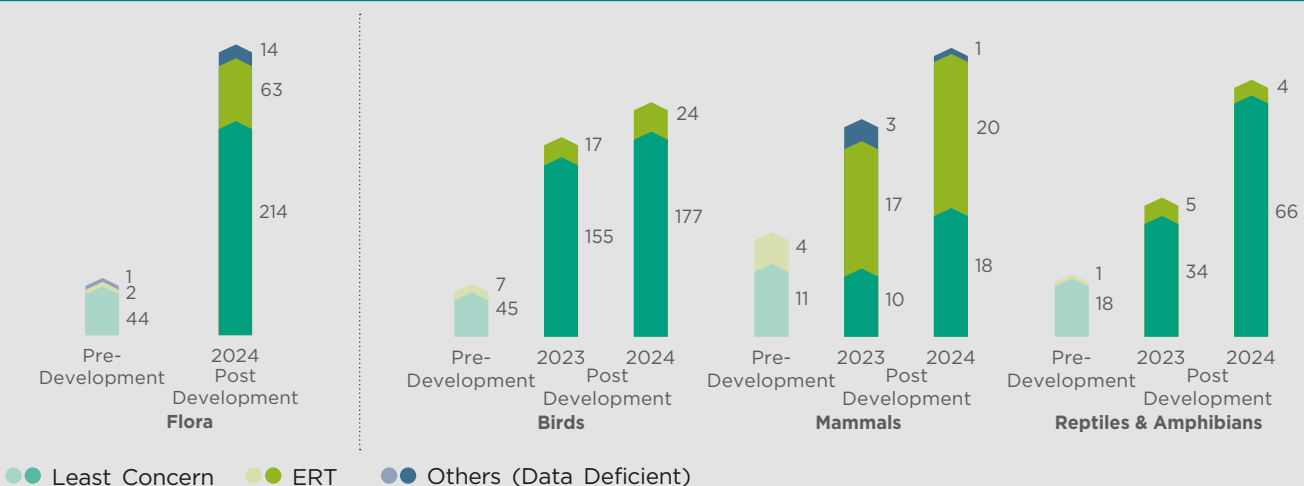
For flora, the number of recorded species has surged from 47 in the pre-development phase to 291 in 2024, with 63 classified as ERT. This reflects the impact of habitat restoration and strategic replanting initiatives in enhancing flora diversity.

Similarly, fauna species have shown promising progress. Bird species increased from 52 in the pre-development phase to 201 in 2024, with ERT birds rising from 7 to 24. Mammals, reptiles and amphibians populations also showed upward trends, contributing to a 29% overall increase in total fauna species from 2023 to 2024. This reflects improvements in ecosystem health, driven by our enhanced landscaping strategies and ongoing regeneration and conservation efforts.

This data represents a key performance indicator in our biodiversity monitoring framework using SDP Biodiversity Index tool, ensuring that our development activities do not contribute to further ecological degradation. Instead, we actively enhance biodiversity quality through a science-based approach. Additionally, these findings highlight that urban sprawl, when guided by responsible biodiversity framework, can coexist with thriving ecosystems.

Flora Species Diversity Across Development Stages (Number of Species)

Fauna Species Diversity Across Development Stages (Number of Species)



Endangered, Rare and Threatened (ERT) which comprises of the following categories of the IUCN Red List: Critically Endangered, Endangered, Vulnerable and Near Threatened. Please see Appendix 150 for a detailed breakdown

[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

Safeguarding Urban Biodiversity



Dusky Leaf Monkey, responsible for seed dispersal in KL East Park
Photo by Izereen Mukri, Ecologist, Sime Darby Property.

As the company with the largest land bank in Malaysia, we embrace our role as stewards of urban biodiversity. Our work extends beyond buildings – we create sustainable ecosystems, empower communities, and support national efforts to enhance nature and biodiversity.

Guided by global and national frameworks, including the UN Sustainable Development Goals, the Kunming-Montreal Global Biodiversity Framework, and Malaysia's National Policy on Biological Diversity 2022-2030, we integrate biodiversity into every phase of development. Our goal is to achieve Net Positive Biodiversity across all projects by embedding nature-positive principles throughout our development cycle, with a strong focus on avoiding harm and regenerating ecosystems. Through the application of the ARC approach (Avoid, Regenerate, Conserve), we implement targeted actions to strengthen ecological resilience. By expanding green spaces, planting ERT species, and engaging communities, we ensure clean air, water regulation, and climate mitigation for future generations.

Balancing biodiversity with land use, costs, and project timelines presents challenges. Recognising this, in 2024, we developed a comprehensive Urban Biodiversity Guideline and Framework to systematically embed biodiversity considerations into all phases of planning and development. We aspire to set the benchmark for biodiversity leadership in real estate, but meaningful impact requires collaboration. By working with stakeholders, communities, and industry peers, we can create landscapes that harmonise development with ecological preservation.

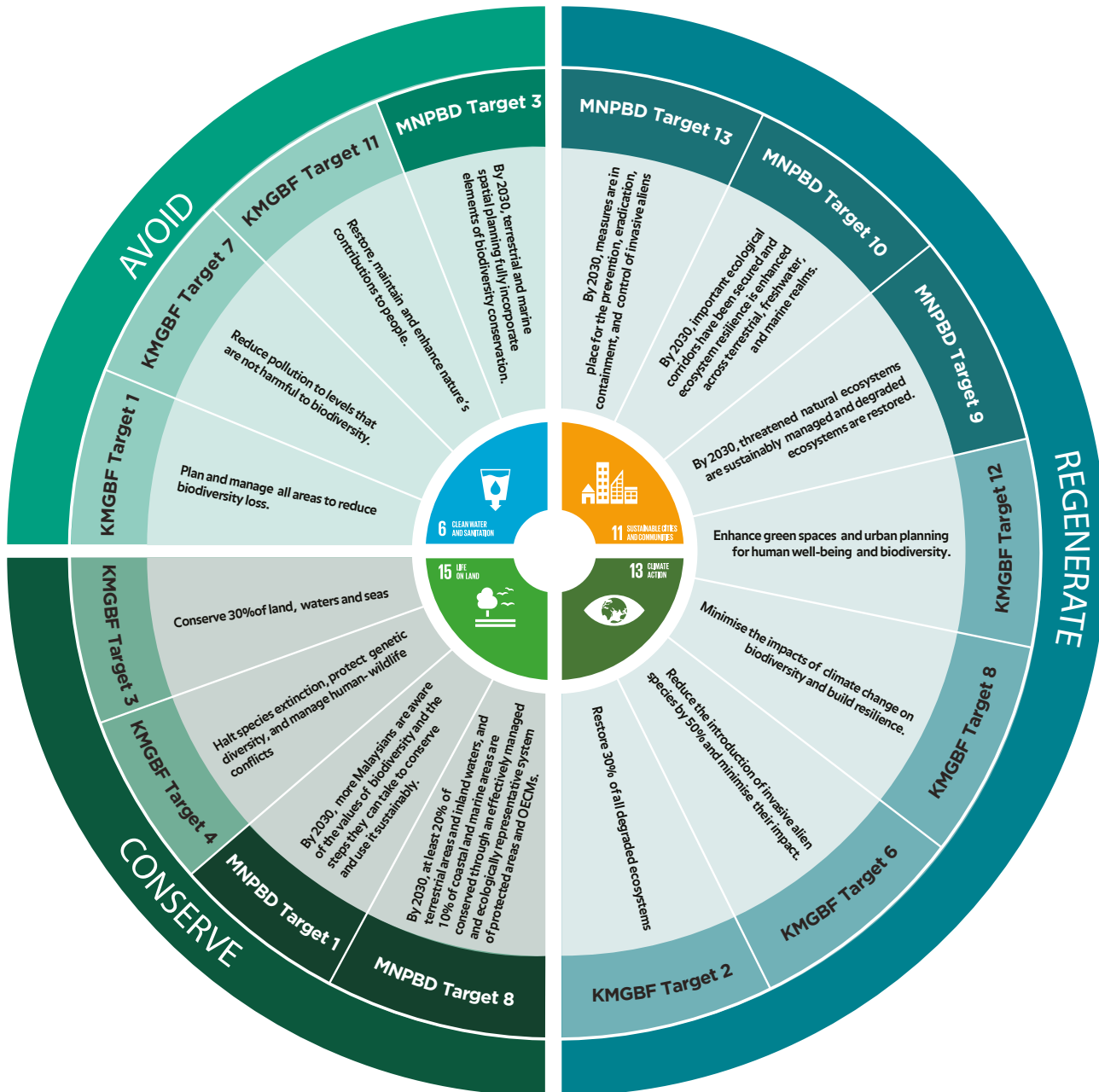
Acknowledging the impacts of climate change, we have created urban biodiverse landscapes such as KL East Park and ecological corridors like the Elmina Urban Biodiversity Corridor. With nearly 3.6 million square metres dedicated to conservation and regeneration across 25 townships, these green spaces play a crucial role in mitigating the urban heat island effect, enhancing flood resilience, and preserving vital habitats for wildlife.

Beyond environmental benefits, our effort creates long-term value. For residents, it enhances quality of life by providing access to natural spaces that promote well-being. For investors and businesses, it strengthens asset resilience and desirability. KL East Park, for instance, exemplifies how urban biodiversity can uplift communities while reinforcing the long-term value of sustainable developments.

Our commitment to urban biodiversity is more than a strategy—it is a vision for a healthier, more resilient, and sustainable future for both people and the planet.

**First Malaysian real estate
company to achieve
ArbNet Arboretum Level II
Certification**

OUR URBAN BIODIVERSITY ALIGNMENT: THE ARC APPROACH



Legend:

KMGBF - Kunming-Montreal Global Biodiversity Framework

MNPBD - Malaysia's National Policy on Biological Diversity 2022-2030

Figure 3.1: Alignment to National and Global Biodiversity Targets

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MANAGING OUR IMPACT ON URBAN BIODIVERSITY

[GRI 3-3, 304-2]



Pink-necked Green Pigeon helps to disperse seeds in Taman Subang Ria.
Photo by Izereen Mukri, Ecologist, Sime Darby Property

We develop land previously used for oil palm plantations, transitioning from agricultural to urban use. While this involves land-use change, the impact may not be as significant, as monoculture plantations are already ecologically degraded, offering limited biodiversity and low ecosystem services. With over 90% of our developments on these landscapes, we integrate science-based conservation and restoration strategies to mitigate these effects.

Assessing Biodiversity Risks

Biodiversity Impact Assessment (BIA) is a Risk Management Tool – either conducted separately or as part of the EIA, that evaluates biodiversity risks before development. It helps:

- 1) Identify risks like habitat loss, fragmentation, and species disruption.
- 2) Implement mitigation measures such as habitat restoration and ecological connectivity.
- 3) Ensure regulatory compliance and alignment with biodiversity conservation goals.

Avoiding and Minimising Impacts

Through the ARC Approach, we integrate urban biodiversity into planning, protect ecologically sensitive areas, and implement nature-based solutions. Additionally, our Urban Biodiversity Guideline helps us embed urban biodiversity considerations across all development phases of our projects.

As of 2024, **90.3%[^]** of our projects
**underwent biodiversity
risk assessments**

Restoring Degraded Landscapes

We prioritise habitat restoration by regenerating native ecosystems, creating ecological corridors, and incorporating ERT species. Initiatives like the EUBC reconnect habitats, promote species movement, and enhance ecological resilience. To-date we have achieved 97% of our 160,000 tree planting target and 60% of our 50,000 ERT tree target.

Enhancing Ecosystem Services

Our initiatives strengthen:

- Climate Regulation – Urban forests reduce heat and sequester carbon.
- Water Quality – Wetlands and buffers improve flood resilience.
- Pollination & Food Systems – Pollinator-friendly habitats support biodiversity and food security.

By embedding biodiversity strategies, we ensure urban growth coexists with conservation, securing a more sustainable future.

[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

Sime Darby Property's Biodiversity Management System (BMS)

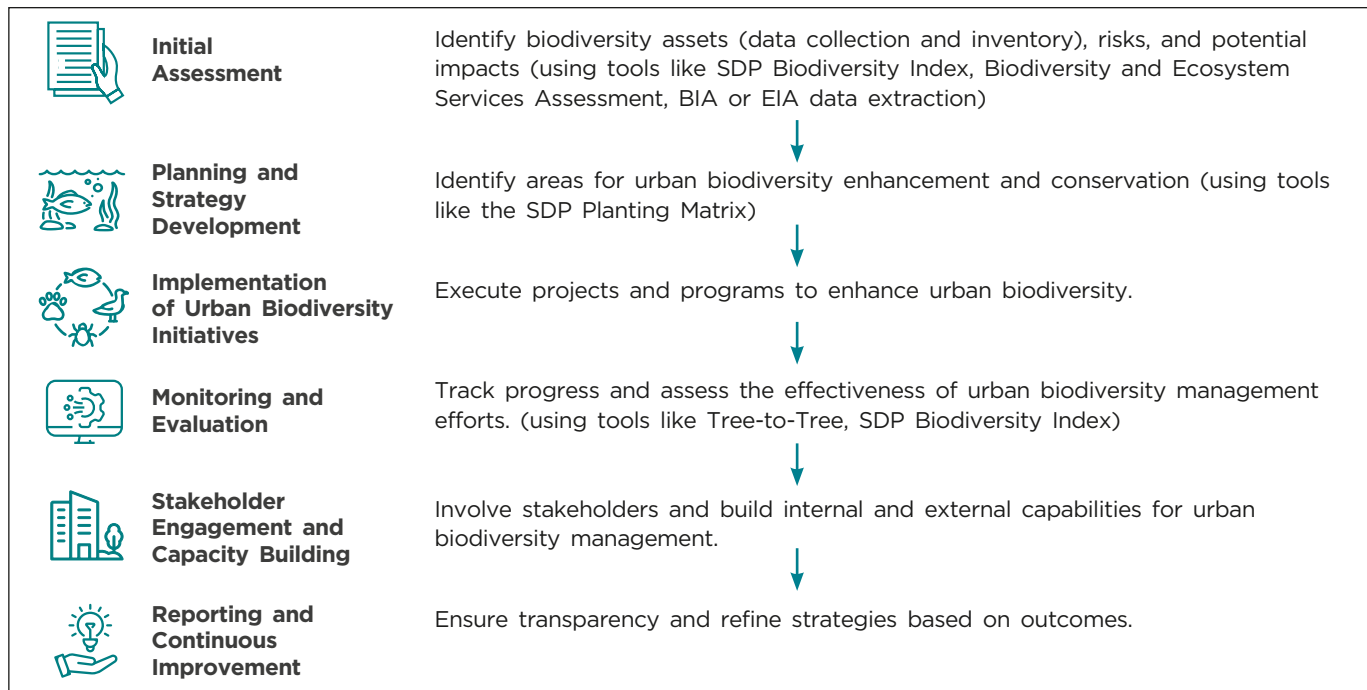


Figure 3.2: Sime Darby Property's Biodiversity Management System (BMS)

Our Urban Biodiversity Initiatives

Because when urban biodiversity thrives, we do too

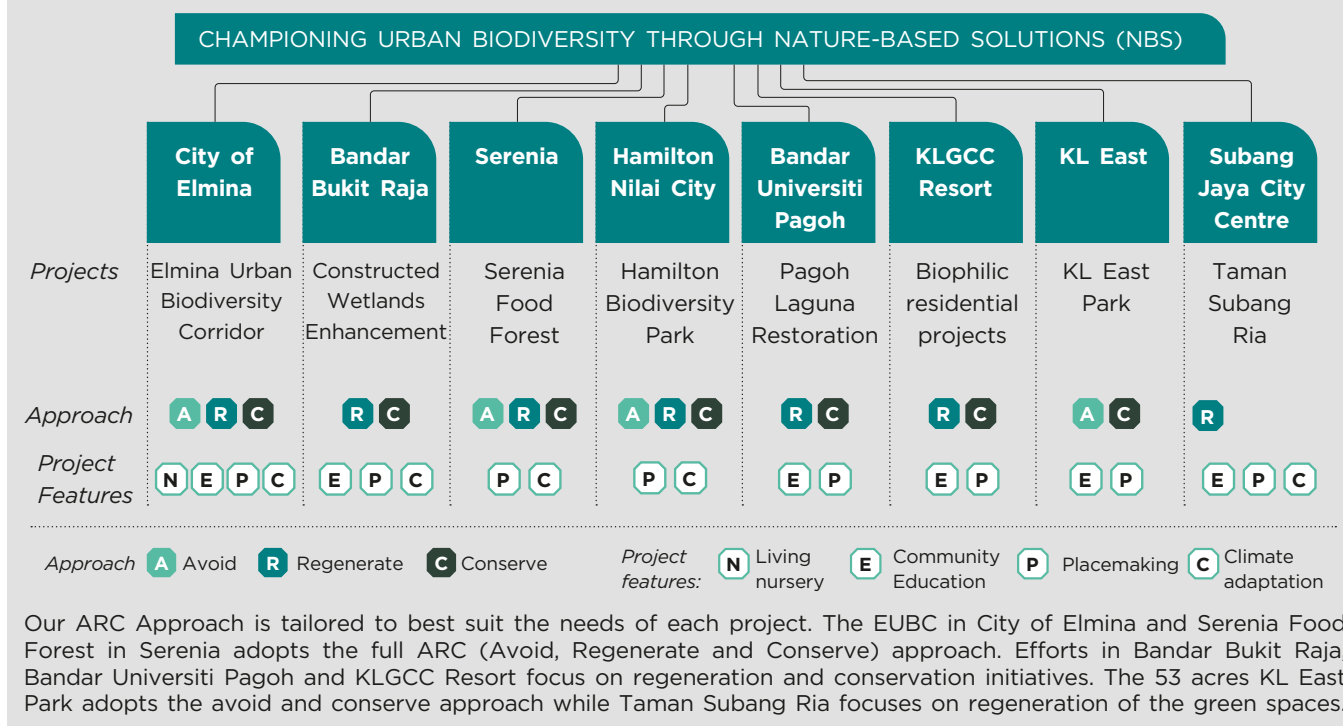


Figure 3.3: Our Urban Biodiversity Initiatives

THE CITY OF ELMINA - A LIVING BLUEPRINT OF OUR ARC APPROACH



The City of Elmina is an award-winning 6,500 acre integrated township in Shah Alam, Selangor that embodies eight (8) elements of wellness. Designed to integrate urban development with ecological sustainability, the city borders the 2,700-acre Bukit Cherakah Forest Reserve and envisions a 5km urban biodiversity corridor at its core - connecting six (6) parks across 300 acres to promote harmonious coexistence between wildlife and urban communities. As a first step, we are committed to completing 2.1km of the corridor, which has already been established. As with all our developments, we combine nature-based and man-made solutions to enhance climate change resilience.



Assessing Our Impact

To advance our biodiversity initiatives, fostering collaboration has become a top priority—bringing together the internal expertise of our Main Infrastructure and Landscape team, our resident ecologist, and external specialists ensures a holistic and informed approach.

Prior to any land development, we conduct an EIA to evaluate potential impacts on the environment, including biodiversity. To this end, we utilise a BIA, a tool to assess risk and impacts on ecosystems, habitats and species before developing an area, as well as establishing mitigation measures. We identify biodiversity assets in the area and integrate them into our township planning as part of our **commitment to biodiversity regeneration and conservation, especially ERT species**. All our developments are required to integrate green and blue spaces that enhance the landscape while providing buffer zones

to support ecological functions and urban biodiversity. Beyond fulfilling this requirement, we are committed to designing functional landscapes that support a richer diversity of species than conventional aesthetic landscaping. To ensure alignment with our sustainability goals, each project is subject to thorough review process—most notably the Special Landscape Presentation Meeting (SLPM)—where elements such as species selection, planting locations, and potential biodiversity impacts are critically evaluated. These meetings are chaired by the COO of Township Development and COO of Integrated Development.

Our biodiversity baseline assessment of the City of Elmina revealed that the township houses 103 fungi species, 125 plant species, 100 bird species, 22 mammals species, 41 herpetofauna species, and 187 invertebrate species across the study sites.



Elmina Rainforest Knowledge Centre

Of course, our efforts do not stop here – we want to lead in research and conservation and engage the community. Thus, we established the ERKC in 2020 in collaboration with the TRCRC to foster urban forestry research, conservation, education and recreation. We **aim to cultivate up to 100,000 trees from ERT species and plant 210,000 trees**, with a significant focus on conserving 21,000 ERT species. In 2024, Sime Darby Property was awarded **Silver at the FIABCI World Prix d'Excellence Awards** in the Environmental category for contributing to environmental literacy and urban biodiversity conservation and having a positive sustainability impact on the real estate industry.



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Implementing the ARC Approach

With our baseline biodiversity results in hand, we apply the ARC Approach to strategically embed urban biodiversity into our developments. This ensures our business not only minimises harm but actively contributes to the restoration and enhancement of nature.

We prioritise Avoidance, making every effort to prevent negative impacts on biodiversity caused by our operations and supply chains. Where impacts are unavoidable, we implement strategies to minimise disturbances and ensure that ecological disruption is kept to a minimum. In the City of Elmina, the 2.1 km Elmina Urban Biodiversity Corridor was initially established by avoiding disturbance to the existing Sungai Subang through its designation as a riparian zone. This buffer zone was later earmarked for restoration to function as an ecological corridor, interconnecting six park precincts within Elmina Central Park to the neighbouring Bukit Cherakah Permanent Reserved Forest. Ecological corridors are critical for wildlife movement and genetic diversity – they allow species to access essential resources, find mates and escape from disturbances, ultimately ensuring ecosystem resilience.

To counterbalance any residual impact, we focus on Regeneration, actively restoring and enhancing biodiversity in our developments. Through habitat and ecosystem restoration by reintroducing native tree species, we strive to achieve no net biodiversity loss and, where possible, generate a net positive impact on biodiversity. Formerly an oil palm plantation, the City of Elmina has been transformed into a thriving urban ecosystem guided by the SDP Planting Selection Matrix and Tree-to-Tree commitment. This approach ensures that every removed oil palm tree is replaced with a diverse range of native species, enhancing ecological richness and supporting urban biodiversity. When planning the city, we allocated 300 acres of green space – Elmina Central Park – which facilitates the coexistence of wildlife and urban populations. The park boasts over 100 native species of woody plants, earning a certification as a Level II arboretum. Elmina also features several bodies of water that contribute to its blue infrastructure, not only supporting urban biodiversity but also managing stormwater and providing a place for recreational activities.

Once avoidance and regeneration have been fully optimised, we move towards conservation, ensuring that the green spaces we create are conserved, maintained, and continue to deliver biodiversity value across our townships and assets prior to



handover to local authorities. This includes close collaboration with local councils such as Majlis Bandaraya Shah Alam (MBSA) in the design of parks that integrate biodiversity elements, as well as in the development of maintenance protocols to reduce biodiversity loss and ensure long-term ecological resilience. Demonstrating SDP's formal commitment and systematic approach, our Urban Biodiversity Unit actively embeds urban biodiversity initiatives into company operation by conducting regular assessment and monitoring performance throughout our development. We utilise our Sime Darby Property Biodiversity Index (SDP-BI), a self-assessment tool we adapted from Singapore's City Biodiversity Index, to benchmark our biodiversity efforts against established indicators and identify areas for improvement. We also monitor both the species and number of trees planted through our Tree-to-Tree initiative, which tracks planting diversity and supports alignment with our biodiversity targets. The restoration of the Sungai Subang Corridor, building upon progress in 2023 with the planting of 775 trees from 26 species across a 300-meter stretch, was extended by an additional 500 meters. This next phase introduced 1,450 trees comprising 38 species of both fruiting and non-fruiting varieties. The diverse mix—including fig trees, pioneer species, and 215 individuals from threatened species—was carefully selected to mimic natural riparian growth and enhance the ecological functionality of the corridor.



Malaysia Landscape Architecture Awards 2024 Recognitions and Awards:

- Excellence in Landscape Masterplan Award
- Honours in Landscape Development Category
- Honours in Environmental and Landscape Management Category
- Honours Landscape Analysis and Study Category
- Honours in Landscape Design Award

Safeguarding Urban Biodiversity

OUR URBAN BIODIVERSITY PROGRESS ACROSS OUR TOWNSHIPS

1



Mainland Leopard Cat taken in Hamilton Biodiversity Park

Hamilton Biodiversity Park, an extension of the Gallah Forest Reserve

We are actively working to advance ecological restoration in Hamilton Nilai City by repurposing 284 acres of land into functional ecosystem. Through collaboration with five leading institutions - Universiti Malaysia Kelantan (UMK), Universiti Malaysia Sabah (UMS), Universiti Malaysia Terengganu (UMT), Universiti Kebangsaan Malaysia (UKM) and Universiti Tun Hussein Onn Malaysia (UTHM) - a comprehensive scientific

baseline was established for Hamilton Biodiversity Park using advanced assessment methods such as bioacoustics, environmental DNA analysis, and environmental parameter assessments.

The study revealed a diverse array of plant and animal species, including endangered and critically endangered species like the Sunda Pangolin and the Wallace's Hawk-Eagle. These findings not only showcase the site's untapped ecological potential but also inform strategic conservation efforts for the park's restoration. Additionally, the study extended to the Gallah Permanent Reserved Forest, identifying native plant species for replanting in Hamilton Biodiversity Park and assessing the expected fauna communities post-restoration. The mapping of biodiversity hotspots and development of zoning strategies will ensure a structured and impactful approach to ecological conservation in the park.

As part of our commitment to sustainable landscape management, Hamilton Biodiversity Park is currently exploring a restoration validation certificate under Preferred by Nature (PbN), reinforcing its dedication to ecological restoration and responsible land stewardship. This certification will enhance restoration efforts and establish the park as a benchmark for biodiversity-driven urban development.

2



Wetlands at Bandar Bukit Raja Townpark

Enhancing Urban Wetlands at Bandar Bukit Raja

In 2024, we expanded our urban wetland system in Bandar Bukit Raja, further enhancing water storage capacity and urban biodiversity. Partnering with Wetlands International, we assessed the urban wetland biodiversity and completed 38 acres of wetlands within Townpark, planted with reeds and aquatic plants, including building a 300 meter boardwalk for visitors. The efforts were recognised with Honours in Environmental and Landscape Management at the MLAA14.

Based on 11 biodiversity assessments conducted by our resident ecologist at Wetland Townpark, a total of 62 bird species, including both resident and migratory species, have been recorded in the wetland area.

3

Nurturing a Wetland Sanctuary in Bandar Universiti Pagoh

We have efforts in place to regenerate urban biodiversity at Laguna Pagoh Wetland and Laguna Pagoh Lake which is connected by a 2 km canal that helps in ecological connectivity and act as nature-based solution for flood mitigation. As part of Malaysia's position along the East Asian-Australasian Flyway, Laguna Pagoh Wetland provides an important suburban stopover for migratory birds. Monitoring efforts have recorded 78 bird species; 7 mammal species; and 7 reptile and amphibian species, highlighting the site's ecological significance and commitment to sustainable habitat restoration. The Ethnobotanic Garden educates communities on the traditional uses of native herbs, fostering cultural and environmental awareness.

4

Connecting to Nature in the City at KL East Park

In 2024, we partnered with four universities such as Universiti Malaysia Kelantan (UMK), Universiti Malaysia Sabah (UMS) and Universiti Malaysia Terengganu (UMT) as well as two conservation groups, Nature Sustainable Ecosystem Society (NEST) and Perlis Local Champions, to conduct a comprehensive biodiversity assessment study at KL East Park. This study identified ecological hotspots and aligned development with conservation principles, while also exploring eco-tourism potential to maximise the park's value.

Nestled in the heart of Kuala Lumpur, KL East Park serves as a vital urban forest refuge, offering sanctuary to a remarkable diversity of wildlife despite being surrounded by rapid urbanisation. With 119 bird species, 18 mammal species, and 35 reptile and amphibian species recorded—including rare and threatened species such as the Malayan Horned Frog, Sunda Colugo, and Sumatran Southern Serow—the park plays a critical role in preserving native biodiversity. Its rich habitat supports diverse species, demonstrating the resilience of urban ecosystems when protected and managed sustainably.

As part of our long-term conservation commitment, KL East Park is currently pursuing Forest Conservation Certification (FCC) under the Malaysian Forest Fund (MFF), aiming to strengthen its protection status and enhance ecological management practices. This certification will reinforce the park's role as an urban biodiversity sanctuary and align its conservation efforts with national forest sustainability goals.

Recognising its significant contribution to urban biodiversity and sustainable landscape design, KL East Park has been honored with the prestigious Landscape Masterplan Award at the MLAA14. This recognition underscores the park's success as a model for integrating nature into urban spaces, ensuring that future generations can continue to experience and appreciate the richness of Malaysia's natural heritage within a metropolitan setting.



Blyth's Frogmouth, a shy species that well camouflaged between the foliage of KL East Park. Photo by Izereen Mukri, Ecologist, Sime Darby Property.

Safeguarding Urban Biodiversity

5 Nilai Forest and Wetland Park

We partnered with a local university to conduct a comprehensive biodiversity assessment at Nilai Impian, to identify key ecological hotspots and placemaking opportunities, guiding sustainable development strategies.

The assessment recorded 12 flora species, 6 mammal species, 59 bird species, 6 herpetofauna species, and 12 insect species, reinforcing its ecological significance. Nilai Impian also received Honours in Landscape Development and Landscape Analysis & Study at the MLAA14 in recognition for its efforts in promoting functional landscape.

6 Communication, Education and Public Awareness (CEPA)



Led by the Sustainability and Safety department, they hosted seven (7) human-wildlife conflict workshops, educating 231 participants on snake species found in townships, safety measures, snake behavior, venom types, antivenoms, and proper first-aid responses.

These trainings aim to reduce injuries and fatalities caused by snake encounters by equipping participants with essential skills to safely manage snake-related situations. This initiative represents an important step toward harmonious coexistence between communities and urban wildlife.

7 Wanderlab Explorer Program



The Wanderlab Explorer Program is part of our commitment to promoting sustainability within our township communities, fostering nature appreciation and sustainable living among future generations. To date, we have conducted eight events, engaging 440 participants in hands-on experiences that inspire environmental stewardship and a deeper connection to nature.

SETTING THE STANDARD FOR GREEN GOLF COURSES: KUALA LUMPUR GOLF AND COUNTRY CLUB



Golf courses are often criticised for their environmental impact, including high water use, chemical runoff, and habitat loss. Recognising these challenges, Sime Darby Property has redefined sustainability at Kuala Lumpur Golf & Country Club (KLGCC), making it the only Audubon Cooperative Sanctuary Certified Golf Course in Malaysia since 2019.

In 2024, a biodiversity assessment recorded 74 bird species (1 ERT), 7 mammal species (4 ERT), 18 reptile and amphibian species (1 ERT), and 77 beneficial insect species, reinforcing KLGCC's role as a functional ecological space. Conservation efforts include four new wildlife gardens, a 2,000m² reduction in managed turfgrass, and 257.3 acres of protected land, supporting 170 rare or endangered plant species. KLGCC stands as a testament to Sime Darby Property's commitment to sustainable development, seamlessly integrating urban biodiversity conservation within the built environment.



Kuala Lumpur Golf & Country Club



Conserving Water and Reducing Chemical Use

At KLGCC, we prioritise sustainability and excellence in maintaining our golf course. Our Audubon certification showcases our dedication to water conservation and quality management. Through recycling water, efficient irrigation systems, and eco-friendly practices such as composting and reduced pesticide use, we have significantly reduced our environmental impact. By leading the way in corporate sustainability, we aim to inspire others and leave a lasting legacy for future generations. The efforts we have delivered are:

1. To reduce water stress, the water used in our golf course is recycled, and no discharge is allowed outside the property.
2. Reduced our water consumption by 15,000 liters per day by improving our irrigation system, including accounting for climate conditions to avoid overwatering,
3. Reduced the irrigated acreage in KLGCC by 2,000 acres.
4. Trained staff to operate enhanced irrigation system.
5. Introduced an on-site compost and wood mulching processing program, which provides organic mulch to reduce water of the landscape areas by 50%.
6. Minimised pesticide application across our property and transitioned to slow-release fertilisers to reduce chemical runoff and its environmental impact.
7. Soil aeration to improve gas exchange rates, therefore reducing the need for fertilisers and soil amendments.
8. Where manageable, we practice manual weeding to reduce pesticide use, especially around ponds, tee boxes and greens.
9. Utilise native emergent and floating vegetation, ensuring the ecological balance of water bodies on our property.

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Waste Management

[GRI 306-3, 306-4, 306-5]

Our commitment to circularity is one of the core elements of our sustainability agenda. We aspire to become a zero-waste-to-landfill organisation, recognising that irresponsible waste management contributes to pollution and carbon emissions. Addressing this challenge is essential for both environmental preservation and long-term business resilience.

Since 2016, waste management has been a strategic priority, with a focus on prevention, diversion, and awareness. Our operations generate various types of waste, including construction and demolition waste, domestic waste, and commercial waste. To manage this effectively, we have developed a comprehensive waste management strategy built on two key pillars:

- 1) **Waste Prevention** – We prioritise minimising waste sent to landfill by enhancing recycling efforts (including construction and electronic waste) and expanding composting initiatives (such as food waste from our Leisure and IAM business divisions).

- 2) **Awareness and Education** – We actively promote responsible consumption and disposal habits by raising awareness among employees, contractors, and our wider supply chain.

By embedding these practices into a circular economy framework, we not only comply with environmental regulations but also unlock new business opportunities, strengthen stakeholder relationships, and mitigate environmental risks such as air, groundwater, and soil contamination. Additionally, effective waste management plays a crucial role in protecting urban biodiversity—an integral part of our sustainability agenda.

Beyond compliance and operational efficiency, responsible waste management drives cost reduction, enhances supply chain sustainability, and fosters ecosystem preservation. Our efforts contribute to a resilient and sustainable future, benefitting our business, stakeholders, and the environment alike. Together, we can turn waste into opportunity and create lasting value for our communities and the planet.

HIGHLIGHTS



TOTAL WASTE GENERATED[^]

30,633 tonnes



WASTE DIVERTED FROM DISPOSAL

15,445 tonnes

(50.4%)



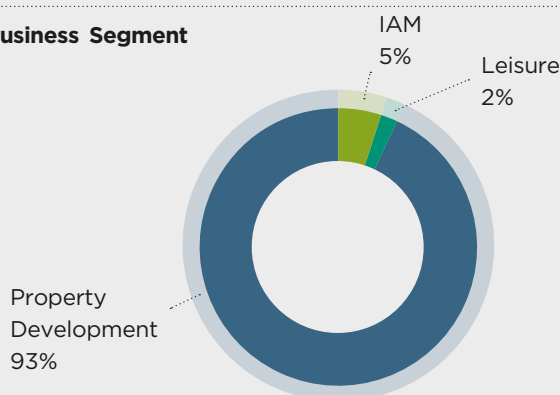
WASTE DIRECTED TO DISPOSAL

15,188 tonnes

(49.6%)

- Implemented waste segregation at source across business units.
- Installed composting system at the workers' quarters in Serasi, Putra Heights, capable of handling **3.5 tonnes** of food waste.
- **4,200 kg** food waste generated during the 2024 LGPA Championship at KLGCC was diverted for composting.
- KLEM achieved a **47%** waste diversion rate.
- Collected **2,955 kg** of recyclables in 2024 from the Recycling & Buy-Back Center at KLEM.

Total Waste by Business Segment



Property Development segment contributes to **93%** of our Total Waste Generated, due to inclusion of construction-related waste

[^] This data was subjected to an external limited assurance by an independent third party. Refer to the independent limited assurance report on pages 153 to 156

RECYCLING AND REUSE STRATEGIES

[GRI 3-3, 306-1, 306-2]

Our approach to waste management is shaped by the enhanced 2021 Integrated Waste Management Guideline, which promotes waste prevention, recycling, and responsible disposal while ensuring adherence to legal requirements and thorough reporting and monitoring practices. Central to our strategy is the Waste Management Hierarchy, which prioritises extending the lifespan of items through reuse, recycling materials into new products, and treating non-recyclable waste through composting or energy recovery, reserving landfill disposal as a last resort. Additionally, we focus on improving efficiency by encouraging the source separation of recyclable materials.

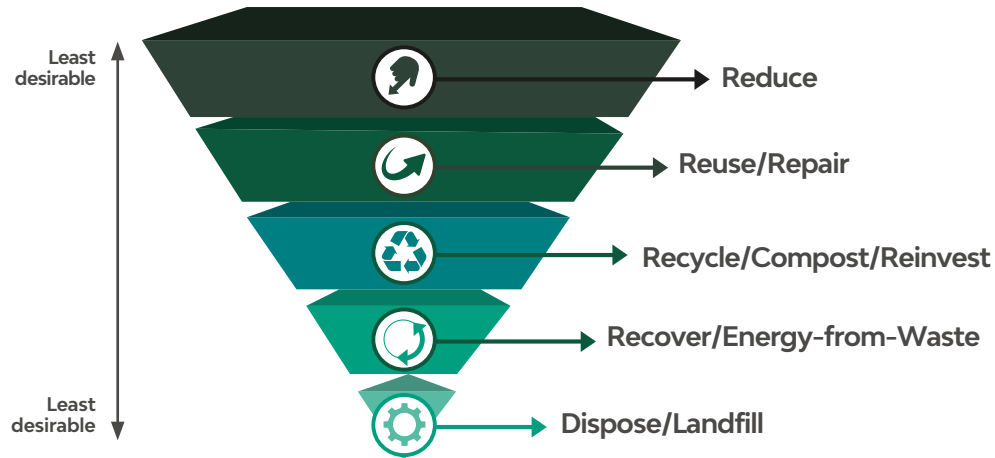


Figure 3.4: Waste Management Hierarchy

Sources of Waste

Property Development

Land Clearing Waste - Includes unused oil palm trunks and other vegetation removed during site preparation.

Leftover Construction Materials - Waste from cutting and fitting of materials.

Excess Packaging - Packaging waste from construction material deliveries.

Material Spills - Waste generated during application and handling of materials.

Poor Material Handling - Damage or loss of materials due to improper storage or transport.

Design Changes - Additional waste caused by modifications in building plans.

Site Clearance Waste - Debris generated during excavation and preparation of land.

Investment and Asset Management

Packaging Waste - Includes cardboard boxes, plastic wrapping, polystyrene packaging, and glass bottles from retail operations.

Food Waste - Includes unsold produce, expired products, and food preparation scraps from grocery stores and restaurants in retail assets.

General Waste - Includes paper towels, plastic utensils, soiled packaging, and cleaning supplies that are difficult or impractical to recycle.

Textile Waste - Includes unsold garments, damaged or defective items, and textile scraps from clothing and fashion retailers.

Electronic Waste (E-Waste) - Includes defective or returned electronics, obsolete technology, and packaging materials for electronic devices from electronics retailers.

Leisure

Food Waste - Includes food preparation by-products, leftover meals, over-prepared portions, and spoiled food from restaurants and catering services. Food waste is the largest contributor, often due to over-ordering, improper storage, and plate waste.

Packaging Waste - Containers, wrappers, and bottles from food and beverage sales.

Single-Use Plastics - Items like straws, cutlery, cups, and bags used in dining and events.

Paper Waste - Generated from tickets, brochures, and promotional materials.

Green Waste - Landscaping debris, including grass clippings, fallen leaves, and trimmed branches.

Discarded Items - Includes clothing and personal belongings left behind by guests.

Cleaning Supply Waste - Empty detergent bottles, wipes, and disposable cleaning materials used for facility maintenance.

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We adopt a multi-pronged approach to waste management, prioritising recycling and responsible disposal. Materials such as paper, plastic, aluminum, glass, metal, and food waste are diverted to Material Recovery Facilities (MRFs) and composting facilities, while domestic and construction waste is managed through sanitary landfills. For construction and demolition waste, disposal follows regulatory guidelines, referring to SWCorp's list of licensed contractors and local authorities for landfill locations. Additionally, scheduled waste disposal is managed via the eSWIS platform, ensuring that waste is handled by licensed facilities and transporters in compliance with the Department of Environment (DOE) regulations.

We have taken significant steps to enhance waste management across its operations, focusing on waste segregation, diversion, and data-driven tracking. Since early 2024, the IAM business segment has implemented a recyclable waste segregation system, identifying an **average of 31% of collected waste as recyclable**. A structured waste data collection and monitoring system



ensures accuracy and accountability in waste management efforts. Waste data is collected from contractors with the assistance of the township coordinators using a digital form which is then submitted to the headquarters monthly for verification. This systematic approach to waste tracking enhances transparency, accountability, and overall waste management efficiency, reinforcing Sime Darby Property's commitment to a circular economy and sustainable development.

PROGRESS TOWARDS CIRCULARITY

Our steadfast commitment to sustainability has propelled us to the forefront of the circular economy movement. Embracing challenges as opportunities for innovation, we have strategically revamped our waste management guidelines to maximise efficiency and environmental impact.

Our proactive approach includes the introduction of the circularity roadshow, a platform that fosters collaboration with contractors and stakeholders to streamline waste handling practices. Leveraging data-driven insights and stringent waste categorisation protocols within our Leisure business segment, we are actively reducing waste generation and promoting responsible disposal methods.

Incorporating initiatives such as food waste composting and green waste recycling, we are driving tangible results in our quest for a more sustainable future. Sime Darby Property remains resolute in our commitment to integrating circular economy principles into our operations, paving the way for a more intelligent and realistic approach to waste management. Key initiatives include:

- **Data-Driven Waste Management** - Waste tracking to ensure accountability and data-driven decision-making.
- **Stakeholder Education** - Internal workshops and sharing sessions to raise awareness and foster behavioural change among employees, contractors, and partners.
- **Maximising Resource Reuse** - The reuse of materials such as furniture and decommissioned assets reduces waste generation and enhances resource efficiency.

By embedding these strategies into our operations, Sime Darby Property is reducing environmental impacts while creating long-term value for the business, stakeholders, and communities. This proactive approach reinforces our commitment to waste reduction, resource circularity, and sustainable urban development.

Enhanced Waste Management Practices: Our Sustainability Commitment

As part of our journey towards excellence in waste management, we ensure that all waste generated in our business and project sites are properly handled and responsibly disposed. We adhere to strict waste management practices that include accurate tracking, compliance with environmental regulations, and disposal through certified handlers. Through our extensive recycling programs, locations such as KLEM and KLGCC Resort actively segregate and recycle different types of waste to promote sustainable consumption and disposal practices.

Our approach to responsible waste management is guided by two primary principles: waste prevention and awareness and education. By emphasising recycling, composting, and raising awareness among stakeholders, we strive to align our operations with our sustainability objectives and make positive contributions to the environment.

Driving Sustainability through Effective Waste Management

Our commitment to responsible waste management extends across all business and project sites, where stringent practices are in place to ensure compliance with environmental regulations and promote sustainable consumption and disposal habits. Through efficient tracking, waste segregation, and recycling initiatives, we aim to minimise waste generation and maximise material efficiency.

By integrating Industrialised Building System (IBS) and Building Information Modelling (BIM) into our processes, we reduce construction waste, detect design clashes early on, and engage contractors in responsible waste handling practices. This collaborative approach not only enhances supply chain efficiency but also supports our sustainability goals and strengthens relationships with stakeholders.

Through our focus on waste prevention and awareness and education, we drive positive impacts on the environment, reduce costs, and create new business opportunities. By embracing a circular economy model and prioritising urban biodiversity protection, we reaffirm our commitment to building a resilient and sustainable future for our organisation, stakeholders, and the environment.

Waste Management

Addressing Food Waste

Food waste composting at Serasi, Putra Heights

Construction sites generate substantial amounts of food waste, which, if poorly managed, contributes to landfill dependency and environmental degradation. At Serasi, Putra Heights, with a workforce of approximately 900, we recognised the scale of the issue. Since early 2024, most food waste from Serasi has been sent to landfills - so we took action.



In collaboration with a local Malaysian composting company, we installed a composting system with a 3.5-tonne capacity for collection. Instead of being sent to landfills, the waste is transported to a composting facility, where it naturally decomposes into nutrient-rich compost. This compost enhances soil fertility, transforming waste into a valuable resource for sustainable land use and closing the loop on waste management.

This initiative has significantly reduced landfill waste, improved site hygiene, and prevented issues such as vermin infestations.

Zero Food Waste to Landfill at KLGCC

Being a business unit that generates high food waste due to catering, we have naturally implemented circularity measures at KLGCC. We are proud to announce that 4,200 kg food waste generated during the 2024 LPGA Championship was successfully diverted from landfill and sent to an organic composting facility mitigating 11,340 kgCO₂e in emissions.

Circularity at KLEM

KLEM has implemented a comprehensive waste management strategy that prioritises waste prevention, reduction, and diversion, minimising landfill dependency and environmental impact. Through systematic waste tracking, tenant engagement, and circular initiatives, the mall has achieved a 47% waste diversion rate in 2024.



Recycling Buy-Back Centre



Recycling Buy-Back Centre

2024 Waste Performance Overview at KLEM**Waste Prevention and Reduction**

KLEM actively prevents waste generation through sustainable materials and durable decorations for events, reducing the need for frequent replacements. Additionally, tenants are encouraged to use recyclable and compostable packaging, cutting down on single-use plastics.

**Waste Segregation and Recycling**

The mall enforces strict waste segregation at source, ensuring food waste, recyclables, and general waste are managed separately. The Recycling & Buy-Back Center operates monthly, collecting 2,955 kg of recyclables in 2024, facilitating material recovery and reducing landfill impact.

**Food Waste Diversion**

A significant initiative involves repurposing food waste as feed for fish ponds, preventing organic waste from ending up in landfills. This approach contributes to circularity while reducing landfill dumping fees and transportation costs. The team has also planned for replacement of open top bins with compactors to reduce waste haulage time, trips and cost to landfill.

**Operational Efficiency and Data-Driven Management**

KLEM utilises Servedeck, a Facilities Management App, to track assets and optimise waste operations. The mall is also registered with the DOE, ensuring compliance through monthly waste data assessments and contractor-submitted reports.

**Impact and Circularity Progress**

Through segregation, recycling, and repurposing efforts, KLEM has significantly reduced landfill waste, improved cost efficiency, and enhanced sustainability performance. Moving forward, the mall aims to expand circularity initiatives and strengthen tenant participation, reinforcing its role as a leader in sustainable urban waste management.

Water Management

We are committed to minimising water consumption by implementing efficient practices across all our operations and locations. Our dedication extends to designing homes and developments that prioritise water conservation through innovative solutions such as rainwater harvesting systems and water-saving fixtures.

We adopt a comprehensive approach to water management, embedding sustainability into every aspect of our development process. Through our Minimum Sustainability Element framework, we focus on creating products that optimise water usage. Our investment in the Integrated Water Supply Scheme (IWSS) underscores our commitment to improving water infrastructure for our townships and communities.

While we have made significant progress, challenges remain, particularly in managing non-potable water. We are actively developing systems for water recycling and reuse to meet regulatory standards and enhance our sustainable water management practices. Moving forward, our focus is on implementing more efficient frameworks, strengthening conservation efforts, and creating community-centric water solutions that deliver lasting environmental and social benefits.



WATER MANAGEMENT STRATEGIES

[GRI 3-3]

We acknowledge the increasing global concern over water-related challenges and are committed to advancing sustainable water management solutions. Our initiatives are aligned with prominent international frameworks, such as Sustainable Development Goal 6 (Clean Water and Sanitation for All), the Water Action Decade (2018–2028), and the Water Action Agenda established during United Nations COP meetings. These initiatives stress the importance of joint efforts in tackling the issue of water security, an issue we are committed to.



We prioritise potable water as the primary water source while responsibly utilising surface and groundwater when necessary. This approach is reflected in developments like Elmina City, strategically positioned between two key river basins in Selangor. Water management practices strictly adhere to regulatory requirements, including EIA approval conditions, Environmental Management Plans (EMP), and the Environmental Quality Act (EQA) 1974, ensuring compliance with industry best practices and environmental standards.



By prioritising effective water management practices, we aim to promote environmental sustainability while enhancing the economic well-being of the communities we serve. Our dedication to responsible water stewardship focuses on ensuring a reliable and equitable water supply for all stakeholders, reinforcing our commitment to building resilient and sustainable communities.



Urban Wetland at Bandar Bukit Raja

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UN Sustainable Development Goals

TARGET 6-1



SAFE AND AFFORDABLE DRINKING WATER

Initiatives

- Water, Sanitation and Hygiene WASH service plan.

TARGET 6-3



IMPROVE WATER QUALITY, WASTEWATER TREATMENT AND SAFE REUSE

Initiatives

- Consistently monitored water quality in accordance with the DOE EMPs.
- Ensured that the discharge of wastewater and effluents meet the regulatory requirements and the latest limits stipulated in the EIA Approval Conditions.

TARGET 6-4



INCREASE WATER-USE EFFICIENCY AND ENSURE FRESHWATER SUPPLIES

Initiatives

- Invested over RM100 million in the IWSS project to enhance water efficiency.
- Developed water-efficient product designs as part of the Minimum Sustainability Element framework.
- Optimised operations to reduce the frequency and volume of water usage, revising processes for greater efficiency.
- Maximised non-potable water use for suitable processes to diversify water sources and prioritise non-potable water where feasible.

TARGET 6-5



IMPLEMENT INTEGRATED WATER RESOURCES MANAGEMENT

Initiatives

- Established a target to equip 30,000 units with low water use fittings accredited by the Water Efficiency Labelling Scheme (WELS)/Water Efficient Products Labelling Scheme (WEPLS) by 2030.
- Implemented rainwater harvesting systems in high-rise developments to utilise Malaysia's abundant rainfall.

HOW WE MANAGE WATER ACROSS OUR TOWNSHIPS



URBAN STORMWATER MANAGEMENT AT BANDAR BUKIT RAJA WETLAND PARK

The devastating floods of 2021 served as a stark reminder of the growing challenges posed by climate change, spurring Sime Darby Property to prioritise the development of futureproof townships. One of the standout solutions is the Bandar Bukit Raja Wetland Park, designed as an innovative nature-based response to mitigate flooding and enhance resilience against extreme weather events.



Nature-Based Solutions: Combining Green and Grey Infrastructure

The Bandar Bukit Raja Wetland Park integrates wetlands and canals to manage stormwater effectively. By blending green and grey infrastructure, the park increases water storage capacity while maintaining the ecological integrity of the area. Strategically located at the confluence of three major rivers—Sungai Puloh, Sungai Kapar Kecil, and Sungai Kapar Besar—the park ensures seamless functionality of its stormwater management systems.



A Four-Step Stormwater Management Approach

1. Reroute

Excess stormwater from drains is redirected through 3.3 km of swales and dry creeks. These channels slow the velocity of water before it flows into wetlands, such as rain gardens and recreational ponds.

2. Retain

Wetlands store excess water with a capacity of 62,500 m³, equivalent to 25 Olympic swimming pools, far surpassing Malaysia's Urban Storm Water Management (MSMA) guidelines. This reduces the risk of flooding while providing temporary retention during monsoon seasons.

4. Release

Once water levels subside, the system gradually releases excess water back into the drainage system, ensuring a controlled flow and minimising downstream flooding.

3. Restore

The wetlands support diverse wildlife, including migratory birds and fish, contributing to biodiversity restoration and creating a thriving natural habitat.



Futureproofing Through Design

The park is strategically positioned at the lowest topographical point in the township, below roads and housing areas. This ensures that water remains contained within the park, reducing the risk of overflow into nearby settlements. During heavy rainfall, the park also functions as a retention pond, providing a natural buffer against the effects of climate change.

To foster community appreciation for wetlands, Sime Darby Property actively engages residents through educational programmes about the importance of wetlands in stormwater management and biodiversity conservation. The park also serves as a recreational space, balancing ecological function with community well-being.



A Holistic Solution

The Bandar Bukit Raja Wetland Park exemplifies how urban planning can address the dual challenges of climate change and urbanisation. By integrating flood mitigation, biodiversity restoration, and community engagement, Sime Darby Property has created a model for sustainable township development, setting a benchmark for urban stormwater management in Malaysia.



Enhancing Ecosystems and Community Engagement

Riparian-wetland areas within the park play a critical role in filtering contaminants and restoring habitats, contributing to ecosystem health. Native species have been reintroduced through rewilding initiatives to optimise water flow, stabilise soil, and ensure tree tolerance to wetland conditions. Additionally, collected water is reused for irrigation, further enhancing the sustainability of the project.

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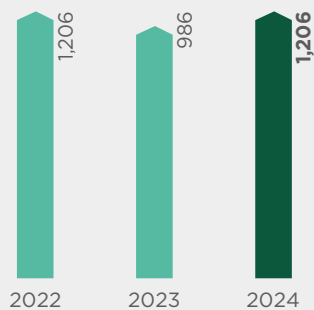
Water Management

RESPONSIBLE WATER CONSUMPTION [GRI 303-3]

In 2024, Sime Darby Property used 1,933 megaliters of water. Non-potable water data is complete to the best of our knowledge and we are committed to continuously improving the accuracy of this measurement. Always aiming to improve, we implement comprehensive water conservation strategies across our operations, incorporating low-flow fixtures, rainwater harvesting systems, and leak detection programmes to enhance water efficiency and reduce overall consumption. Additionally, we actively engage with local communities to raise awareness about water conservation while embedding water-sensitive design principles into our developments to minimise environmental impact and create sustainable living environments.

The KLGCC Irrigation System is currently undergoing an upgrade to improve efficiency, allowing for precise sprinkler control in seconds rather than minutes. The system will also integrate automated shut-off mechanisms based on weather station readings, reducing both electricity (by up to 16.6%) and water consumption. Additionally, the use of POGO moisture meters enables better soil moisture analysis, ensuring optimal water usage without waste. Water quality is also closely monitored, with biannual laboratory testing guiding future golf course maintenance plans. Furthermore, rainwater harvesting and on-site ponds provide a self-sustaining water source for the 260-acre golf course.

Total volume of potable water consumed (Megalitres)



Through systematic tracking, **operational improvements, and sustainable design**, Sime Darby Property continues to optimise water efficiency across its developments, reinforcing its commitment to **responsible water management** and long-term sustainability.



We primarily track water withdrawal from potable treated sources (municipal supply), recognising that a portion of withdrawals is lost due to leaks, evaporation, meter inefficiencies, and human negligence. This tracking system enables us to identify total water consumption and improve efficiency. The data collection process involves site boundary updates, contractor-assisted data gathering, and monthly submissions to the HQ Coordinator, where data is verified, consolidated, and calibrated to ensure accuracy. These records contribute to the SDP Eco-Efficiency Data Disclosure, which undergoes third-party assurance exercises for transparency.



At KLGCC, responsible water management is made possible through daily and monthly monitoring of water meters, allowing for the early detection and resolution of anomalies, ensuring efficient water usage across facilities

Kuala Lumpur Golf & Country Club