

SkyWorld®

INSPIRING INNOVATIVE SPACES



ANNUAL REPORT 2024



2024 Annual General Meeting

Level 1, Block D, Excella Business Park,
Jalan Ampang Putra, Ampang,
55100 Kuala Lumpur, Malaysia

Friday, 27 September 2024
10.00 a.m.



Scan here to access our Investor Relations report
<https://www.skyworldgroup.com.my/investor-relations/reports>



INSPIRING INNOVATIVE SPACES

A unique, eye-catching cover option that showcases icons of SkyWorld Development's key operational milestones as core components around an evolving linked globe. This depicts the interconnected, synergised impacts that SkyWorld Development catalyses through its value chain to continuously advance its communities.



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BASIS OF THIS REPORT

BASIS OF PREPARATION

SkyWorld Development Berhad's ("the Company" or "SkyWorld Development") annual report for the financial year ended 31 March 2024 ("FY2024") provides a comprehensive yet concise overview of our business, strategy and performance across our triple bottom line.

Its purpose is to explain how we create sustainable value for our stakeholders not only as property developer, but also as a responsible employer and community member with a vision of becoming the 'Always Best City Developer' to fulfil our purpose to 'Make Living Better'.

As we progress on our reporting journey, we aim to continuously strengthen our disclosures to provide balanced and meaningful data interpretation, transparency in our leadership's thought processes behind the decisions made, and greater clarity on the connectivity of our disclosures to allow readers to make informed decisions about SkyWorld Development.



SCOPE AND BOUNDARY

The scope and boundaries of SkyWorld Development and its subsidiaries (collectively referred to as "SkyWorld Development Group" or "the Group") as outlined in the Corporate Structure section of this report.

Unless otherwise indicated, the report covers material information for the reporting period from 1 April 2023 to 31 March 2024.

REPORTING FRAMEWORKS

In preparing this report, we have determined the content for inclusion in consideration of the following frameworks and guidelines:

- Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements
- Companies Act 2016
- Malaysian Code on Corporate Governance 2021
- Bursa Securities' Sustainability Reporting Guide (3rd Edition) 2022
- Global Reporting Initiative Core Option
- FTSE4Good Bursa Malaysia Index, based on FTSE Russell's ESG Data Model
- Task Force on Climate-related Financial Disclosures
- Malaysian Financial Reporting Standards
- International Financial Reporting Standards



FORWARD-LOOKING STATEMENT

This report outlines future plans, targets and operational performance of the Group which are deemed to be realistic at the time this report was issued. Readers are advised not to place undue reliance on such forward-looking statements as the Group's business is subject to risks and uncertainties beyond our control, which may necessitate changes to our operational plans as they arise. Actual results may differ materially from those expressed or implied by these forward-looking statements.

FEEDBACK

We welcome readers to seek clarification and provide feedback on this report and any aspect of our performance. For any enquiries, please direct to: corporate@skyworld.my.

ASSURANCE AND APPROVAL

This report contains financial related statements and data that references the Consolidated Financial Statements of FY2024, which has been verified by the external auditors, Deloitte PLT. They have provided an independent opinion on whether the Financial Statements gave a true and fair view of the consolidated financial position, financial performance and cash flows for FY2024.

SkyWorld Development's Board of Directors acknowledges its responsibility to ensure the integrity of this report. In the Board's opinion, the report appropriately and sufficiently addresses all material issues that impact the Group's ability to create value, and presents a fair view of the Group's performance for FY2024.

This report was approved by the Board on 18 July 2024.

AT A GLANCE

FINANCIAL HIGHLIGHTS (as at 31 March 2024)



Total Revenue
RM688.0
 million
 (FY2023: RM841.4 million)



Profit After Tax
RM106.5
 million
 (FY2023: RM150.7 million)



Sales Take-Up Rate
89.6%
 (FY2023: 91.2%)



Total Equity
RM842.8
 million
 (FY2023: RM615.7 million)



Total Assets
RM1.6
 billion
 (FY2023: RM1.3 billion)



Return on Equity
14.6%
 (FY2023: 27.9%)



Dividends Declared
2.25 sen
 per share
 (FY2023: 3.0 sen)



Net Gearing Level
Net cash
 (FY2023: 0.40 times)

At a Glance

BUSINESS HIGHLIGHTS

Initiating Regional Expansion

Strategic foray into **Ho Chi Minh City**, Vietnam through **first acquisition** of **1.3 acres land** for **high-rise** residential development.



Quality Excellence Standards

3 developments completed and achieved an average **QLASSIC** (Quality Assessment System in Construction) score of **84%**. Together with the ALL past completed developments, overall average score is a commendable **81%**.



Innovation-led Company

Initiate research into innovative Prefabricated Prefinished Volumetric Construction technology to revolutionise the businesses.



Diverse Residences Offering

Introduced 2 new developments, located at **Setiawangsa** and **Setapak** with combined Gross Development Value ("GDV") of **RM1.1 billion**.



Develop New Growth Engine

Started exploration of **suitable urban landbank** out from Klang Valley to accelerate business growth.



Prime Urban Landbank

57.5 acres



Spanning at prime locations in Klang Valley with combined **GDV of RM5.7 billion** to support the Group response to evolving market needs.

Sustainable Unbilled Sales

RM548.1 million

(FY2023: RM944.6 million)



207 Proficient Employees

Yield **RM3.3 million Revenues Per Capita**

(FY2023: 197; RM4.3 million per capita)



WHO WE ARE

As an established Malaysian city developer, we remain firmly committed to building vibrant and innovative high-rise residences.

In keeping with our corporate purpose to make living better, we offer innovative designs and concepts to cater to diverse home seekers looking for quality products and service, yet with an attractive pricing.

Shaped by our corporate values, we aim for long-term, sustainable growth. Such values are responsible for making us who we are – SkyWorld Development.



Shareowner Oriented

A rational, candour and independent thinking organisation



Customer Centric

Value creation for homeowners by embodying our brand promise of 'You can now own a quality home and living'



Talents in Priority

A platform to learn, share and invest



Vision

ALWAYS BEST CITY DEVELOPER (ABCD)

We aim to further strengthen our positioning in the property industry and lead the company to be at the forefront.



PURPOSE MAKE LIVING BETTER

Staying true to its brand promise, 'You Can Now Own A Quality Home and Living', SkyWorld Development is about nurturing a lifelong commitment to excellence in a sustainable ecosystem for current and future generations.



CORE VALUES



Let's talk

We value open and honest dialogue to foster collaboration, understanding, and effective problem-solving.



Dare to lead

We embrace innovation, empower individuals to take initiative, and cultivate a culture that encourages creative thinking and decision-making.



Get it done

We value proactive mindset, accountability, and a strong work ethic.





CORPORATE HISTORY

The history of our Group can be traced back to year 2006 with the incorporation of Varsity Networks Sdn Bhd as a private limited company by Datuk Seri Ng Thien Phing, our founder and Non-Independent Executive Chairman. The company was initially focusing on the general trading and contracting activities until year 2014, it was rebranded to SkyWorld Development and entered into the property development business.

In July 2023, SkyWorld Development achieved a significant milestone by successfully listing on the Bursa Malaysia Securities Berhad's Main Market which provided a platform to further expand our footprint in the property development industry.

KEY MILESTONES

2006



Incorporation of SkyWorld Development, initially known as Varsity Network Sdn Bhd, as a private limited company

2014



Rebranded to 'SkyWorld Development' and introduced our maiden development, SkyArena in Setapak

2022



Launched our Solution Plus (Solution+), an ecosystem and enhanced e-commerce platform that connects SkyWorld Development's homeowners and vendors

2021



Completion of SkyArena Sport Complex, Setapak and MSN Sport Complex, Nilai. Both had achieved commendable QLASSIC score of 81%

2023



Inception of SkyWorld Foundation to serve as a platform for Group to fulfil our corporate social responsibility initiatives, aiming to provide aid and improve the welfare of communities

2023



Established a rated RM300.0 million 7 years Islamic Medium-Term Notes and Islamic Commercial Paper programme, an alternative funding avenue available to fuel group's business growth

Key Milestones

2015



Launched our first affordable development under SkyAwani series

2017



Launched a mobile application namely SW Connects, a value-added service for SkyWorld Development's homeowners

2018



Launched our SkyWorld Development Quality Centre in Setapak, the first of its kind in Malaysia, reaffirming a commitment pledge of quality workmanship

2017



Establishment of our first landmark Islamic Medium-Term Notes and Islamic Commercial Paper programme with total limit of RM1.0 billion

2023



Listing of the Group on the Main Market of Bursa Securities

2024



Embarking on its maiden venture into Vietnam, its wholly-owned subsidiary, SkyWorld Development (Vietnam) Company Limited, has entered into a conditional share sale and purchase agreement to acquire approximately 1.3 acres land located in Ho Chi Minh City, Vietnam

ACCOLADES AND AWARDS



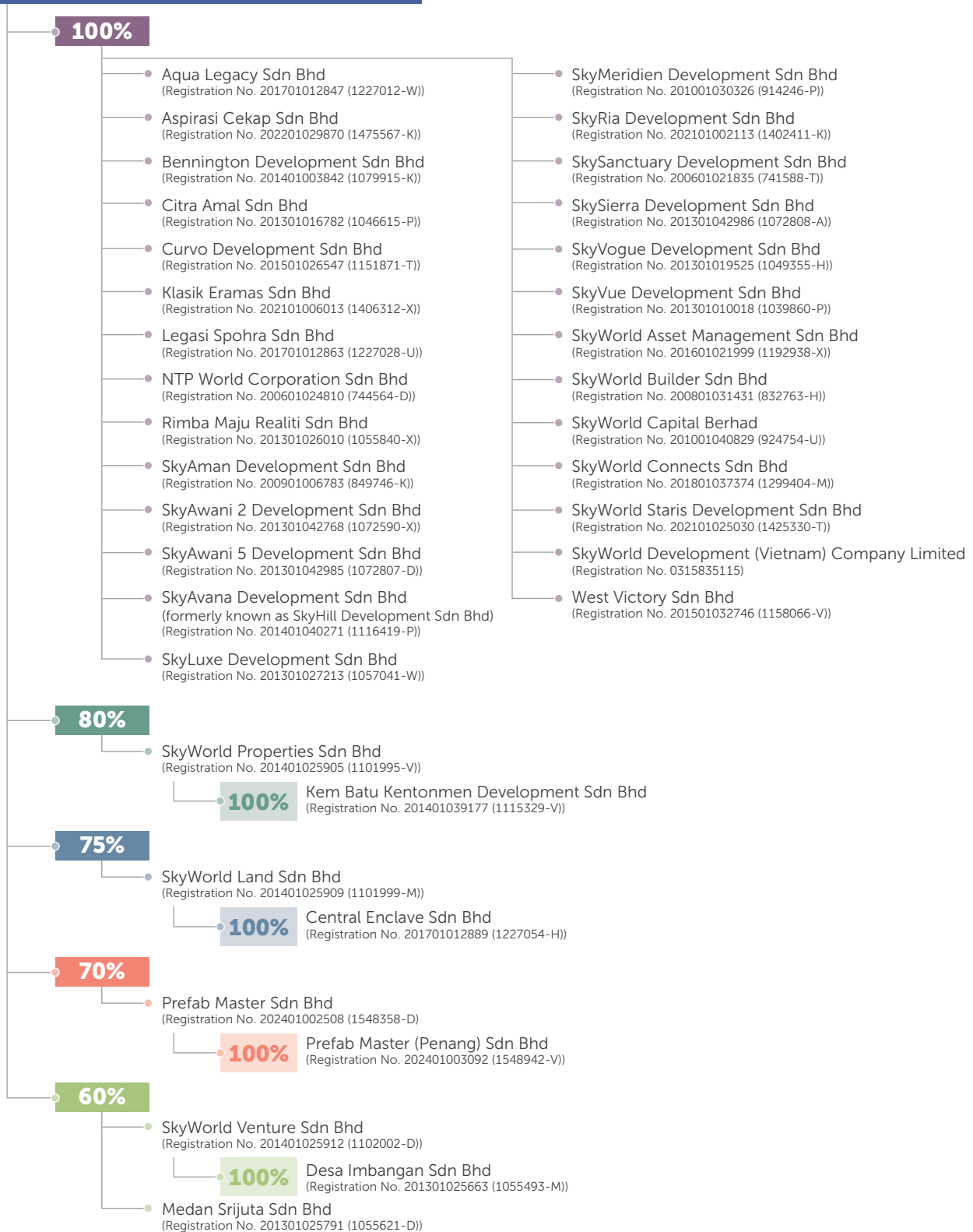
Accolades and Awards

DATE (FY2024)	KEY AWARDS	AWARDING PARTY
May 2023	<ul style="list-style-type: none"> Ranked No. 1 in StarProperty ALL-STARS Award 2023 (under non-listed company category) The Frontier Finder Award (Excellence) for SkyBlox @ SkySanctuary, Setapak The Business Estate Award (Honours) for SAMA Square @ SkySanctuary, Setapak The Skyline Award (Honours) for Curvo Residences @ SkyArena, Setapak 	StarProperty Awards 2023
	<ul style="list-style-type: none"> Honour Award in Landscape Development Award (Developer Category) 	Malaysia Landscape Architecture Awards 2022 (MLAA 13)
	<ul style="list-style-type: none"> Residential High-Rise Architecture for Curvo Residences 	Asia Pacific International Property Awards 2022-2023
June 2023	<ul style="list-style-type: none"> World Gold Winner for SkyAwani 2 Residences 	FIABCI World Prix d' Excellence Awards 2023
November 2023	<ul style="list-style-type: none"> Innovative Design Award for SkyAwani 3 Residences 	Malaysia Outstanding Sustainable Development Awards 2023
	<ul style="list-style-type: none"> The Edge Property Excellence Awards 2023 Winner of The Edge Malaysia Affordable Urban Housing Excellence Award 2023 for SkyAwani 3 Residences 	The Edge Property Excellence Award 2023
December 2023	<ul style="list-style-type: none"> Iconic Entrepreneur 2023 	Beyond Global Outstanding Business
	<ul style="list-style-type: none"> Silver Award in the Hospitality Category for SkyBlox 	MIID REKA Awards 2023
January 2024	<ul style="list-style-type: none"> Gold Winner in Property Development Category 	Putra Aria Brand Awards 2023
March 2024	<ul style="list-style-type: none"> Kincentric Best Employer 2023 in Malaysia 	Kincentric Best Employer 2023
	<ul style="list-style-type: none"> Affordable Housing Category for SkyAwani 3 Residences 	FIABCI Malaysia Property Award

CORPORATE STRUCTURE



OUR SUBSIDIARIES (as at 18 July 2024)



CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK SERI NG THIEN PHING

Chairman
Non-Independent Executive Director

DATUK LAM SOO KEONG @ LOW SOO KEONG

Non-Independent Executive Director

LEE CHEE SENG

Non-Independent Executive Director/
Chief Executive Officer

CHAN SENG FATT

Independent Non-Executive Director

ONG SOO CHAN

Independent Non-Executive Director

PHANG SZE FUI

Independent Non-Executive Director

ZALINAH BINTI A HAMID

Independent Non-Executive Director

AUDIT & RISK MANAGEMENT COMMITTEE

Chan Seng Fatt (Chairman)
Ong Soo Chan
Phang Sze Fui

NOMINATION & REMUNERATION COMMITTEE

Phang Sze Fui (Chairman)
Ong Soo Chan
Zalimah Binti A Hamid

LONG TERM INCENTIVE PLAN COMMITTEE

Datuk Seri Ng Thien Phing (Chairman)
Datuk Lam Soo Keong
@ Low Soo Keong
Phang Sze Fui
Ong Soo Chan
Zalimah Binti A Hamid

COMPANY SECRETARIES

Te Hock Wee (MAICSA 7054787)
CCM Practising Certificate
No. 202008002124

Foo Pei Koon (MAICSA 7067238)
CCM Practising Certificate
No. 202108000380

Wong Chee Wai (BC / W209)
CCM Practising Certificate
No. 202108000410

REGISTERED OFFICE

Unit 30-01, Level 30, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan (KL)
Malaysia
Tel : (603) 2783 9191
Fax : (603) 2783 9111
Email : info@my.tricorglobal.com

HEAD OFFICE/PRINCIPAL PLACE OF BUSINESS

Ground Floor, Block B, Wisma NTP World
Excella Business Park
Jalan Ampang Putra
Ampang
55100 Kuala Lumpur
Wilayah Persekutuan (KL)
Malaysia
Tel : (603) 4270 3928/(603) 4270 9968
Email : corporate@skyworld.my
Web : https://skyworldgroup.com.my/

AUDITORS

Deloitte PLT
Firm No. (LLP0010145-LCA) & AF 0080
Menara LGB, Level 16
1, Jalan Wan Kadir
Taman Tun Dr Ismail
60000 Kuala Lumpur
Wilayah Persekutuan (KL)
Malaysia
Tel : (603) 7610 8888

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Al-Amin Bank Berhad
RHB Bank Berhad
HSBC Bank (Malaysia) Berhad
United Overseas Bank (Malaysia) Berhad

SHARE REGISTRAR

Tricor Investor & Issuing House Services
Sdn Bhd
Unit 32-01, Level 32, Tower A
Vertical Business Suite, Avenue 3
Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan (KL)
Malaysia
Tel : (603) 2783 9299
Fax : (603) 2783 9222
Email : is.enquiry@my.tricorglobal.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities
Berhad
Stock Code: SKYWLD
Stock No. : 5315
ISIN Code : MYL531500006
Sector : Property
Listing date : 10 July 2023

INVESTOR RELATIONS

Email : ir@skyworld.my
Web : https://skyworldgroup.com.my/
investor-relations

PROFILE OF BOARD OF DIRECTORS

DATUK SERI NG THIEN PHING

Non-Independent Executive Chairman

Nationality
Malaysian

Age
49

Gender
Male

Date Appointed to the Board: 22 November 2006

Datuk Seri Ng Thien Phing obtained his Diploma in Accountancy from the Kota Bharu Polytechnic and subsequently graduated with a Bachelor of Business Administration from the National University of Malaysia. He is a member of the Institute of Corporate Directors Malaysia and he is the Chairperson of the Long Term Incentive Plan Committee.

Upon obtaining his Diploma, he joined Strategic Forum Expertise Sdn Bhd as a Conference Producer in 1997 where he was involved in organising and coordinating of conference events.

In 1999, Datuk Seri Ng founded NTP World Forum Sdn Bhd, a company that is currently involved in the provision of corporate training programmes. He later

co-founded ICT Zone Holding Sdn Bhd (currently the controlling shareholder of ICT Zone Asia Berhad which is listed on the LEAP Market of Bursa Malaysia Securities Berhad) and ICT Zone Sdn Bhd (currently the wholly-owned subsidiary of ICT Zone Asia Berhad). He is currently an indirect controlling shareholder (via his interests in ICT Zone Holding Sdn Bhd) and Non-Independent Non-Executive Chairman of ICT Zone Asia Berhad.

With his extensive experience in managing and developing businesses, he founded our Company in 2006 (formerly known as NTP World Development Sdn Bhd) and subsequently ventured into the property development industry.

DATUK LAM SOO KEONG @ LOW SOO KEONG

Non-Independent Executive Director

Nationality
Malaysian

Age
56

Gender
Male

Date Appointed to the Board: 28 October 2008

Datuk Lam Soo Keong @ Low Soo Keong graduated with a Bachelor of Law from the University of London External Programme and subsequently completed the Certificate of Legal Practice. He was admitted as an Advocate and Solicitor of the High Court of Malaya in 1994. He is also a member of the Institute of Corporate Directors Malaysia and a member of the Long Term Incentive Plan Committee.

He had been practising in specialised areas concerning land matters, property development, building and construction as well as corporate and company affairs with his own established legal firm. He then retired as Partner from the firm and joined another firm serving as an Advisor until his departure in 2017 to focus on the expansion of the Group business.

Profile of Board of Directors

LEE CHEE SENG

**Non-Independent Executive Director/
Chief Executive Officer**

Nationality
Malaysian

Age
51

Gender
Male

Date Appointed to the Board: 1 April 2016

Lee Chee Seng graduated with a Bachelor of Business Studies from Charles Sturt University with the HELP University External Programme. He is a member of the Institute of Corporate Directors Malaysia.

He began his working career with Zalam YTK Sdn Bhd (now known as Zalam Corporation Sdn Bhd) in 1994, a construction and property development company where he held various leadership positions including his last held position as the Director and then joined us as Chief Product Officer in 2013.

He is known amongst his peers as an innovative leader with a business intuitive mind due to his extensive exposure to mega projects. His strengths lie in improving the workforce by building teamwork, fostering a culture where employees can engage in decision making and encouraging cooperation in pursuing company goals.

CHAN SENG FATT

Independent Non-Executive Director

Nationality
Malaysian

Age
61

Gender
Male

Date Appointed to the Board: 23 September 2022

Chan Seng Fatt is the Chairman of our Audit & Risk Management Committee.

He is a member of the Malaysian Institute of Accountants and a member of the Institute of Corporate Directors Malaysia. He is also former Fellow Member of the Chartered Institute of Management Accountants.

He has an extensive career exposure spanning more than 35 years covering various aspects of experience namely external and management auditing, financial management, corporate finance, stockbroking and senior level operational and general management.

He has held several senior positions in various private and public companies. Currently, he is the Group Chief Executive Officer of Star Media Group Bhd. He also sits on the board of Salcon Bhd as the Senior Independent Non-Executive Director and chairman of the Audit & Risk Management Committee, Nomination Committee & Remuneration Committee of Salcon Bhd.

Profile of Board of Directors

ONG SOO CHAN

Independent Non-Executive Director

Nationality
Malaysian

Age
62

Gender
Female

Date Appointed to the Board: 23 September 2022

Ong Soo Chan is a member of our Audit & Risk Management Committee and, Nomination & Remuneration Committee and Long Term Incentive Plan Committee.

She graduated with a Bachelor of Arts in Economics from University Malaya and is a member of the Institute of Corporate Directors Malaysia.

Having dedicated more than 30 years of her professional life in the banking industry, she possesses in-depth knowledge and experience in financial services. She started her career in Development and Commercial Bank as a Management Trainee in 1987, and subsequently joined RHB Bank and ABN-AMRO Bank, predominantly in treasury operations. She then left ABN-AMRO Bank as the Head of Treasury Operations and joined Citibank Berhad in 1998 in a similar capacity.

Over the next 20 years, she held various leadership roles at Citibank Berhad, including the Head of Corporate Banking Operations and Technology, Head of Consumer Business Operations and Technology. In 2010, she was seconded to head Citigroup Transaction Services (M) Sdn Bhd (a wholly owned entity of Citigroup Overseas Investments Ltd.) to start up a regional and global operations hub to support multiple products including Securities and Fund Services, Anti-Money Laundering transactions monitoring and Consumer Fraud Risk operations. Her last role at Citibank Berhad prior to her retirement in 2020 was as Head of Country Operations and Technology.

She currently sits on the board of Unitrade Industries Berhad and CIMB Bank Berhad as their Independent Non-Executive Director.

PHANG SZE FUI

Independent Non-Executive Director

Nationality
Malaysian

Age
52

Gender
Female

Date Appointed to the Board: 23 September 2022

Phang Sze Fui is the chairman of our Nomination & Remuneration Committee and a member of our Audit & Risk Management Committee and Long Term Incentive Plan Committee.

She is a fellow member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants. She has also been a member of the Institute of Corporate Directors Malaysia.

She began her career as an Accounts Executive in 1992 and later joined Baker Tilly Monteiro Heng after completing her studies. She progressed through the ranks, eventually becoming the Executive Director of Transaction Reporting Division.

Following her tenure at Baker Tilly Monteiro Heng, she later joined Dolphin Applications Sdn Bhd as the Corporate Affairs Director, overseeing corporate exercises, compliance matters, improving internal control systems and reporting structure as well as investor relations. She then embarked on her own business venture, specialising in the provision of business and accounting consultancy and aquaponic farming.

She was an Independent Non-Executive Director of Flexidynamic Holdings Berhad until her retirement in June 2024 and simultaneously she has resigned as an Independent Non-Executive Director of SDS Group Berhad. She currently sits on the board of Kim Teck Cheong Consolidated Berhad and Orgabio Holdings Berhad as an Independent Non-Executive Director.

Profile of Board of Directors

ZALINAH BINTI A HAMID

Independent Non-Executive Director

Nationality
Malaysian

Age
63

Gender
Female

Date Appointed to the Board: 23 September 2022

Zalinah Binti A Hamid is a member of our Nomination & Remuneration Committee and Long Term Incentive Plan Committee.

She graduated with a Bachelor of Science in Accounting and a Master in Business Administration (International Business) from the New Hampshire College, USA. She is also a member of the Institute of Corporate Directors Malaysia.

She has more than 30 years of experience in the capital market with proven expertise in portfolio management for pension funds, trust funds and private mandates as well as managing equity portfolio locally and globally. She was the Head of the Domestic Equity Department of Employees Provident Fund, overseeing investments in Malaysia's public listed companies. Prior to her tenure in Employees Provident Fund, she was the

Chief Executive Officer of PMB Investment Berhad (formerly known as ASM Asset Management Berhad). Throughout her career, she has demonstrated a strong commitment for Environmental, Social and Governance (ESG) principles as well as risk management.

She was an Independent Non-Executive Director of OMS Group Berhad until her resignation in October 2023. She currently sits on the board of Perak Transit Berhad as the Independent Non-Executive Director. She has also been the Independent Non-Executive Director of UOB Kay Hian Securities (M) Sdn Bhd, UOB Asset Management (Malaysia) Berhad and UOB Islamic Asset Management Sdn Bhd. Further, she is the chairman of the Audit & Risk Management Committee of UOB Kay Hian Securities (M) Sdn Bhd.

NOTES:

1. Family Relationship with Director and/or Major Shareholder

None of the Directors has any family relationship with any Director and/or major shareholder of the Group.

2. Conflict of interest

None of the Directors has any conflict of interest with the Group.

3. Conviction for Offences

None of the Directors has any conviction for offences within the past 5 years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

4. Attendance of Board Meetings

The attendance of the Directors at Board Meetings held during the financial year is disclosed in the Corporate Governance Overview Statement of this report.

PROFILE OF SENIOR MANAGEMENT

LOW WENG CHEONG

Head of Finance

Nationality
Malaysian

Age
46

Gender
Male

Low Weng Cheong re-joined our Group in 2019 and has been with our Group for over five years. He was promoted to Head of Finance on 1 January 2021 and his main responsibilities in the Group include overseeing the overall finance functions including accounting, taxation, financial management, as well as investor relations.

He is a Fellow Member of the Association of Chartered Certified Accountants and a member of the Malaysian Institute of Accountants.

He began his career in 1997 and had held various senior-level positions in different property development companies such as BRDB Developments Sdn Bhd, Lendlease Development Malaysia Sdn Bhd and Selangor Properties Berhad. Throughout his career, he has accumulated extensive experience in finance, accounting, taxation and strategic management.

TAN LEA CHIN

Head of Sales

Nationality
Malaysian

Age
53

Gender
Male

Tan Lea Chin joined our Group since 2019 and has been with our Group for over five years. He was the General Manager, Marketing and Sales before being re-designated as the Head of Sales on 1 January 2022. His main responsibility in the Group includes planning, formulation and implementation of sales strategies, processes and policies as well as overseeing the sales operation.

He graduated with a Bachelor of Business in Business Administration from RMIT University's External Programme.

Prior to joining our company, he had accumulated over 20 years of experience in sales management holding position such as Head of Sales and Marketing of DNP Property Management Sdn Bhd (a subsidiary of Wing Tai Malaysia Group), Selangor Dredging Berhad and SP Setia Berhad.

NG HONG HAW

Head of Business Venture

Nationality
Malaysian

Age
42

Gender
Male

Ng Hong Haw joined our Group in 2015 and has been with our Group for over nine years. He was the General Manager, Overseas Venture and Asset Under Management before being re-designated as the Head of Business Venture on 1 January 2022. His main responsibilities in the Group include the evaluation of new business ventures, managing the Asset Under Management business model and the generation of income for unutilised land and assets.

He commenced his matriculation for the Bachelor of Electrical Engineering at the University of Malaya

but discontinued this, opting for a career change. He then went on to obtain his Diploma in Estate Agency, awarded by the Board of Valuers, Appraisers and Estate Agents Malaysia.

He has nine years of experience in business development across the property industry prior to joining our company. His strong entrepreneurial spirit, combined with a comprehensive understanding of market dynamics, has positioned him at the forefront of driving innovation and pioneering the whitespace opportunities.

NOTES:

1. Family Relationship with Director and/or Major Shareholder

None of the key senior management has any family relationship with any Director and/or major shareholder of the Group.

2. Conflict of interest

None of the key senior management has any conflict of interest with the Group.

3. Conviction for Offences

None of the key senior management has any conviction for offences within the past 5 years other than traffic offences (if any) nor public sanctions or penalty imposed by the relevant regulatory bodies during the financial year.

5-YEAR FINANCIAL HIGHLIGHTS

	FY2024 RM'000	FY2023 RM'000	FY2022 RM'000	FY2021 RM'000	FY2020 RM'000
FINANCIAL RESULTS					
Revenue	688,038	841,411	790,437	488,797	523,860
Gross profit	253,418	298,346	249,607	151,664	178,721
Profit before tax	159,934	204,784	150,018	74,349	101,760
Profit after tax	106,511	150,712	104,286	63,311	65,247
Profit after tax and minority interests	106,784	143,996	106,035	59,541	67,598
FINANCIAL POSITIONS					
Non-current assets	641,225	650,413	556,246	558,053	494,872
Current assets	917,423	667,255	808,353	634,586	532,346
Equity	842,833	615,660	465,056	360,770	297,465
Non-current liabilities	287,324	324,865	290,710	203,396	305,973
Current liabilities	428,491	377,143	608,833	628,473	423,780
CASH FLOWS					
Net cash (used in)/from operating activities	153,038	(87,798)	84,152	46,115	(69,827)
Net cash (used in)/from investing activities	(79,855)	(22,200)	(19,934)	9,287	(3,597)
Net cash from/(used in) financing activities	104,918	144,183	73,565	(59,111)	80,711
Net changes in cash and cash equivalents	178,101	34,185	137,783	(3,709)	7,287
Effect of exchange rate fluctuations on cash held	705	(177)	#	(6)	8
Cash and cash equivalents at beginning of the financial year	223,408	189,399	51,616	55,331	48,036
Cash and cash equivalents at end of the financial year	402,214	233,408	189,399	51,616	55,331
KEY RATIOS					
EBITDA	173,323	218,126	167,675	93,413	117,296
Earnings per share (sen) *	11.36	18.77	13.82	7.76	8.81
Gross profit margin (%)	36.8	35.5	31.6	31.0	34.1
Profit before tax margin (%)	23.2	24.3	19.0	15.2	19.4
Profit after tax margin (%)	15.5	17.9	13.2	13.0	12.5
Profit after tax and minority interests margin (%)	15.6	17.1	13.4	12.2	12.9
Gearing ratio (times)	0.58	0.78	0.96	1.09	1.39
Net gearing ratio (times)	Net cash	0.40	0.36	0.64	0.86
Return on equity (%)	14.6	27.9	25.3	19.2	24.6
Net assets per share (sen) **	84.28	61.57	46.51	36.08	29.74

Less than RM1,000

* Based on weighted average number of issued and fully paid ordinary shares in issue as disclosed in Note 35 to the financial statements

** Based on the enlarged number of shares of 1,000,000,000 after the initial public offering of the Company

MANAGEMENT DISCUSSION AND ANALYSIS

STRATEGIC REVIEW

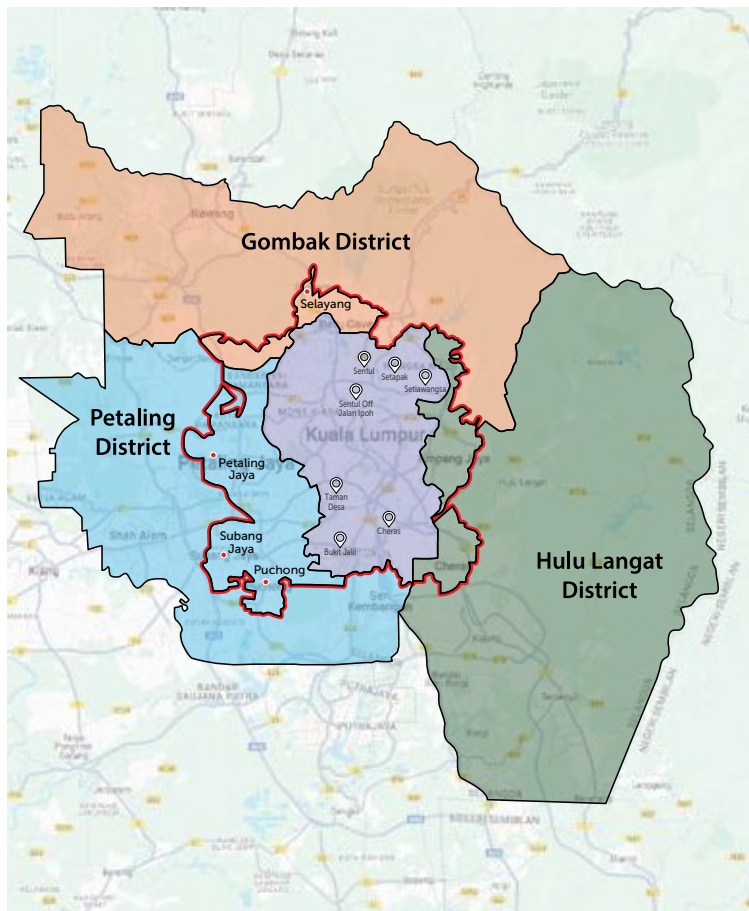
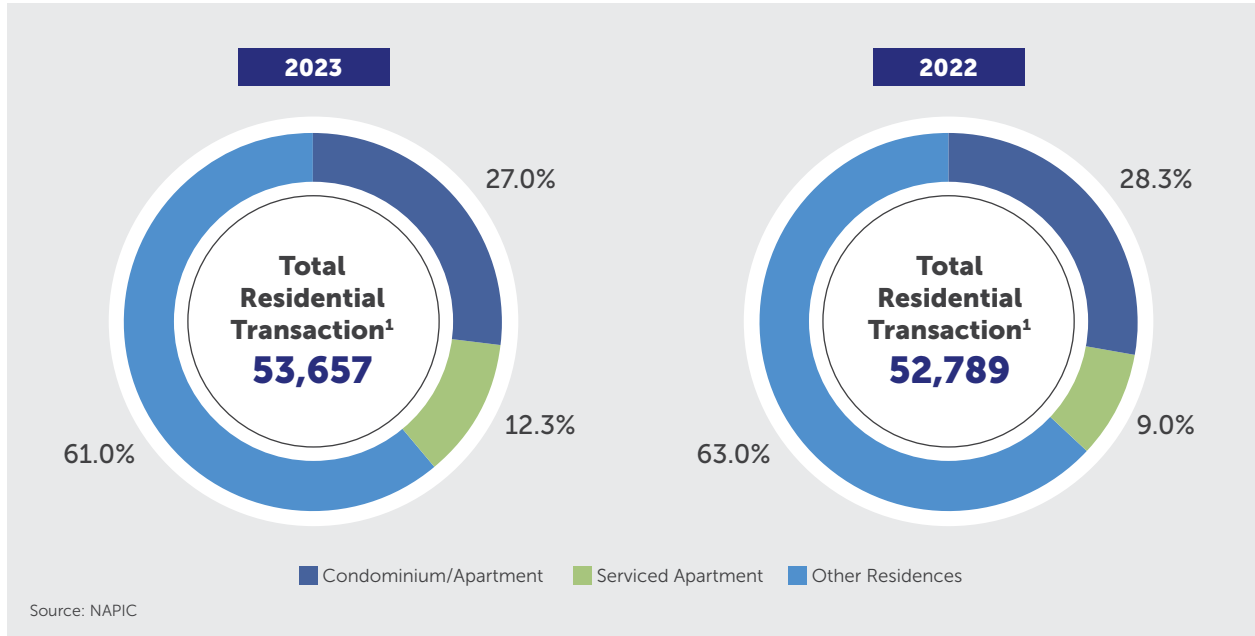
Operating backdrop in FY2024

FY2024 proved to be an eventful year for the Malaysian economy, which recorded a yearly Gross Domestic Product ("GDP") growth rate of 3.7% for the calendar year 2023. On the other hand, the GDP growth rate (year-on-year) for Q1 of the calendar year 2024 was at 4.2% amid a backdrop of global economic uncertainty, inflation, foreign exchange market and geopolitical factors. All of these had notable spillover impacts on the domestic property sector, particularly with regards to inflationary pressure on construction costs and skilled labour shortages.

Nevertheless, the property market in Malaysia remained resilient and continued its growing momentum in 2023 and early 2024 with positive trends in various aspects. The overall Malaysia residential sector also showed a growth rate of 3.0% and 7.1% in volume and value, respectively. In particular, high-rise residential transactions in the Central Region¹, which forms the core location of SkyWorld Development's business, continued to contribute a significant share of residential property transactions.



Management Discussion and Analysis



— SkyWorld Development's current development zoning

Note: (1) Refers to residential property transactions and serviced apartment transactions in Kuala Lumpur and 3 districts in Selangor (Petaling, Gombak and Hulu Langat)

Overall, the high-rise residential property transactions in Central Region¹ showed a year-on-year growth rate of 5.8% with the number of condominium/apartment transactions falling by 4.9% from 2022, though serviced apartment transactions rose by 39.5% from the previous year, demonstrating increased demand for such properties among homebuyers. In total, high-rise residential property transactions made up 39.3% of the residential property purchases in the region in 2023, showing a promising uptick from 2022.

The fast-changing operating environment has reaffirmed our belief that it is imperative for the Group to stay focused on serving specific segments of the market effectively, especially given the presence of numerous competitors across various types of housing segments in the current landscape. We will continue to strengthen our position as a leading city developer through our two core products, the SkySignature and SkyAwani series. We will remain agile and ready to adapt our offerings as market conditions evolve.

Management Discussion and Analysis

SkyWorld Development Group in FY2024

In the face of the economic challenges faced in FY2024, SkyWorld Development has continued to persevere by staying true to our vision of being an “Always Best City Developer” with a purpose to “Make Living Better” for homeowners.

Our sales experienced a modest improvement over the previous financial year, reaching RM420.6 million in FY2024. This increase was not as aggressive as some might expect due to our decision not to launch any new developments in FY2023 in light of the global economic uncertainties and rising costs of raw materials. Instead, we strategised by pacing our launches to wait for an equilibrium price in order to achieve our desired returns.

However, we successfully cleared most of our inventory throughout the financial year under review. Our inventory was recorded as low as 0.3% (33 units) with total Gross Development Value (“GDV”) of RM24.8 million from a total of 10,194 units completed with GDV of RM4.5 billion, thus paving the way for future growth without being bogged down by heavy inventory. By leveraging on the improved property market conditions and stabilised material prices, we further launched two more developments in Kuala Lumpur with a combined GDV of RM1.1 billion. These developments are part of our committed launching pipeline with combined GDV of at least RM4.6 billion by the year 2026, Each development was launched following careful consideration of the diverse lifestyles and interests of our purchasers, ensuring that our developments cater to their varied needs.

In addition, we successfully completed and delivered three residential developments in FY2024: SkySierra Residences (The Valley), SkyAwani IV Residences and SkyAwani V Residences. All three developments were awarded QLASSIC scores of more than 80%, serving as a further testament to our steadfast commitment to delivering quality housing.

On top of that, FY2024 marked another significant milestone for SkyWorld Development as we successfully completed our initial public offering, underscoring our growing prominence. Moreover, the Group expanded its regional footprint into Ho Chi Minh City, Vietnam, through a strategic acquisition. This move marks a diversification initiative aimed at broadening our revenue streams by tapping into emerging markets with promising growth potential. The Group is poised to accelerate its strategic expansion initiatives further, leveraging on the robust financial position and demonstrating continued dedication to delivering excellence in all endeavours.



FY2024 AT A GLANCE

Total Property Sales

RM420.6
million



Overall Take-Up Rate (Units)

89.6%



Unbilled Sales

RM548.1
million



Total Landbank

57.5 acres



Total GDV (Completed Developments)

RM4.5
billion



Total GDV (Ongoing Developments)

RM2.0
billion



Management Discussion and Analysis

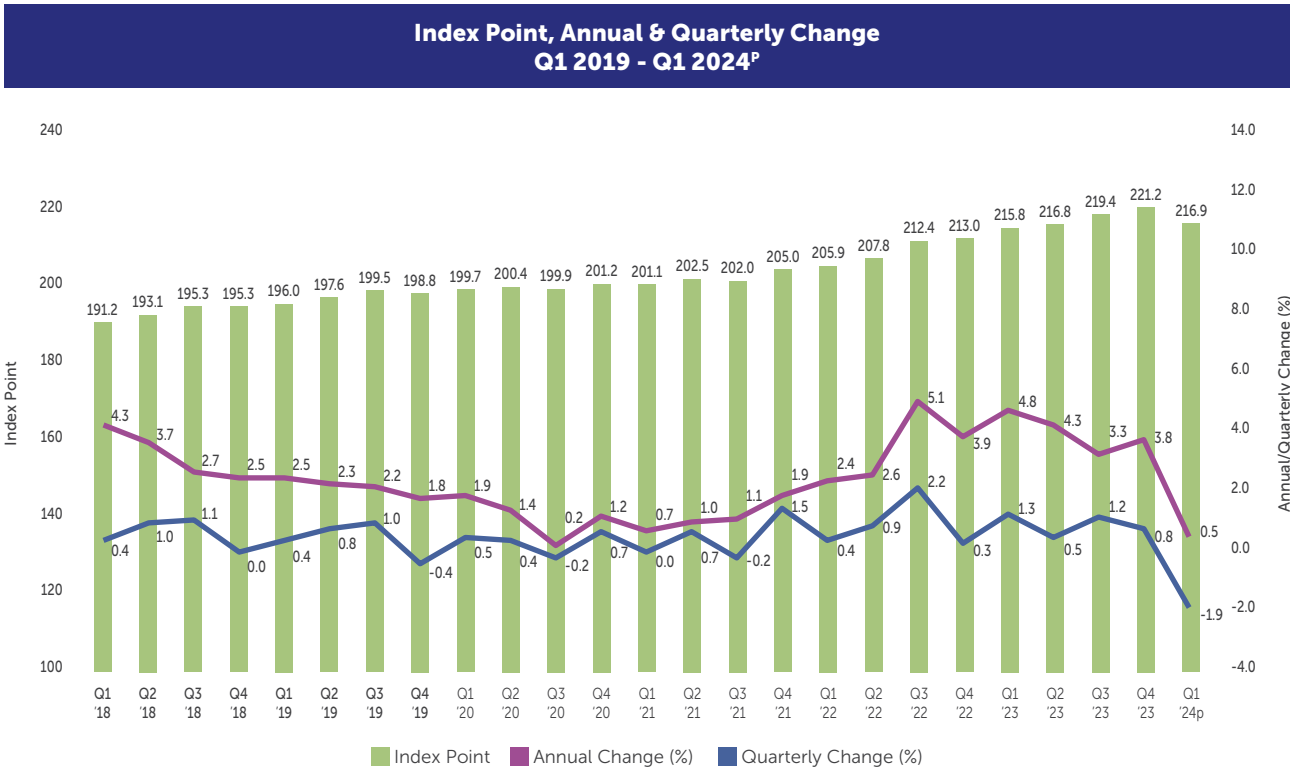
Navigating Challenges with Strategic Responses

Challenges	Strategic Responses
 <p>High Cost of Land in Urban Areas This was largely due to land scarcity as well as high demand followed by increased market competition, which ultimately increased property prices in urban areas or lowered the profit margin for developers.</p>	<p>SkyWorld Development will continue to offer products that have unique value propositions tailored to the diverse lifestyles and life-stage requirements of homebuyers.</p> <p>To help ease buyers’ financial challenges, we have partnered with financial institutions to introduce more financing options.</p> <p>In addition, we continue to diversify our revenue streams through regional expansion.</p>
 <p>Inflationary Pressures on Construction Costs The abolition of diesel subsidies, increased service tax rates and escalating geopolitical tensions pose the ongoing risk of disrupting global supply chains and leading to higher inflation and interest rates, as well as a weakened ringgit.</p> <p>The Real Estate & Housing Developers Association (REHDA) predicts upward pressure on property prices in 2024 due to rising building material costs.</p>	<p>SkyWorld Development has taken precautionary measures such as reviewing its supply chain, adding alternative suppliers, improving its efficiency in the building design and enhancing synergies within the Group.</p>
 <p>Labour Shortage Although the labour shortage situation has shown improvement post-Covid 19, it is still unable to fully meet construction demands. The skilled labour crunch remains a critical issue for the Malaysian construction sector, in turn exerting a direct and significant impact on the development sector.</p> <p>The repercussions of this situation extend to the timely delivery of affordable, high-quality homes, further exacerbating the challenges faced by the construction industry.</p>	<p>Comprehensive evaluation process in contract tendering ensuring contractor’s reliability and ability, as well as stringent assessment of contractor’s track records, especially in terms of resource (labour) availability.</p> <p>All projects are closely monitored via weekly operation meetings and fortnightly consultant meetings to ensure that a sufficient number of workers are being deployed to advance construction progress while maintaining the desired quality standards.</p> <p>This includes ensuring that the resource plans submitted by contractors are executed accordingly.</p>
 <p>Talent Development and Management Challenges in sourcing the right talent can significantly impede a company’s ability to execute strategic initiatives or adapt to dynamic market conditions. This can impede growth opportunities and constrain the company’s capacity to realise its long-term objectives.</p>	<p>SkyWorld Development invests substantially in managerial training initiatives, regular training programmes and performance appraisal. The Group strives to always ensure a supportive and conducive working environment, fostering a culture of learning and growth along with opportunities for professional development.</p>

Management Discussion and Analysis

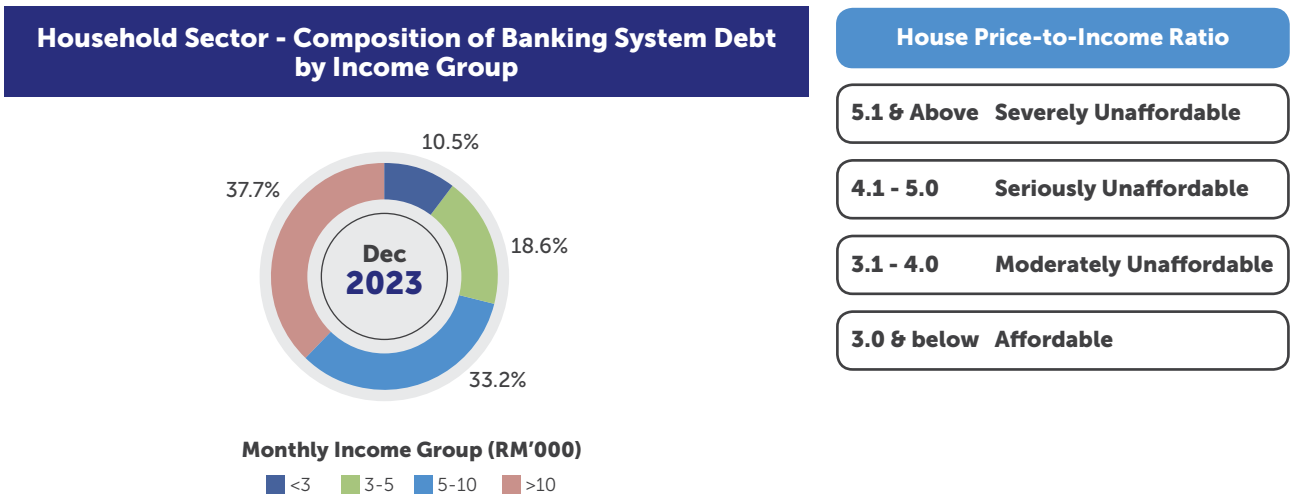
Employing Strategic Analysis and Innovation

Given the present challenges in the housing sector, SkyWorld Development does not anticipate any housing price boom in the near future, with limited room for housing prices to remain constant as reflected in the Malaysian House Price Index below.



Note: (P) Preliminary

In assessing housing affordability among homebuyers in Malaysia, we conducted a simple simulation by using a composition of banking system debt by income group based on the median multiple approach (as adopted by the National Affordable Housing Policy). Our findings showed that 62.3% of the income groups considered housing prices below RM360,000 to be affordable. Our nation average housing price is currently at RM467,997.



Note: 1. Figures exclude loan accounts with incomplete income information
 2. Figures may not add up due to rounding
 Source: Bank Negara Malaysia

Management Discussion and Analysis



At the SkyWorld Development level, we remained focused on aligning our innovation strategy with our business objectives by continuously redefining our products through value engineering and enhancing design efficiency to carve out a distinct position in the property market. In this respect, we have embarked on the following initiatives:

Technological Advancements in Construction

In 2023, we embarked on the exploration of Prefabricated Prefinished Volumetric Construction (“PPVC”) usage, which we believe will revolutionise our operations. The Group has partnered with a prominent construction company in Singapore, renowned for their expertise in PPVC, to enhance our productivity, as well as the efficiency and quality of our products.

While we are currently still at the research stage, our goal is to align the adoption of PPVC with Malaysian construction standards and practices. We believe this innovative solution will not only help to resolve the skilled labour issue faced by the industry, but will also contribute significantly towards the realisation of our ESG goals. If successfully implemented, this project would be the first of its kind in Malaysia.

Strengthening Customer Relationships







We consistently place strong emphasis on delivering exceptional service value to enhance our relationships with our customers and strengthen their trust in the SkyWorld Development brand. To this end, we have:

- i. partnered with different banks to offer innovative financing solutions so that individuals can achieve their dream of owning a home
- ii. introduced Solution+, an online platform that offers convenience to our purchasers by allowing them to access essential household products or services at the click of a button
- iii. hosted complimentary events such as free body check-ups and yoga sessions, aiming to enhance our customers’ overall living experience

Management Discussion and Analysis

FINANCIAL PERFORMANCE REVIEW

Financial Performance in FY2024

<p>Total Revenue</p> <p>RM688.0 million</p> <p>(FY2023: RM841.4 million)</p> <p>-18.2%</p> 	<p>Profit Before Tax</p> <p>RM159.9 million</p> <p>(FY2023: RM204.8 million)</p> <p>-22.0%</p> 	<p>Profit After Tax</p> <p>RM106.5 million</p> <p>(FY2023: RM150.7 million)</p> <p>-29.3%</p> 
<p>EBITDA</p> <p>RM 173.3 million</p> <p>(FY2023: RM218.1 million)</p> <p>-21.0%</p> 	<p>Operating Expenses</p> <p>RM105.2 million</p> <p>(FY2023: RM99.4 million)</p> <p>+6.0%</p> 	<p>Earnings Per Share</p> <p>11.36 sen</p> <p>(FY2023: 18.77 sen)</p> <p>-39.5%</p> 

Financial Performance (Analysis)

Our FY2024 revenue was 18.2% lower than the total revenue earned in FY2023 following the completion of one of the developments in FY2023 and another three developments in FY2024, attributable to lower progressive revenue recognised notwithstanding SkyVogue Residences and EdgeWood Residences which had begun to gain traction. Meanwhile, two of our newly launched developments, Curvo Residences and Vesta Residences, are gradually building momentum towards bolstering the Group's revenue.









The Group recorded sustainable unbilled sales of RM548.1 million and units available for sale with total GDV of RM828.2 million (RM24.8 million of which encompassed our inventory).

Our gross profit margin for both financial years remained at above 30.0%, mainly attributed by savings realised from the completed developments. However, our total profit after tax was RM106.5 million, a drop of 29.3% from the previous year. Our PAT margin in FY2024 declined due to lower revenue, thereby recording a lower gross profit while operating expenses remained at the same level.



Management Discussion and Analysis

Financial Position in FY2024

<p>Total Assets </p> <p>RM1,558.6 million</p> <p>(FY2023: RM1,317.7 million)</p> <p>+18.2%</p>	<p>Total Liabilities </p> <p>RM715.8 million</p> <p>(FY2023: RM702.0 million)</p> <p>+2.0%</p>	<p>Borrowings </p> <p>RM489.6 million</p> <p>(FY2023: RM483.1 million)</p> <p>+1.3%</p>
<p>Shareholders' Equity </p> <p>RM846.1 million</p> <p>(FY2023: RM609.8 million)</p> <p>+39.0%</p>	<p>Cash and Bank Balances </p> <p>RM499.9 million</p> <p>(FY2023: RM237.7 million)</p> <p>+110.3%</p>	<p>Net Gearing Ratio </p> <p>Net Cash</p> <p>(FY2023: 0.40 times)</p>
<p>Statement of Financial Position</p> <p>The Group has continued to strengthen its financial position during the financial year. Its total assets and shareholders' equity have grown by 18.2% and 39.0%, respectively, to RM1,558.6 million and RM846.1 million as of 31 March 2024.</p> <p>In addition, our cash and bank balances increased to RM499.9 million, while total borrowings slightly increased to RM489.6 million, with net cash position of RM10.3 million (FY2023: net borrowings of RM245.4 million with net gearing of 0.40 times). This improvement will provide greater financing capacity for the Group to support our growth momentum.</p>	<p>Net Assets Per Share </p> <p>RM0.84 (FY2023: RM0.62)</p> <p>+35.5%</p>	<p>Market Capitalisation </p> <p>RM640.0 million</p> <p>as of 29 March 2024</p>

Dividends

In FY2024, the Group declared a total dividend of 2.25 sen, or representing 21.0% of profit after tax and minority interest as per our dividend policy. This underscores the Management's commitment to its shareholders in delivering value and rewarding their continued trust and support, solidifying SkyWorld Development's reputation as a responsible and shareholder-focused organisation.

Statement of Cash Flow

The Group recorded cash flow and bank balances of RM499.9 million, an increase of 110.3% as compared to FY2023. This was partly contributed by net cash generated from operating activities of RM153.0 million mainly arising from receipts of sales collections from the three completed developments during FY2024. Additionally, the funds raised from our IPO amounting to RM166.4 million have further bolstered our cash position to cater to our immediate expansion needs.

Management Discussion and Analysis

PROJECT HIGHLIGHTS



SkySierra Residences (The Valley)



SkyAwani IV Residences



SkyAwani V Residences

Completed Developments

As of the end of FY2024, we had completed a total of three fully sold developments in Kuala Lumpur with commendable QLASSIC and customer satisfaction scores – SkySierra Residences (The Valley), SkyAwani IV Residences and SkyAwani V Residences, with a total GDV of RM1.5 billion.

SkySierra Residences (The Valley)

Located on 4.66 acres of land in Setiawangsa, Kuala Lumpur, this integrated development is the tallest in the area at 56 storeys. SkySierra Residences (The Valley) comprises 1,309 units and offers exquisite modern living and ultimate convenience with over 60 facilities and flexible dual key homes. It was launched in December 2019 and completed in June 2023.

SkyAwani IV Residences

Part of the SkyAwani series, this 3.15 acres affordable development is situated in Setapak, Kuala Lumpur. SkyAwani IV consists of two 55-storey towers with 1,782 apartment units. A stone's throw away from the Kuala Lumpur City Centre, SkyAwani IV was launched in September 2019 and completed in January 2024.

SkyAwani V Residences

SkyAwani V Residences sits on a strategic 2.04 acres of land in Sentul, Kuala Lumpur. This affordable apartment development comprises 615 units in a singular 38-storey tower and features over 30 facilities including a gymnasium, tree house, co-working space and rooftop sky lounge. It was launched in August 2020 and completed in December 2023.

Other Highlights:

Advancement of E-Commerce Business

Through our Solution+ platform, the gross merchandise value has cumulated up to RM27.7 million, since its inception until end-FY2024. This demonstrates our continued focus on leveraging digital platforms to enhance customer experience.

Diversification Initiatives

Venturing into new markets, our subsidiary SkyWorld Development (Vietnam) Company Limited secured a strategic land acquisition in Ho Chi Minh City, Vietnam. The approximately 1.3-acre plot in Ward 16 District 8, acquired for US\$15.0 million, will be developed into a medium-priced high-rise residential project with an estimated GDV of US\$70.0 million.

Talent Capital Investment

SkyWorld has been recognised by Kincentric as the winner of the Best Employer Award with a high score of 87%. This marks the fifth time the Group has achieved this recognition, backed by a holistic on-boarding culture, industry best practice training programmes, exclusive employee privileges and efficient succession grooming initiatives.

Supporting Growth Engines

Following the completion of SkyBlox in September 2023, the Group welcomed a new stream of recurring income, tapping into idle land plots for eventual development. Additionally, proactive measures have been taken to identify tenants for temporary leasing of another two idle land lots located in Setapak and Setiawangsa. This will further optimise resource utilisation to enhance overall efficiency.

Management Discussion and Analysis

OPERATING ACTIVITIES

Ongoing Developments

Name of Development	Type of Property	No. of Units	GDV (RM'000)	Launch Date	Expected Completion Date
EdgeWood Residences/ Setapak	Apartment	960	518,083	April 2021	June 2025
SkyVogue Residences/ Taman Desa	Condominium	333	278,841	September 2020	March 2025
Curvo Residences/ Setapak	Condominium	830	571,930	January 2023	August 2026
Vesta Residences/ Setiawangsa	Apartment	1,001	587,121	October 2023	April 2027

Landbanks

Location	With Development Order		Without Development Order	Land type
	Land size (acres)	Estimated GDV (RM'billion)	Land size (acres)	
Malaysia				
Setapak	24.3	2.5	12.8	Commercial, residential
Setiawangsa	5.2	0.4	-	Commercial, residential
Bukit Jalil	-	-	2.7	Residential
Taman Desa	-	-	3.0	Agricultural, residential
Cheras	4.9	0.6	-	Residential
Batu Caves	-	-	3.3	Residential
	34.4	3.5	21.8	
Vietnam				
Ho Chi Minh City	-	-	1.3	Commercial, residential
Total	34.4	3.5	23.1	

Management Discussion and Analysis

FORWARD-LOOKING STATEMENT

Property Industry Outlook

The Malaysian economy is expected to maintain healthy growth in 2024, with the growth rate projected to expand by up to 5.0% on the back of a stable macroeconomic outlook, improved employment rate, resilient domestic demand and higher investments.

Against the backdrop of improving income and employment conditions, increased demand for housing (in particular affordable housing), the Malaysian property sector is expected to remain forthcoming. This is especially so in urban areas where economic growth is concentrated with more infrastructure and job opportunities, thereby benefitting our business as a city developer.

With the Overnight Policy Rate remaining at 3.0%, we predict a positive outlook for the industry, though we also remain cautious of external factors such as inflation prices and global market conditions, including a weakening exchange rate. Accordingly, we observe an overall mix of optimism and caution, driven by the improved economic conditions amid affordability concerns.

To address the housing affordability issue, we are looking forward to the Malaysian Government placing more emphasis on job creation and income growth opportunities. This will be backed by the continuous implementation of policies that favour the affordability of prospective homebuyers, especially first-time homebuyers, under Budget 2024.

Moreover, the forthcoming Urban Redevelopment Act aims to address persistent challenges with ageing buildings that have multiple owners under the Strata Titles Act. This Act is expected to foster a conducive environment for sustainable urban growth, attracting investment and enhancing the overall attractiveness of our cities. As advocates for urban regeneration, we view this move as a catalyst for innovation and progress, aligning with our commitment to create vibrant and resilient urban spaces for generations to come.

Prospects for SkyWorld Development Group

A significant segment of Malaysia's residential property market is shaped by a young demographic profile. The challenges stemming from lack of home ownership among the younger population will continue to drive demand for affordable residential properties in 2024.

The gap between property prices and average income also poses challenges for aspiring homebuyers. Our affordable SkyAwani series is poised at the forefront of bridging this gap via strategically timed property acquisitions and development launches to capitalise on favourable market conditions. We also aim to utilise PPVC to help boost productivity and bridge the demand gap of affordable housing for first-time homebuyers in urban areas within shorter time frames.

We also anticipate that urban areas will become increasingly populated given the continuously rising urbanisation rate. Hence, we have sought to evolve our business landscape by widening our reach accordingly to urban areas in Peninsular Malaysia to further ignite our growth trajectory. The Group is currently exploring prospective land acquisitions in Penang, capitalising on the promising opportunities offered by the state.



Our hope is that by seizing these opportunities and establishing a stable base of operations in Penang, we may then further extend our reach to urban areas in other states. Overall, we aim to capitalise on the current business landscape to help address the prevalent issue of affordable housing.

Sustainability and green development will also continue to be a top priority for SkyWorld Development. The Group endeavours to incorporate green building practices and energy-efficient designs into all of our developments, demonstrating our continued commitment towards ESG while also enhancing our market appeal.

As a whole, our value proposition revolves around fostering "healthy living" through "healthy building". Balancing affordability and liveability are at the heart of our approach. By staying true to our value proposition and understanding the evolving needs of our targeted homebuyer market, we remain well-positioned for long-term success and sustainable growth, and are confident of taking SkyWorld Development to greater heights in the near future.

LEE CHEE SENG

Non-Independent Executive Director/
Chief Executive Officer
On behalf of the Executive Committee

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) acknowledges the importance of adhering to the principles and best practices as set out in the Malaysian Code on Corporate Governance (“MCCG”). In line with this, the Board is committed to ensuring that good corporate governance is practised throughout the Group.

This Statement gives an overview as to how the Group has applied the principles and best practices as set out in the MCCG during the FY2024 and/or up to the date of this Statement. The detailed application of each

best practice is disclosed in the Corporate Governance Report (“CG Report”) which is available on our website at <https://www.skyworldgroup.com.my/investor-relations> as well as the website of Bursa Malaysia Securities Berhad (“Bursa Securities”).

Where a specific best practice has not been applied during the financial year, along with the reasons thereof, and the alternative practice adopted, if any, is also mentioned in the CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1. BOARD RESPONSIBILITIES

The Board is responsible for the corporate governance practices of the Group. The Board guides and monitors the affairs of the Group on behalf of the shareholders and retains full and effective control over the Group. The key matters reserved for the Board’s approval include but not limited to setting overall Group strategy and direction, approving major corporate plans, approving quarterly and annual financial statements and annual budgets, as well as monitoring financial and operational performance of the Group.

The Board provides stewardship to the Group’s strategic direction and operations so as to deliver sustainable value to its stakeholders as illustrated in the governance framework below:



The Board is guided by the Board Charter and Limits of Authority which define matters that are specifically reserved for the Board and certain authorities and discretion delegated to the Chief Executive Officer. This formal structure of delegation is further cascaded by the Chief Executive Officer to the Key Senior Management within the Group. The Board Charter delineates the roles and responsibilities of the Board, Board Committees, Executive Chairman, Chief Executive Officer etc. and is accessible via <https://www.skyworldgroup.com.my/investor-relations>.

Corporate Governance Overview Statement

2. CODE OF CONDUCT AND ETHICS

The Company had established a Code of Conduct and Ethics which applies to Directors, Key Senior Management and employees of the Group. Directors are expected to act in good faith and in the best interest of the Company and exercise due diligence when discharging their duties as Director.

The Company had also put in place a Conflict of Interest Policy to provide guidance in identifying and manage any actual, potential and perceived conflict of interest situations between the employees (including Directors) and the Group.

The Directors are aware that they have to declare their interests in transactions with the Group and abstain from deliberation and voting in respect of such transactions at Board or general meetings convened to consider the matter. The Audit & Risk Management Committee reviews all related party transactions and conflict of interest situation that arose, persist or may arise within the Group that may challenge the Group's integrity.

The Code of Conduct and Ethics will be reviewed periodically and is available on the Company's website at <https://www.skyworldgroup.com.my/investor-relations>.

3. WHISTLEBLOWING POLICY

A Whistleblowing Policy was adopted by the Board. It sets out the avenues where legitimate concerns can be objectively investigated and addressed. The Whistleblowing Policy is available on the Company's website at <https://www.skyworldgroup.com.my/investor-relations>. The Audit & Risk Management Committee has been tasked by the Board to perform the oversight function over the administration of the Whistleblowing Policy.

4. ANTI-BRIBERY AND CORRUPTION POLICY

In line with the corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Board had adopted the Anti-Bribery and Corruption Policy to provide guidance to the Group, all its personnel and business associates to promote better governance culture and ethical behaviour within the Group and to prevent the occurrence of corrupt practices. The Management will carry out regular assessment on the policy to ensure that it continues to remain relevant, appropriate and effective. The Anti-Bribery and Corruption Policy is available on our website at <https://www.skyworldgroup.com.my/investor-relations>.

5. STRATEGIES PROMOTING SUSTAINABILITY

The Board places great emphasis on corporate sustainability and undertakes full responsibility to embed Economic, Environment and Social factors into the Group's core strategy to deliver sustainable value and goods. The Company had adopted a Sustainability Framework, Policy and Procedures. The Board keeps themselves abreast with and understand the sustainability issues relevant to the Group and takes into account the sustainability issues when reviewing the Group's strategies and business plans.

A report on the sustainability activities covering the sustainability strategies and priorities is set out in the Sustainability Statement in this Annual Report.

6. ACCESS TO INFORMATION AND ADVICE

The Board has full and unrestricted access to any information pertaining to the Group. The agenda and reports encompassing qualitative and quantitative information are furnished to the Board members prior to each of the meetings to allow the Directors to have sufficient time to peruse the papers for effective discussion and decision-making during meetings. The Board also has direct access to the Management and unrestricted access to any information relating to the Group to enable them to discharge their duties and responsibilities.

The Directors may seek independent professional advice, whenever necessary and in appropriate circumstances, either individually or collectively at the Company's expenses in furtherance of their duties.

7. QUALIFIED AND COMPETENT COMPANY SECRETARIES

The Directors have access to the professional advice and services of the Company Secretaries in ensuring the effective functioning of the Board.

The Company Secretaries provide support to the Board in fulfilling its fiduciary duties and play an advisory role particularly with regards to the Company's Constitution, Board policies and procedures and compliance with regulatory and statutory requirements as well as corporate governance matters. The Company Secretaries also attend all Board and Board Committees meetings and ensure the meetings are properly convened and all deliberations and decisions made by the Board and Board Committees are accurately minuted, recorded and kept.

The Company Secretaries continuously attend relevant development and training programmes to keep themselves abreast with regulatory changes and corporate governance development.

Corporate Governance Overview Statement

8. BOARD COMPOSITION AND DIVERSITY



The breakdown of the Board by gender, age and ethnicity as at 31 March 2024 are as follows:-

Gender		Age		Ethnicity	
Male	4	40 - 49	1	Malay	1
Female	3	50 - 59	3	Chinese	6
		Above 60	3	Indian	-

The Board members have diverse professional and entrepreneurial background, and varied skills and experiences for effective oversight of the Group. The Independent Non-Executive Directors provide the necessary checks and balances on the Board's deliberation and decision-making. A brief profile of each Director is presented on page 14 to 17 of this Annual Report.

In the event of any vacancy on the Board which results in non-compliance with this requirement, the Board will ensure that such vacancy be filled within 3 months. None of the Directors is an active politician.

The roles of the Executive Chairman and the Chief Executive Officer are distinct, separated and clearly defined, and are held by 2 different individuals. The Executive Chairman provides leadership and direction at Board level in order to maintain a good corporate governance for the Board to perform its responsibilities effectively. Whereas the Chief Executive Officer is primarily responsible for the effective implementation of the Company's strategic plan and policies established by the Board, managing the daily conduct of business to ensure its smooth operations, supervision and management of the Company.

9. NOMINATION & REMUNERATION COMMITTEE ("NRC")

The NRC was established to assist the Board on matters relating to selection of new Directors and annual assessment of the Board, Board Committees and individual directors as well as recommending to the Board the remuneration package of the Directors and Key Senior Management.

The NRC comprises 3 members, all of whom are Independent Non-Executive Directors. The composition meets the requirements of Paragraph 15.08A of the Main Market Listing Requirements ("MMLR").

The members of the NRC and their respective designation are as follows:

	Designation
Chairman Phang Sze Fui	Independent Non-Executive Director
Members Ong Soo Chan	Independent Non-Executive Director
Zalinah Binti A Hamid	Independent Non-Executive Director

The Terms of Reference of the NRC is available on our website at <https://www.skyworldgroup.com.my/investor-relations>.

Corporate Governance Overview Statement

Selection and Assessment of Directors

For selection and appointment of new Directors, the NRC considers the following factors during recruitment process:-

- (i) skills, knowledge, expertise and experience, professionalism, reputation, competencies and commitment (including time commitment);
- (ii) objective criteria with due consideration given to boardroom diversity including gender, age, ethnicity and cultural background, character, integrity and competence;
- (iii) in the case of candidates for the position of Independent Non-Executive Directors, the NRC shall also evaluate the candidates' ability to discharge such responsibilities as are expected from Independent Non-Executive Directors; and
- (iv) in considering independence, it is necessary to focus not only on a candidate's background and current activities that would qualify him/her as independent but also whether the candidate can act independently of management.

Candidates for appointment as directors may be identified through recommendations from Directors, Management, advisors, business associates and any other external parties and professional bodies.

The NRC has carried out the following activities in relation to the selection and assessment of Directors during the financial year 2024:

- adoption of annual assessment forms for the Board, Board Committees, Directors and Key Senior Management;
- assessed the effectiveness and the required mix of skills and experience and other qualities, including core competencies of the Board as a whole, the Board Committees and the contribution of each individual Director and recommended the findings to the Board thereafter;
- reviewed the independence of the Independent Directors based on the criteria set out in the MMLR and other criteria pursuant to the MCCG; and
- reviewed and recommended to the Board the re-election of Directors who are retiring at the forthcoming 2024 Annual General Meeting ("AGM").

The NRC also reviewed the trainings attended by each Director during the FY2024 and determined their training needs.

The Board, through the NRC's annual evaluation, concluded that the performance of the Board as a whole and Board Committees as well as the contribution of each Director are satisfactory. The Board has the right mix of skills, competencies and experiences to discharge its duties effectively. The current size and composition are appropriate for its purpose and fairly reflects the interest of minority shareholders within the Group.

Remuneration Packages of the Directors and Senior Management

The NRC is also tasked to review the remuneration packages, reward structure and benefits of the Executive Directors and Key Senior Management on an annual basis and make recommendations to the Board. The Board determines the remuneration of the Executive Directors and Key Senior Management with each individual Director abstaining from decision in respect of his/her own remuneration.

The remuneration package for the Executive Directors comprises fixed salary and benefits-in-kind whilst the remuneration for the Non-Executive Directors comprises annual fees and attendance allowances.

The NRC has carried out the following activities when determining the remuneration packages of the Directors and Key Senior Management:-

- reviewed the remuneration benchmarking report of the Independent Directors;
- discussed the proposed long-term incentive plan;
- reviewed and recommended to the Board the payment of Directors' fees for shareholders' approval;
- reviewed and recommended to the Board the payment of Directors' benefits for shareholders' approval; and
- reviewed and recommended to the Board to approve the policy on remuneration package of the Executive Directors and Key Senior Management.

Corporate Governance Overview Statement

10. APPOINTMENT AND RE-ELECTION OF DIRECTORS

The appointment of a new Director and the criteria used for selection is a matter for consideration and decision by the Board collectively upon appropriate recommendation by the NRC. New Directors are expected to have such expertise so as to qualify them to make positive contribution to the Board, perform their duties and to give sufficient commitment, time and attention to the affairs of the Company.

The Company had established a Directors' Fit and Proper Policy to enhance the governance of the Company in relation to the Board's quality and integrity. The Board and the NRC shall conduct the fit and proper assessment prior to the appointment of new Director or when making recommendation for the re-election of retiring Director.

The Directors' Fit and Proper Policy is available on our website at <https://www.skyworldgroup.com.my/investor-relations>.

In accordance with the Company's Constitution, all newly appointed Directors shall retire from office but shall be eligible for re-election at the next AGM subsequent to their appointment. The Constitution further provides that at least 1/3 of the Directors for the time being shall retire by rotation at each AGM at least once in every 3 years but shall be eligible for re-election.

The NRC had on 21 May 2024 reviewed the results of the assessment and evaluation of the Directors who are due for retirement at the forthcoming 2024 AGM, taking into consideration their fit and proper declaration, skill sets, experience, professional qualifications, contribution to the Company and time commitment before recommending their re-elections to the Board for approval. Datuk Seri Ng Thien Phing and Datuk Lam Soo Keong @ Low Soo Keong are due to retire by rotation at the 2024 AGM. Both Directors had given their consent for re-election at the forthcoming 2024 AGM.

11. DIRECTORS' REMUNERATION

The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved. The remuneration for the Executive Directors and Key Senior Management are determined after giving due consideration to the compensation levels for comparable positions among other similar Malaysian public listed companies.

The NRC will formulate policies, guideline and set criteria for remuneration package for the Executive Directors and Key Senior Management to ensure that they are fairly and appropriately remunerated. The NRC may obtain independent advice in establishing the level of remuneration for the Executive Directors and Key Senior Management.

The remuneration paid/ payable to each individual Director for the FY2024 are as follows:-

Name of Director	Fee RM'000	Salary RM'000	Bonus RM'000	Benefits- in-kind RM'000	Other Emoluments RM'000	Total RM'000
Executive						
Datuk Seri Ng Thien Phing	-	2,154	951	179	394	3,678
Datuk Lam Soo Keong @ Low Soo Keong	-	1,584	697	233	306	2,820
Lee Chee Seng	-	960	423	150	229	1,762
Non-Executive						
Chan Seng Fatt	96	-	-	-	12	108
Ong Soo Chan	60	-	-	-	8	68
Phang Sze Fui	60	-	-	-	11	71
Zalinah Binti A Hamid	60	-	-	-	9	69

The Directors who are also shareholders of the Company will abstain from voting at general meetings in respect of the resolutions pertaining to the approval of their own fees.

Corporate Governance Overview Statement

12. KEY SENIOR MANAGEMENT'S REMUNERATION

Due to confidentiality and commercial sensitivities issues, the Board is not in favour of disclosing the Key Senior Management personnel's names and the various remuneration components (salary, bonus, benefits in-kind, other emoluments). In addition, the Board is of the opinion that disclosure of such information would not be to the Group's advantage in view of the stiff competitive for talents market in property development industry.

13. TIME COMMITMENT

The Directors are aware of the time commitment expected from them to attend to matters of the Group. An annual meeting calendar is planned and agreed with the Directors and reviewed on quarterly basis. The Board meets on quarterly basis with additional meetings being convened as and when necessary to, inter alia, approve operational and financial performance reports and quarterly report. All Directors complied with the minimum attendance requirement of at least 50% of Board meetings held during the financial year under review pursuant to the MMLR.

The Company held 7 Board meetings during the FY2024. The details of the attendance of each Board member are as follows:-

Name	Number of meetings attended/ Number of meetings held
Datuk Seri Ng Thien Phing	7/7
Datuk Lam Soo Keong @ Low Soo Keong	7/7
Lee Chee Seng	7/7
Chan Seng Fatt	7/7
Ong Soo Chan	6/7
Phang Sze Fui	7/7
Zalinah Binti A Hamid	7/7

The Board is satisfied with the time commitment given by the Directors. All Directors do not hold more than five directorships in public listed companies under the MMLR.

14. DIRECTORS' TRAINING

The Directors are mindful that they shall receive appropriate training which may be required from time to time to keep abreast with the current developments of the industry as well as the new statutory and regulatory requirements. All Directors have attended the Mandatory Accreditation Programme prescribed by Bursa Securities. The Directors will continue to attend other relevant training programmes to keep abreast with developments on a continuous basis in compliance with the MMLR.

Corporate Governance Overview Statement

The training and development programmes participated by each Director during the FY2024 are as follows:-

Name of Director	List of Programmes
Datuk Seri Ng Thien Phing	<ul style="list-style-type: none"> • Bridging the Gap: Metaverse, Board of Directors, Net Zero & NFT • Board Briefing on ESG Trends and Developments
Datuk Lam Soo Keong @ Low Soo Keong	<ul style="list-style-type: none"> • Bridging the Gap: Metaverse, Board of Directors, Net Zero & NFT • Board Briefing on ESG Trends and Developments
Lee Chee Seng	<ul style="list-style-type: none"> • Bridging the Gap: Metaverse, Board of Directors, Net Zero & NFT • Board Briefing on ESG Trends and Developments
Chan Seng Fatt	<ul style="list-style-type: none"> • Navigating the Rising Tide of Financial Crime & Technology • Management of Cyber Risk • Malaysia Budget 2024 Highlight • Mandatory Accreditation Programme Part II – Leading for Impact (LIP) • Board Briefing on ESG Trends and Developments
Ong Soo Chan	<ul style="list-style-type: none"> • The end of Business-As-Usual & evolving Board duties • Advancing Cyber Resilience: Board to 3 Must-Knows • Earth Competent Board • Islamic Finance for Board of Directors • Anti-Bribery & Anti-Corruption Training - Promoting Good Governance: Understanding Anti-Corruption laws in Malaysia & Beyondon • Sustainability: GSSIPS & GSFP walkthrough • ESG Oversight for Boards • Cooler Earth Sustainability Summit • Refresher to Board: Basel Framework & IRB Models • FIDE Core Program (Module A) - Asia Business School • FIDE Core Program (Module B) - Asia Business School • Board Briefing on ESG Trends and Developments
Phang Sze Fui	<ul style="list-style-type: none"> • Financial Reporting on Impact of Climate Change Effects • Bursa: Conflict of Interest and Governance of Conflict of Interest • ACCA Technical Symposium 2023 • Tax 2024 Budget Briefing • Board Briefing on ESG Trends and Developments
Zalinah Binti A Hamid	<ul style="list-style-type: none"> • Invest Malaysia • Capital Market Director Programme for Equities, Module 1, 2A, 3 & 4 • Capital Market Director Programme for Fund Management, Module 2B • 2H Market Outlook • The Cooler Earth Sustainability Summit 2023 • Mandatory Accreditation Programme Part II – Leading for Impact (LIP) • Welcoming the Dragon, Conference • Board Briefing on ESG Trends and Developments

In addition, the Board is also regularly updated on new developments pertaining to the laws and regulations, changing commercial risks and sustainability issues which may affect the Group.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT & RISK MANAGEMENT

1. AUDIT & RISK MANAGEMENT COMMITTEE ("ARMC")

The ARMC comprises exclusively of Independent Non-Executive Directors. The ARMC is tasked by the Board to review matters relating to financial report, internal controls, external and internal audits, related party transactions, conflict of interest situations and risk management framework and policies among others.

For further information on the ARMC with regards to its composition and activities, please refer to the ARMC Report in this Annual Report.

2. COMPLIANCE WITH APPLICABLE FINANCIAL REPORTING STANDARDS

In presenting the annual financial statements and quarterly results to the shareholders, the Board aims to present a balanced and clear assessment of the Group's financial positions and prospects. Before the financial statements were drawn up, the Directors had taken the necessary steps to ensure all the applicable accounting policies are applied consistently, and that the policies are supported by reasonable and prudent judgement and estimates. All accounting standards, which the Board considers to be applicable, have been followed. The role of the ARMC in the review and reporting of the financial information of the Group is outlined in the ARMC Report in this Annual Report.

3. ASSESSMENT OF SUITABILITY AND INDEPENDENCE OF EXTERNAL AUDITORS

The ARMC reviews the appointment, performance and fees of the External Auditors before recommending the re-appointment of the External Auditors of the Company to the Board and shareholders for approval.

The ARMC met with the External Auditors without the presence of the Executive Directors and Management to allow discussion of any issues arising from the course of audit and to ensure there were no restrictions on their scope of audit.

The ARMC had on 21 May 2024 assessed the performance, objectivity and independence of the External Auditors and was satisfied with the competency, resources and independence of Deloitte PLT as External Auditors of the Company. The External Auditors had also confirmed their independence in accordance with their firm's policies prior to the commencement of audit for FY2024.

4. RISK MANAGEMENT AND INTERNAL CONTROL

The Company had established a robust framework for the oversight and management of material business risks. Risk register and risk profile are in place to identify, evaluate and manage the significant risks of the Group on an ongoing basis. All identified key risks were rated and prioritised in terms of likelihood on the risk occurring and its impact should the risk occur. The risk profile will be updated as and when necessary and reported to the ARMC on half yearly basis.

To maintain total independence in the management of the internal control environment and remain in compliance with the MMLR, the Company has outsourced the Group's internal audit function to Baker Tilly Monteiro Heng Governance Sdn Bhd.

The risk management framework is presented in the Statement on Risk Management and Internal Control in this Annual Report.

Corporate Governance Overview Statement

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

1. ENGAGEMENT WITH SHAREHOLDERS

The Company is fully committed in maintaining a high standard for the dissemination of relevant and material information on the development of the Group. The Company also places strong emphasis on the importance of timely and equitable dissemination of information to shareholders by leveraging on various channels and technological advancements to enhance the quality of our engagement to the shareholders:

- Annual report
- Announcements to Bursa Securities
- Media releases
- Corporate websites: Visit us at <https://skyworldgroup.com.my/>
- General meetings
- Quarterly results and analyst briefings

We have a dedicated team that serves as a conduit to facilitate communication between the Company and investors, ensuring they are well informed on the Group's business development. For any enquiries on investor-related matters, please direct to ir@skyworld.my.

2. CONDUCT OF GENERAL MEETINGS

The Board recognises that the AGM is an important platform for its engagement with the shareholders of the Company. The forthcoming AGM will be held on 27 September 2024. The Board will provide a platform to the shareholders to raise questions pertaining to the business activities of the Company at the AGM. All the Directors are committed to present at the forthcoming AGM to be held on 27 September 2024 to engage with shareholders personally and proactively.

The Notice of the AGM ("the Notice") to be held on 27 September 2024 and the Annual Report are issued to the shareholders not less than 28 days before the meeting. The additional time given to the shareholders allows them to make the necessary preparations to attend and participate the AGM. More importantly, it provides shareholders sufficient time to go through the annual report and information supporting the resolutions proposed.

The Notice contains information such as the date, time and venue of the AGM, the shareholders' right to appoint a proxy and details of the resolutions that will be tabled at the AGM. The resolutions set out in the Notice will be voted by poll and an independent scrutineer will be appointed to validate the votes in pursuance to the MMLR.

The 2023 AGM of the Company was convened on 29 September 2023. It was conducted physically to allow better flow of two-way communication with the shareholders at the general meeting.

Pursuant to Paragraph 8.29A(1) of the MMLR, all resolutions set out in the Notice will be put to vote by way of poll. The Board will make an announcement on the detailed results showing the number of votes cast for and against each resolution at the AGM to facilitate greater shareholder participation. The complete minutes of the 2023 AGM was published on the Company's corporate website within 30 business days after the 2023 AGM.

KEY FOCUS AREAS IN RELATION TO CORPORATE GOVERNANCE PRACTICES

The Board will continue to establish and adopt the necessary Board policies to fully comply with the best practices of the MCCG and continuously monitoring on strategic management of material sustainability matters undertaken by the Management.

This Corporate Governance Overview Statement was approved by the Board on 18 July 2024.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Board is pleased to present the Audit & Risk Management Committee ("ARMC") Report for FY2024 in compliance with Paragraph 15.15 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

COMPOSITION

The ARMC was established by the Board on 23 September 2022. The ARMC assists the Board in its oversight of the Group's financial statements and reporting in fulfilling its fiduciary responsibilities relating to internal controls, financial reporting practices, risk management framework and policies.

The ARMC comprises 3 members, all of whom are Independent Non-Executive Directors. The composition meets the requirements of Paragraph 15.09 of the MMLR and the Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance.

The members of the ARMC and their respective designation are as follows:-

	Designation
Chairman Chan Seng Fatt	Independent Non-Executive Director
Members Ong Soo Chan	Independent Non-Executive Director
Phang Sze Fui	Independent Non-Executive Director

All members of the ARMC are financially literate. None of the members were former key audit partners of the Company's existing External Auditors, Deloitte PLT. The ARMC Chairman, Mr Chan Seng Fatt, is a member of the Malaysian Institute of Accountants ("MIA") and a former fellow member of the Chartered Institute of Management Accountants (CIMA) whilst Ms Phang Sze Fui, a member of the ARMC, is a fellow member of The Association of Chartered Certified Accountants (ACCA) and a member of MIA.

The ARMC met 6 times during the FY2024. The details of their attendance are as follows:-

	Number of meetings attended/ Number of meetings held
Chan Seng Fatt	6/6
Ong Soo Chan	5/6
Phang Sze Fui	6/6

The External Auditors, Internal Auditors, Executive Directors, Head of Finance, Compliance Officer and the relevant management personnel were invited to attend the ARMC meetings to facilitate direct communication on matters under the consideration of the ARMC, or which, in their opinion, should be brought to the attention of the ARMC. The Chairman of the ARMC reports to the Board on matters discussed at every ARMC meeting as well as the ARMC's recommendations, to the Board for consideration after the ARMC meeting. All deliberations during the ARMC meetings were minuted and the minutes were tabled to the Board for notation after they were confirmed at each succeeding ARMC meeting.

TERMS OF REFERENCE

The duties and responsibilities of the ARMC are set out in the Terms of Reference of the ARMC which was adopted by the Board on 27 September 2022. The Terms of Reference of the ARMC was last reviewed on 21 May 2024, a copy of which is available on the Company's corporate website at <https://www.skyworldgroup.com.my/investor-relations>.

SUMMARY OF ACTIVITIES OF THE ARMC

The ARMC has carried out the following activities in discharging their duties and responsibilities for FY2024:-

- Reviewed the unaudited financial results of each quarter for the FY2024 and recommended for Board's approval and release to Bursa Securities in compliance with the MMLR. The ARMC also discussed pertinent issues of the Group that could impact the Group's results and cash flow.
- Reviewed the audited financial statements and to ensure that it presented a true and fair view of the Company's financial position and performance for the FY2024 prior to submission to the Board for approval, upon the ARMC being satisfied that, inter alia, the audited financial statements were drawn up in accordance with the provisions of the Companies Act 2016 and the applicable Malaysian Financial Reporting Standards ("MFRS") issued by the Malaysian Accounting Standards Board.
- Reviewed and recommended the proposed first interim single-tier dividend of 1.25 sen for each ordinary share and a final dividend of 1.00 sen for each ordinary share for the FY2024 to the Board for approval after taking into consideration the profits, cash flow and solvency of the Company.

Audit & Risk Management Committee Report

- (d) Reviewed and approved the audit plan of the Group for the FY2024 prepared by the External Auditors entailing mainly the Group's materiality threshold, significant risks and areas of audit focus, internal control plan and audit timeline to ensure that the scope of work is adequate.
- (e) Reviewed and discussed with the External Auditors the financial statements for the FY2024, significant issues and concerns arising from the audit, summary of misstatements, key audit matters as well as the adequacy of disclosures in the financial statements on 18 July 2024, before recommending the same to the Board for approval.
- (f) Assessed the performance, objectivity and independence of the External Auditors. Upon reviewed and being satisfied with the competency, resources and independence of Deloitte PLT, the ARMC recommended the re-appointment of Deloitte PLT as External Auditors of the Company to the Board for approval.
- (g) Reviewed audit fees and non-audit fees as well as non-audit services provided by the External Auditors or its affiliates and recommended the same for Board's approval.
- (h) Met with the External Auditors without the presence of the Executive Directors and Management on 26 February 2024 and 21 May 2024 to discuss key issues within their responsibilities and to ensure there were no restrictions on their scope of audit for the FY2024. There were no major concerns from the External Auditors and they had been receiving full co-operation from Management during the course of audit.
- (i) Appointed Baker Tilly Monteiro Heng Governance Sdn Bhd, an independent internal audit service provider to undertake internal audit activities for FY2024 and FY2025.
- (j) Reviewed and approved the internal audit plan for FY2024 and FY2025.
- (k) Reviewed the internal audit reports presented by the Internal Auditors, deliberation of major findings and Management's responses together with Internal Auditors' recommendations.
- (l) Reviewed the follow-up reports issued by the Internal Auditors and the implementation status of the mitigating measures taken by Management to ensure all key risks and control weaknesses are properly addressed.
- (m) Reviewed the adequacy of the scope, competency and resources of the internal audit function and was satisfied with the Internal Auditors' performance for the FY2024.
- (n) Met with the Internal Auditors without the presence of the Executive Directors and Management on 21 May 2024 to discuss material issues that arose during the course of internal audit. There were no major concerns from the Internal Auditors and they had been receiving full co-operation from Management.
- (o) Reviewed the recurrent related party transactions ("RRPTs") entered into by the Group on quarterly basis to ensure that the RRPTs are carried out on arm's length, fair and reasonable, and on normal commercial terms and are not detrimental to the interest of the minority shareholders of the Company.
- (p) Reviewed the conflict of interest situation that arose or persisted during the FY2024, including potential conflict of interest.
- (q) Received the Management Report encompassing the financial performance and financial highlights, and operations of the Group on quarterly basis.
- (r) Received quarterly reports from the Compliance Officer on the activities conducted by the compliance team as well as the identified and/or potential non-compliance issues and its remediation action plan.
- (s) Reviewed the risk registers and risk profile of the Group as well as the progress of the mitigating actions on a half-yearly basis.
- (t) Reviewed the Corporate Governance Report, ARMC Report, Statement on Risk Management and Internal Control, Management Discussion and Analysis, and Corporate Governance Overview Statement and recommended the same for Board's approval prior to their inclusion in the Annual Report 2024.
- (u) Reviewed the Circular to Shareholders in relation to the RRPTs and recommended to the Board for approval prior to the issuance to the shareholders.
- (v) Reviewed the revised Terms of Reference of the ARMC.

Audit & Risk Management Committee Report

SUMMARY OF POTENTIAL CONFLICT OF INTEREST SITUATION

- (i) SkyWorld Foundation was founded on 11 May 2023. The Directors of SkyWorld Foundation comprise the Executive Directors of the Company namely, Datuk Seri Ng Thien Phing, Datuk Lam Soo Keong @ Low Soo Keong and Mr Lee Chee Seng. Upon receiving the Board's approval, the Company had on 2 January 2024 made a total contribution of RM1.0 million to SkyWorld Foundation to fulfil its corporate social responsibility initiative.
- (ii) Mr Chan Seng Fatt is currently the Group Chief Executive Officer of Star Media Group Berhad. He was an Independent Non-Executive Director of Star Media Group Berhad from August 2018 until February 2024. The Company had during the FY2024, engaged with Star Media Group Berhad for the provision of advertising services.

Notwithstanding the above, no conflict of interest situation has arisen during the financial year under review.

INTERNAL AUDIT FUNCTION

The Group's internal audit function, which reports directly to the ARMC, is outsourced to Baker Tilly Monteiro Heng Governance Sdn Bhd. The Internal Auditors have developed an audit plan to support and execute internal control reviews.

The internal audit activities undertaken by the Internal Auditors during the FY2024 are as follows:-

- (a) Performed audit review in accordance with the approved internal audit plan, which principally focused on the property development activities of the Company i.e. tendering and contract management and sales and marketing.
- (b) Carried out reviews on the systems of internal control of the Group to ensure that the key controls in the respective processes are in existence and controls are monitored to ensure that they are operating efficiently, effectively and in a timely manner; and assets are properly safeguarded.
- (c) Made recommendations to Management for improvements to the existing system of internal controls and work processes where necessary.
- (d) Reviewed the effectiveness and adequacy of the existing internal control processes.
- (e) Followed up on the implementation of corrective action plans to ensure satisfactory actions have been taken to address previous internal audit findings.

The results of the audit reviews were discussed with Senior Management and subsequently, the audit findings, including the recommendations for improvement were presented to the ARMC. In addition, follow up visit was conducted to ensure that corrective action plans have been implemented in a timely manner and the results of the follow up review was also presented to the ARMC.

The total costs incurred for the outsourcing of the internal audit function for the FY2024 was RM48,760.

Please refer to the Statement on Risk Management and Internal Control on page 43 to 47 in this report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors ("Board") of SkyWorld Development Berhad ("SkyWorld Development" or the "Company") remains committed in maintaining and upholding a sound system of risk management and internal control across the Company and its subsidiaries (collectively, referred to as "the Group").

The Statement on Risk Management and Internal Control ("SORMIC" or "Statement") provides an overview of the Group's risk management framework and the current state of its internal control. It has been prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance 2021 issued by Securities Commission Malaysia, which mandates the Board to establish a sound risk management framework and internal control system.

BOARD RESPONSIBILITY

The Board of SkyWorld Development, with the support of Management, has established an effective risk management framework and supporting internal processes and controls, including a comprehensive system of checks and balances. The governance structure was established by the Board to ensure the effective stewardship of risk management and internal control at all levels within the Group.

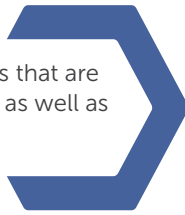
The presence of Independent Non-Executive Directors in both the full Board and Audit & Risk Management Committee ("ARMC") enables independent views to be put forth as part of the deliberation on risks, while Executive Directors allow for company/business specific perspectives to be rigorously discussed and addressed. Both the full Board and its ARMC, in undertaking their fiduciary duties as per their respective Terms of Reference ("TOR"), vigorously deliberate the Risk Register and other findings and recommendations put forward by Management.

In essence, the Board maintains its responsibility, commitment and accountability for overseeing the risk management and internal control systems of the Group, which encompass not only financial controls but all types of control comprising strategic, operational, environmental and regulatory compliance controls. It's important to note that the internal control system is an ongoing and continuous process aimed at managing, rather than eliminating, the risk of not achieving business objectives. Therefore, while internal controls can provide reasonable assurance, they cannot guarantee complete protection against significant errors or losses.


MANAGEMENT RESPONSIBILITY

The responsibility for developing and implementing effective risk control systems comes under the purview of Management. Effectively, Management has the duty to establish and execute procedures for identifying, evaluating, monitoring and reporting of risks and internal control, taking appropriate and timely corrective actions as needed, and providing assurance to the Board that the processes have been carried out.


Beyond design and implementation, the role of Management also includes monitoring these risk systems as part of the ongoing vigilance against risks. This may include undertaking regular testing of these systems towards ensuring sufficient integrity and effectiveness. In essence, Management's responsibilities in relation to risk management are as follows:



Identifying and assessing the risks that are relevant to the Group's business, as well as its objectives and strategies.



Developing, implementing and monitoring the risk management framework in alignment with the Group's strategic vision and overall risk tolerance.



Identifying any changes in risk or emerging risks, taking appropriate actions, and promptly notifying the Board of these developments.

Management is also tasked with ensuring sufficient resources in terms of budgeting and personnel are dedicated towards ensuring an effective execution of the risk management function and related tasks.

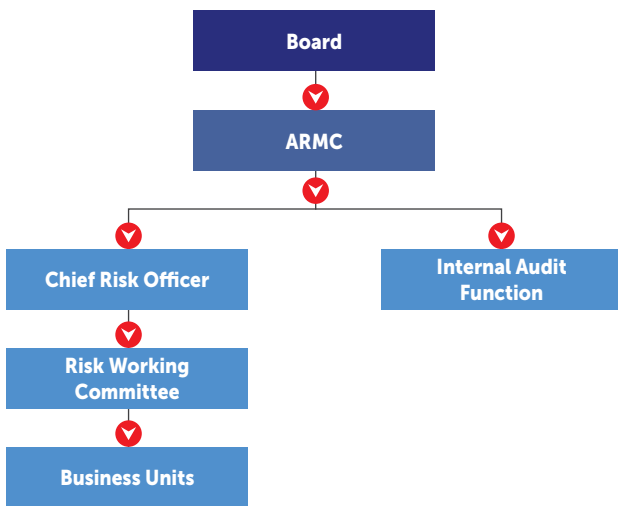
However, in ensuring effective oversight and controls, it is intended that the risk management be undertaken collectively as a shared management responsibility; that is, all levels of management have been assigned oversight with appropriate authority to monitor, report and take action at their respective management levels.

Statement on Risk Management and Internal Control

ENTERPRISE RISK MANAGEMENT FRAMEWORK AND PROCESS

SkyWorld Development’s Enterprise Risk Management (“ERM”) framework provides a structured and disciplined approach in aligning strategy, processes, people, technology, and knowledge to effectively evaluate and manage the risks of the Group in its pursuit of value creation. The framework was crafted by making reference to the principles outlined in ISO 31000:2018 Risk Management Guideline, integrating with a systematic process to facilitate identification, analysis, evaluation, treatment, monitoring, and communication of risks within the organisation.

The Group’s Risk Organisation Structure is as follows:



The business unit, being the risk owner, is responsible for the comprehensiveness of the risks identified, their assessment, management as well as their bottom-up reporting to the Risk Working Committee. The Risk Working Committee, comprising function heads from each of the business units, is tasked to deliberate on significant risks at regular management meetings.

The Board delegates the oversight of this management framework to the ARMC. The ARMC ensures that all principal risks of the Group are appropriately addressed and managed at the acceptable levels. Matters pertaining to risks are deliberated at the ARMC and Board levels twice a year, along with discussions on potential areas for improvement, the sufficiency of existing resources allocated for the risk function and future or emerging potential risks. These could be risks arising from sustainability and ESG matters, including climate-related risks. The ARMC presents its findings and views as well as recommendations for improvement to the Board and Management.

The Chief Risk Officer who reports to the ARMC and the Board is accountable for the effectiveness of the risk management framework and is independent from the risk owners. The Group’s Risk Management function, through the ARMC and with the support of the Internal Audit Function, also provides annual assurance to the Board on the adequacy and effectiveness of the Group’s risk management and internal control system, based on the Group’s adopted risk management model.

PRINCIPAL RISKS

The following are the identified principal risks and mitigation measures provided. FY2024’s disclosures include climate risk disclosures. Further information on climate risks is provided in the preliminary Task Force on Climate-related Financial Disclosures (TFCD) subsection within the Sustainability Statement of this report.

Risk	Description	Mitigation
Potential increase in development costs	The possibility that expenses associated with developing a housing development may rise beyond initial estimates. This risk can have significant implications to our businesses where cost overrun could erode the profitability and require additional working capital or funding.	<ul style="list-style-type: none"> Conduct thorough cost estimation and budgeting, and factor in contingency costs to ensure development feasibility. Conduct detailed evaluation in contract tendering to ensure the contractor’s reliability and ability to sustain cost escalation. Monitor market trends on material price fluctuation. Optimise value engineering, design efficiency and cost by considering practical value propositions for customers without compromising on product quality.

Statement on Risk Management and Internal Control

Risk	Description	Mitigation
Limitations in sourcing suitable landbanks	The challenges associated with finding and acquiring appropriate parcels of land for developments. It can have significant implications for development timelines, costs and overall feasibility.	<ul style="list-style-type: none"> • Conduct thorough assessments on land suitability prior to acquisition. This includes diversifying landholdings within an area to avoid cannibalisation of the same market while providing flexibility in new launches. • Undertake strategic joint ventures or partnering with landowners to gain expanded access to land and reduce land ownership costs.
Dependency on contractor's performance	<p>The potential challenges and uncertainties that arise during construction when a development relies heavily on the capabilities, reliability and efficiency of contractors or subcontractors involved in the execution of the development.</p> <p>Poor workmanship or even delays in completion can result in the Group being prone to reputational risks and liquidated ascertained damages claims, which could erode profitability.</p>	<ul style="list-style-type: none"> • Conduct thorough pre-qualification in selecting contractors by evaluating competency and financial stability. • Diversify the contractor pool. • Monitor contractors' performance in terms of timeliness, adherence to product specification, and health and safety practices at construction sites. • Conduct quality briefing at our Quality Center to educate contractors and consultants on our quality specifications and expectations.
Liquidity risk	The inability to meet financial obligations or sufficient capital to support the Group's ongoing developments as well as to pursue plans for business growth.	<ul style="list-style-type: none"> • Regularly review and apply strict financial discipline in managing cash flows and debts, while also maintaining sufficient cash reserves. • Diversify funding sources by tapping into debt and equity capital markets.
Economic Dynamics	<p>Fluctuations and changes in the broader economic environment in which businesses and developments operate, encompassing factors such as economic growth, inflation, interest rates, exchange rates, market conditions and consumer spending patterns.</p> <p>Notably, the slower property demand will force the Group to lower its profit margins to stay competitive.</p>	<ul style="list-style-type: none"> • Ensure continuous supply of quality and value-added products. • Diversify property portfolio catering to different market segments and capturing a larger market share. • Emphasise product quality and features that offer a sustainable living experience.
Changes in government policies	<p>The potential uncertainties and challenges arising from alterations in regulations, laws and policies implemented by governments.</p> <p>The property sector is a highly regulated sector and whenever there are changes in policies, the Group will need to adjust our operations or processes. These changes could potentially hinder property launches, delay project timelines, or impact the overall business strategy.</p>	<ul style="list-style-type: none"> • Remain vigilant in monitoring changes in government policies, regulations and compliance requirements. • Develop a compliance checklist in early stages of development planning.
Branding Crisis Management	<p>Inadequate crisis preparation and mishandling of communication, along with mismanagement of social media platforms.</p> <p>Failure to promptly address customer complaints or negative feedback could potentially impact the brand's reputation and public trust.</p>	<ul style="list-style-type: none"> • Established Crisis Management Framework.

Statement on Risk Management and Internal Control

INTERNAL AUDIT FUNCTION (“IAF”)

The Group’s implementation of the ERM framework does balance risks and controls, and this framework is supplemented by an objective assurance on the adequacy and integrity of the internal control system provided by an independent internal audit function which reports directly to the ARMC. The IAF is outsourced to an independent professional services firm. The scope of works of the IAF in FY2024 comprise the following:

- To assist the Audit Committee and the Board in formalising the internal audit plan based on the established risk profile of the Group.
- To assess the adequacy and effectiveness of internal controls.
- To provide and present an exceptional report on instances of non-compliance with established policies and procedures and areas of process improvement, if any, along with recommendations to the Management and ARMC.

INTERNAL CONTROLS AND MECHANISMS

In addition to the governance structure outlined by the Board and Management, ERM and the presence of internal audit functions, SkyWorld Development has also implemented the following internal controls and mechanisms:

- Code of Business Ethics and Conduct sets out expected ethical standards and code of conduct which are binding on all employees in the Group.
- Key responsibilities and accountability in the organisational structure are clearly defined, with clear reporting lines up to the Board and its committees. Established delegation of authority, which sets out the appropriate authority levels for decision making, including matters requiring Board approval.
- Board committees such as the ARMC and the Nomination & Remuneration Committee have been delegated with specific duties to review and consider all matters within their scope of responsibilities as defined in their respective TORs.
- Standard Operating Procedures (“SOP”s) for business processes formalise the governance of the Group’s operations. SOPs are regularly reviewed and revised to ensure they remain relevant.

- Audit Committee meetings are held at least 4 times per annum to meet with IAF regularly to review their reports and actions taken to rectify the findings on a timely basis, and evaluate the effectiveness and adequacy of the Group’s internal control system.
- Management meetings are conducted on a weekly basis with the attendance of all heads of functions and chaired by the Chief Executive Officer to identify, discuss and resolve operational, financial and key management issues.
- Board meetings are scheduled to review the business plan, business strategies and business performance, from financial and operational perspectives;
- Clear Group vision, mission, corporate philosophy, and strategic direction are effectively communicated to the whole organisation at all levels.
- Annual budgets and periodic performance review are being undertaken by the Management. Actual performance is regularly reviewed against the approved budgets to ensure significant variances are identified and addressed, followed by the necessary remedial actions.
- Having a whistleblowing mechanism and policy that provides a channel for any stakeholder to have the confidence to make reports on any grievances or issues of non-compliance, wrongdoing, misconduct, or other legitimate concerns in good faith without the fear of facing retaliation.
- Anti-Bribery and Corruption Policy prohibits all forms of bribery and corruption practices in the company’s operations. The Group is committed to conduct its business ethically and in compliance with all applicable laws and regulations.
- Compliance Monitoring Framework has been established to ensure a high level of compliance is achieved and maintained Group wide. The Framework outlines the roles and responsibilities, compliance obligations checklist, and procedures for managing compliance issues and incidents to ensure strict compliance with all relevant rules and regulations.

Further details on the Code of Conduct and Ethics, Whistleblowing Policy and Anti-Bribery and Corruption Policy are available at the Company’s website at <https://www.skyworldgroup.com.my/investor-relations>.

STATEMENT REVIEW BY EXTERNAL AUDITOR

An external auditor has reviewed this Statement for inclusion in the annual report, pursuant to Paragraph 15.23 of the Listing Requirements. The review was conducted in accordance with Audit and Assurance Practice Guide 3 (“AAPG 3”) issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Based on the procedures performed, the external auditors have reported to the Board that nothing has come to their attention to cause them to believe the Statement set out above is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management Internal Control: Guidelines for Directors of Listed Issuers, nor was it factually inaccurate.

CONCLUSION

Having considered the assurance provided by the Management and its assurance providers, the Board is satisfied that the Group’s existing risk management and internal control systems have been adequate and effective during the financial year under review and will continue to be so going forward. The Board has received assurance from the Executive Chairman and Chief Executive Officer that in all material aspects, existing risk management and internal control systems are operating adequately and effectively to safeguard shareholder interests as well as Group assets.

During the financial year under review, there were no significant control failures or adverse compliance events that would have directly led to any substantial losses for the Company. This Statement on Risk Management and Internal Control was approved on 18 July 2024.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

The Company did not undertake any corporate proposal to raise proceeds during FY2024.

In conjunction with the listing exercise on 10 July 2023, the Company undertook a public issue of 208,000,000 new ordinary shares at an issue price of RM0.80 per share, raising gross proceeds of RM166.4 million. The status of the utilisation of proceeds as at 31 March 2024 is as follows:-

Purpose	Proposed utilisation (RM'000)	Re-allocation ⁽¹⁾ (RM'000)	Actual utilisation (RM'000)	Balance unutilised (RM'000)	Estimated timeframe for utilisation from listing date
Acquisition of land for development ⁽²⁾	100,000	-	(8,250)	91,750	Within 36 months
Working capital for project development	35,192	1,819	(22,618)	14,393	Within 24 months
Repayment of bank borrowings	20,000	-	(20,000)	-	Within 12 months
Estimated listing expenses	11,208	(1,819)	(9,389)	-	Immediate
Total	166,400	-	(60,257)	106,143	

Note: (1) The Company had re-allocated the unutilised proceeds which were earlier earmarked for listing expenses amounted to RM1.819 million as working capital for project development.

(2) The Company had at the Extraordinary General Meeting held on 28 June 2024 obtained its shareholders' approval to vary the utilisation of proceeds raised by widening the locality of lands to throughout Peninsular Malaysia in which our Company is able to acquire using the proceeds raised pursuant to the Initial Public Offering instead of limiting the locality to lands within the Klang Valley including Kuala Lumpur and the state of Selangor as disclosed in the Prospectus.

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for the FY2024 is as follows:-

	Group (RM)	Company (RM)
Audit fees	545,291	162,400
Non-audit fees	86,032	86,032

LONG TERM INCENTIVE PLAN ("LTIP")

The Company had at the Extraordinary General Meeting held on 28 June 2024 obtained its shareholders' approval to establish a LTIP comprising an Employee Share Option Scheme and a Performance Share Grant Plan.

The LTIP shall be in force for a period of 10 years from the effective date on 18 July 2024.

RECURRENT RELATED PARTY TRANSACTIONS ("RRPTs")

Save for the RRPTs as disclosed in Note 24 of the financial statements, there was no other transaction entered into with the related parties during the FY2024.

The details of the proposed renewal of shareholders' mandate for RRPTs are disclosed in the Circular to Shareholders dated 31 July 2024.

Additional Compliance Information

MATERIAL CONTRACTS INVOLVING THE INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Group, involving the interests of the Directors and major shareholders, either still subsisting at the end of FY2024 or entered into since the end of the previous period.

MATERIAL RISKS AND/OR NON-COMPLIANCES IDENTIFIED DURING THE FY2024

All the non-compliances identified during FY2023 as reported in the Annual Report 2023 had been rectified and/or complied with.

Save as disclosed below, the non-compliances identified during the FY2024 had been resolved where the necessary correction actions had been formulated and implemented for any incidents of non-compliance and exceptions reported, and closely monitored by the Management or the relevant division where applicable:-

Non-compliance identified during FY2024	Key mitigation measures/ status of compliance
No permit on hoarding advertisement of SkyAwani VII Residences.	The Group had on 20 December 2023 submitted application to Datuk Bandar Kuala Lumpur for the permit of hoarding advertisement for SkyAwani VII Residences and the application is pending approval from Datuk Bandar Kuala Lumpur.

Notwithstanding the above, there was no material penalty imposed on the Group and its Directors or Management by any regulatory body during the financial year.

SUSTAINABILITY STATEMENT

ABOUT THIS REPORT

As a responsible developer committed to “Make Living Better” with the vision of becoming “Always Best City Developer”, SkyWorld Development views sustainability as integral to the Group’s business model. The Sustainability Statement (“SS2024”) for the period of 1 April 2023 to 31 March 2024 (“FY2024”) is intended to communicate our efforts and achievements in embedding responsible Environmental, Social and Governance (“ESG”) practices into the Group’s operations throughout the reporting period.

In this report, we aim to outline both the positive and negative impacts of SkyWorld Development’s business activities and practices on stakeholders and the environment, including how these factors influence the prospects of the organisation, as these are key considerations that the Board and Management of SkyWorld Development has taken into account in setting the sustainability strategy, goals, and targets disclosed herein.

We are dedicated to reducing our environmental footprint, enhancing social value, and ensuring economic viability through sound governance practices, and will work on strengthening our disclosures along these fundamentals as we progress on our sustainability journey.



Sustainability Statement

Reporting Frameworks

SkyWorld Development’s SS2024 is developed in compliance with Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“MMLR”). Other reporting standards, frameworks and guidelines referenced include:

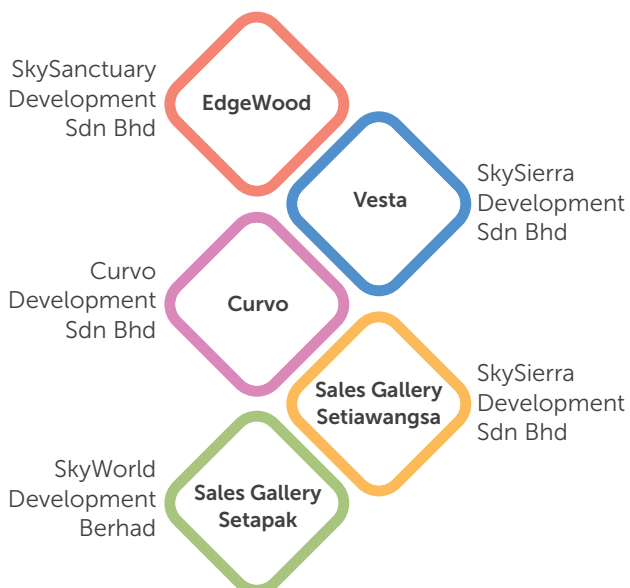


The Group has applied the GRI Reporting Principles in determining the content for disclosure in SS2024. In doing so, due consideration is given to ensure accuracy, balance, clarity, comparability, reliability and timeliness, as well as stakeholder inclusiveness, sustainability context, materiality and completeness of the SS2024.

Additionally, topical disclosures in this report follows the material economic, environmental, social and governance (“EESG”) topics identified by SkyWorld Development through a materiality assessment exercise (“MAE”) conducted in FY2023, details of which are outlined in the Materiality section of this report.

Scope, Boundary and Limitations

The SS2024 covers the period of 1 April 2023 to 31 March 2024. It is scoped to the information, operations, activities and data collected from SkyWorld Development Berhad and the following subsidiaries:



The Group adopts a ‘local where we operate’ approach to managing our sustainability impacts. Unless otherwise stated, the SS2024 excludes all outsourced activities. Some aspects of the sustainability data and disclosures contained in this report may be scoped to just the holding company or specific development sites due to data availability and will be indicated accordingly. Where possible, disclosures are presented over a 3-year time frame on a rolling basis to derive performance trends.

Data Quality

As the highest decision-making body at SkyWorld Development, the Board of Directors (“Board”) acknowledges its responsibility for the information presented in this report and has provided their approval on 18 July 2024. The report’s data has been sourced internally and verified by the relevant business units or information owners.

Accessibility and Feedback

The SS2024 and past reports can be downloaded at <https://skyworldgroup.com.my/investor-relations> as well as the website of Bursa Securities. Any request for clarification or feedback may be channelled to:

SkyWorld Development Berhad

Ground Floor, Block B
Wisma NTP World
Excella Business Park
Jalan Ampang Putra
Ampang
55100 Kuala Lumpur
Wilayah Persekutuan (KL)
Malaysia

Tel : +(603) 4270 9968
Email : corporate@skyworld.my

Sustainability Statement

CHIEF EXECUTIVE OFFICER'S MESSAGE

Dear Stakeholders,

At SkyWorld Development, our unwavering commitment to sustainability and responsible ESG management drives every facet of our operations. Our dedication to sustainable value creation is evidenced by our continuous efforts to integrate best practices across environmental, social, and governance dimensions. This year, we have made significant strides in enhancing our sustainability initiatives, reflecting our commitment to long-term positive impacts.

I am pleased to report that we have made notable advancements on the Governance front. Firstly, by strengthening Board oversight of sustainability, including the management of ESG matters such as climate change and occupational health and safety. We are in the midst of revising the Board Charter to explicitly reflect these responsibilities. Furthermore, we established a Sustainability Management Committee and streamlined our sustainability governance structure, which you can explore in detail on page 55 of this report.

Additionally, we have set out to establish a set of defined ESG KPIs and targets, which were approved for adoption in March 2024, demonstrating our commitment to measurable progress.

As a newly public listed company, we recognise the need to strengthen our governance management and are diligently working on establishing new policies to codify our commitments, including a Sustainability and Climate Change Policy, Occupational Health and Safety Policy, and various other governance instruments.

We have also initiated comprehensive corruption risk management processes, successfully auditing two out of ten departments in Malaysia for FY2024, with more to follow in the coming months. We are also in the process of developing a comprehensive supply chain management framework, including relevant policies and code of conduct to streamline our supply chain management from due diligence to performance evaluation and audits.

Simultaneously, efforts are also made to strengthen our economic sustainability, where we have been unwavering in our focus on strengthening product quality and customer satisfaction, as these remains key drivers of our business success and continued stakeholder trust. I am pleased to share that our commitment to quality has resulted in a 97.74% customer satisfaction rate and an 87 Net Promoter Score in FY2024, ensuring SkyWorld Development's continued competitiveness in the property development sector.

These achievements could not have been possible without the support of our suppliers, where we have continued to prioritise local businesses and enterprises with 99.98% of our procurement spend in FY2024 directed to local suppliers, amounting to RM470.3 million. We are committed to share the wealth generated by our business equitably to all our stakeholders, and are pleased to report a total of RM615.7 million in economic value distributed to our diverse stakeholders in FY2024.

As a responsible corporate citizen, we recognise that our business growth and financial outcomes inevitably comes at a cost to the environment, and we are committed to do our part to minimise harm while striving to generate a net positive impact wherever possible.

Recognising the growing risks of climate change, we have invested in Research and Development to enhance our climate risk management. In FY2024, we conducted a Climate Change workshop, engaging an external ESG consultant to work with our Company leaders to identify physical and transitional climate risks and opportunities

Sustainability Statement

of the Group. This cross-functional workshop helped the Group to develop adaptation and mitigation measures aligned with Network for Greening the Financial System (“NGFS”) Net Zero and Representative Concentration Pathway (“RCP”) 4.5 scenarios, which aims to limit global warming to 1.5°C and 2.4°C above pre-industrial levels. The findings from this workshop has been summarised in SkyWorld Development’s first ever TCFD Report, which can be found on page 100 to 104.

We have also improved our data collection efforts to disclose our Scope 1 and Scope 3 emissions data for the first time, and strengthened our data disclosure on water consumption, waste management, resource use, green building certifications and biodiversity assessments to align with Bursa Securities’s Sustainability Reporting Guide (3rd Edition) requirements and other frameworks’ recommendations. We are actively working towards setting tangible, time-bound emissions reduction targets and are in the midst of establishing a three-year baseline of our emissions data before that to ensure feasibility of the targets set.

We have made strong strides on the social front as well, where efforts are underway to formalise our human rights commitments into policy and ensuring the same is practiced among our suppliers. We continue to champion diversity, equality, and inclusivity, as you will note the inclusion of nationality and disability breakdowns in our employee composition disclosures.

I am pleased to report that our efforts in occupational health and safety (“OHS”) have resulted in zero fatalities and zero lost time incidents in FY2024 for the ongoing Curvo Residences, EdgeWood Residences and Vesta Residences developments tracked for this report. This commendable performance stands above the national average fatality rate of 0.48* for the construction industry (*Source: National Occupational Accident And Disease Statistics 2022 Department of Statistics Malaysia), and demonstrates our commitment to ensuring a safe and conducive workplace for our employees and contractors.

In ensuring the wellbeing of our stakeholders, we are mindful of the need to safeguard the interests of the communities we serve, and do our part as a responsible corporate citizen to give back to the community and lend a helping whenever we can. In FY2024, SkyWorld Development has organised three Corporate Social Responsibility (“CSR”) initiatives directed at supporting the National Cancer Society Malaysia, Salvation Army and the less fortunate children from Yayasan Sunbeam Homes.



“We are actively working towards setting tangible, time-bound emissions reduction targets and are in the midst of establishing a three-year baseline of our emissions data before that to ensure feasibility of the targets set.”

Beyond immediate aid, SkyWorld Cares was established to serve as a platform for Group to fulfil our corporate social responsibility initiatives, collaborating with the newly established SkyWorld Foundation to provide aid and improve the welfare of communities in line with the UNSDG Goal 10 to Reduce Inequalities.

As we look ahead, we remain dedicated to integrating sustainable practices into all aspects of our business, and I thank all our stakeholders for your continued support as we journey towards achieving our sustainability goals together.

Sincerely,

LEE CHEE SENG

Non-Independent Executive Director/
Chief Executive Officer

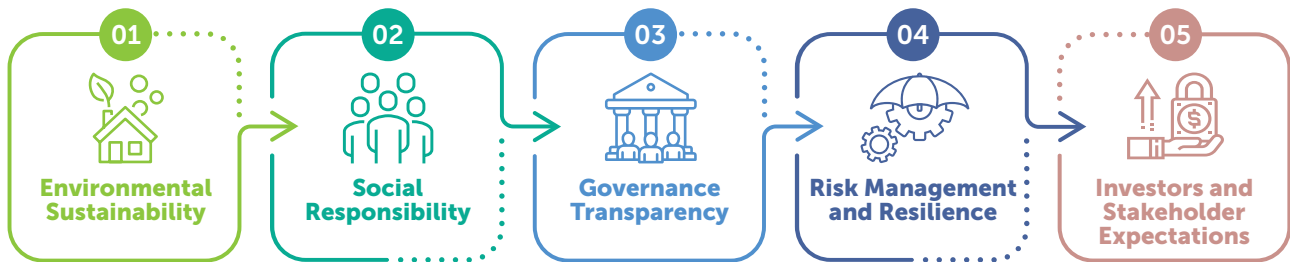
Sustainability Statement

ESG HIGHLIGHTS & ACHIEVEMENTS			
<p>RM615.7 million</p> <p>Total Economic Value Distributed to Stakeholders</p> 	<p>97.7%</p> <p>Average Customer Satisfaction Score</p> 	<p>99.98%</p> <p>Procurement Spend directed to Local Suppliers (representing RM470.3 million)</p> 	<p>RM15,000</p> <p>Total CSR Contribution directed to 3 beneficiary organisations</p> 
<p>1,239.52tCO₂e</p> <p>Total GHG Emissions (with expanded scope to include emissions from 3 Development Sites, Scope 1 Diesel Consumption, and Scope 3 emissions)</p>  <p>ESG</p>	<p>57.5 acres</p> <p>of Reserve Landbanks in Klang Valley</p> 	<p>87.5%</p> <p>of the Group's operations equipped with a Water Recycling System</p>	<p>Women Representation in Leadership Roles:</p> <p>42.9% on the Board; 33.3% in Managerial Staff</p> 
<p>242</p> <p>Total Workforce (86% Permanent Employees)</p> 	<p>37.5%</p> <p>of our completed and ongoing developments are GBI Certified</p> 	<p>11%</p> <p>of Group operations assessed for Biodiversity Risks</p> 	<p>100%</p> <p>of Suppliers and Business Partners have been briefed on our Anti-Bribery and Corruption Policy</p> 
<p>Zero</p> <p>Substantiated Complaints concerning breaches of Customer Privacy and Losses of Customer Data</p> 	<p>10,731</p> <p>Total Training Hours logged as a Company</p> 	<p>Zero Fatalities and Zero Lost Time Injury ("LTI") with 3.6 million man-hours worked</p>	<p>Zero</p> <p>Incidents and Fines for environmental and socio-economic non-compliance</p> 
<p>Zero</p> <p>Non-compliance with labour standards or Human Rights Violations</p> 	<p>Zero</p> <p>confirmed Incidents of Corruption</p> 	<p>Zero</p> <p>Incidents and Fines for environmental and socio-economic non-compliance</p>	<p>Zero</p> <p>Incidents and Fines for environmental and socio-economic non-compliance</p> 

Sustainability Statement

SUSTAINABILITY AT SKYWORLD

As a responsible city builder, SkyWorld Development adopts a precautionary approach to minimise negative impacts across environmental, social, and governance spheres while ensuring effective risk management and sustainable value creation for all stakeholders.



By prioritising environmental sustainability through the adoption of energy-efficient designs, utilisation of renewable energy sources and incorporating eco-friendly materials, the Group can make valuable contributions to the environment while appealing to environmentally conscious home buyers.

By demonstrating social responsibility through the creation of inclusive spaces, support for local businesses and a commitment to resident well-being, the Group can cultivate stronger community relationships and enhance its brand reputation.

By emphasising governance and transparency through robust corporate governance structures and ethical practices, the Group can build trust among investors and stakeholders.

By embracing ESG principles, The Group can identify and mitigate risks, including those associated with climate change, while simultaneously attracting socially responsible investors and meeting stakeholder expectations.

By incorporating ESG practices, the Group can attract socially responsible investors, access capital and differentiate itself from competitors, given that ESG considerations have become vital criteria for investors and stakeholders in evaluating companies.

This comprehensive approach is overseen by the Group’s sustainability governance structure and is supported by robust policies, standard operating procedures, internal processes and controls measures, as well as comprehensive reporting mechanisms to ensure the effective management of all material matters.

SUSTAINABILITY GOVERNANCE STRUCTURE

SkyWorld Development has implemented a robust sustainability governance framework to effectively integrate and promote its ESG agenda throughout the organisation. This structure has been refined in FY2024 with the establishment of a Sustainability Management Committee to support the Chief Executive Officer in driving ESG implementation. Additionally, the Board Charter is also undergoing a revision to formalise the Board’s sustainability responsibilities in alignment with the recommendations of the Malaysian Code of Conduct (“MCCG”) 2021, Bursa Securities Sustainability Reporting Guide (3rd Edition) and the International Sustainability Standards Board (“ISSB”) on sustainability and climate change management.

The structure, along with defined roles, responsibilities, and the composition of the governance framework, ensures a streamlined approach to sustainability with the tone set from the top, as illustrated and detailed here.



Sustainability Statement

Roles	Responsibilities	Composition
Board of Directors	<ul style="list-style-type: none"> • Holds ultimate accountability and maintains strategic oversight on all sustainability, ESG and climate-related risks, strategies, policies, priorities, and targets. • Integrates sustainability, ESG, and climate-related risks into the company’s risk management framework and evaluates its effectiveness. 	Executive and Non-Executive Directors
Sustainability Management Committee	<ul style="list-style-type: none"> • The CEO, who is a Board member, leads the Sustainability Management Committee in the strategic management of the Group’s sustainability and climate related matters. • Supports the Board in its risk and sustainability management function. • Drives ESG implementation in the respective departments. • Develops ESG related strategies and targets. • Allocates the necessary resources to achieve the desired outcomes. • Evaluates progress on the implementation of ESG goals, targets and initiatives. 	CEO and Head of Function relevant to ESG matter (i.e. Product, Operation, Finance, Talent, Brand Communication and Customer Advocacy)
Sustainability Working Committee	<ul style="list-style-type: none"> • Day-to-day operationalisation of ESG initiatives. • Drives ESG implementation in their respective functions. • Gathers ESG performance data. 	Managers and Executive Staff of functions relevant to ESG matter

ROBUST ESG POLICIES AND FRAMEWORKS

SkyWorld Development’s sustainability agenda is underpinned by a comprehensive suite of policies, codes of conduct, and terms of reference, which formalise the Group’s commitment to responsible business practices. These governance instruments are reviewed periodically to ensure their continued relevance and effectiveness.



Additionally, new policies are introduced periodically to further enhance governance at SkyWorld Development. In July 2024, the Board has approved the Sustainability and Climate Change Policy as well as the Supply Chain Policy for adoption. Other policies in revision and under development include:

- Revision of Board Charter to incorporate ESG and Climate Change oversight and management responsibilities, alongside other Governance best practices
- Establishment of an Occupational Health and Safety policy
- Supply Chain Policy
- Sustainability and Climate Change Policy

Sustainability Statement

ESG KEY PERFORMANCE INDICATORS (“KPIs”) AND TARGETS

SkyWorld Development had developed a set of ESG KPIs and Targets to ensure effective management of the Group’s identified material matters to ensure alignment with our sustainability agenda. The Board had approved the following targets for adoption in April 2024.

ENVIRONMENT		
<p>Achieving a minimum Bronze GreenRE Certification or GBI Compliant rating for all new High-Rise Developments in Klang Valley by FY2025</p> 	<p>Installing at least two Electric Vehicle Charging stations at each High-Rise Development in Klang Valley by FY2025</p> 	<p>Providing Energy-Efficient Lighting in all common areas for High-Rise Developments in Klang Valley by FY2025</p> 
<p>Establishing a 3-year baseline data of Non-hazardous Waste Diverted from disposal by FY2027</p>		
<p>Allocating more than 10% of Green Spaces from development areas in all High-Rise Developments in Klang Valley by FY2025</p> 	<p>Establishing a 3-year Baseline of Construction Materials Consumed by FY2027</p> 	<p>Adopting TCFD for sustainability reporting by FY2025</p> 
SOCIAL		
<p>Zero fatalities per annum</p> 	<p>Zero Loss Time Injury (LTI) per annum</p> 	<p>Average 8 Hours Training per employee, per annum</p> 
<p>At least 30% female representation on Board and Senior Management Annually</p> 	<p>Zero substantiated Human Rights Violations annually</p> 	
GOVERNANCE		
<p>Zero confirmed Incidents of Anti-Bribery and Corruption (“ABAC”) Violation per annum</p>	<p>Zero substantiated Incidence of Data Privacy and Security Breach annually</p> 	<p>Zero Fines Received from Environment and Social Non-compliance annually</p> 

Sustainability Statement

STAKEHOLDER & MATERIALITY

At SkyWorld Development, we recognise that effective stakeholder communication is fundamental to our inclusive and responsive ESG strategy. We define stakeholders as individuals or entities whose actions and decisions impact our business, as well as those affected by our real estate development and management activities.



SkyWorld Development embraces the principle of double materiality in identifying and assessing our material matters. This involves evaluating both the outward impacts of our operations on stakeholders and the environment, and the inward impacts on our business sustainability, considering short, medium, and long-term perspectives.

This approach ensures that we identify, prioritise, and manage material ESG topics with a dual focus: minimising negative impacts while maximising positive outcomes for our stakeholders, the environment, and the Group’s capacity for value creation.



STAKEHOLDER MANAGEMENT

By adopting the principle of double materiality, SkyWorld Development deepens its commitment to understanding and addressing the wide range of impacts our activities have on stakeholders. This principle forms the basis of our stakeholder engagement strategy, which employs various channels to monitor, measure, and manage stakeholders’ evolving needs, expectations, and concerns. Our approach ensures that stakeholder needs are factored into our business considerations, fostering a more responsive and responsible development process. Below is a summary of SkyWorld Development’s stakeholder management approach:

Stakeholders	Key Engagement Methods	Concerns and Interests	Response to Stakeholders’ Concerns
<p>Customers Existing and potential customers of products and services</p> 	<ul style="list-style-type: none"> • SkyWorld Connects • Corporate Website • Social Media • Events and Campaigns 	<ul style="list-style-type: none"> • Product Quality and Design • Customer Service and Experience 	<p>We aim to uphold our proven track record of delivering products of high quality and standards whilst ensuring customer responsiveness in an efficient and timely manner.</p>
<p>Employees Individuals employed by the Group, including Board of Directors</p> 	<ul style="list-style-type: none"> • Townhall • SkyWorld Portal • Email • WhatsApp Broadcast • Coffee Chat • Employee Handbook • Employee Survey 	<ul style="list-style-type: none"> • Recognition, Career Development • Employee Benefits and Welfare • Workplace Health and Safety • Company Direction and Growth Plans • Human Rights 	<p>We maintain close and transparent communications with our employees at all levels. Through our Talent initiatives, we are committed to achieving long-term meaningful employee engagement.</p>

Sustainability Statement

Stakeholders	Key Engagement Methods	Concerns and Interest	Response to Stakeholders' Concerns
Shareowners Retail and institutional investors 	<ul style="list-style-type: none"> Investor Relations Website Investor Briefings Meeting and Site Visits 	<ul style="list-style-type: none"> Sustainable Financial Returns Transparency Operational Efficiency Business Strategy, Risk Management and Corporate Governance Effective Leadership 	We provide timely updates on our corporate developments and financial performance. We provide reliable disclosure on our financial statements that are reviewed and audited.
Business Associates Consultants and contractors who provide materials and services 	<ul style="list-style-type: none"> Meeting e-Procurement System Performance Evaluation Events and Campaigns 	<ul style="list-style-type: none"> Procurement Processes Health and Safety Job and Business Opportunities Quality Standard 	We engage with our business associates to build ethical, trustworthy and conducive business alliances. We demonstrate accountability, integrity and honesty across all our operations and interactions.
Media Print and digital media that deliver information to the wider audience 	<ul style="list-style-type: none"> Press Release Media Interview Media Tour Press Conference 	<ul style="list-style-type: none"> Strategy and Direction Product Launches Market and Industry Insights Job and Business Opportunities 	We work closely with the media to inform and ensure that our vision, purpose, policies and practices are channelled accordingly to the public in a consistent and credible manner.
Government and Regulatory Authority Malaysian and Federal municipal councils and regulators 	<ul style="list-style-type: none"> Meeting Events Industry Workshops 	<ul style="list-style-type: none"> Compliance Product Quality Affordable Housing Environmental Impacts Regulatory Filings and Payments Social Contributions 	We provide regular updates and close consultations with the regulatory authorities and local governments. Our aim is to ensure that we are constantly in compliance with the rules and regulations.
Communities Local communities who are impacted directly and indirectly by operations 	<ul style="list-style-type: none"> Meeting Social Media Collaborations 	<ul style="list-style-type: none"> Community Development Health and Safety Location Connectivity Infrastructure Improvement Environmental Impacts Affordable Housing Job Creation 	We are committed to enhancing and achieving long-term meaningful community engagement and support, to enrich the lives of the communities we operate in.

Sustainability Statement

Trade Memberships & Engagements

Associations	Skyworld Development’s Memberships and Contributions
Fédération Internationale des Administrateurs de Bien-Conselis Immobiliers (“FIABCI”)	SkyWorld Development is a proud member of FIABCI, the International Real Estate Federation. Through this membership, SkyWorld Development leverages global networking opportunities, gaining insights into international real estate trends and best practices. The Group actively participates in FIABCI events, sharing knowledge, and engaging in initiatives that promote sustainable and innovative real estate development worldwide.
Real Estate and Housing Developers’ Association (“REHDA”)	As a member of REHDA, SkyWorld Development actively supports the Association’s mission to advocate for sustainable development and green building practices in the Malaysian real estate industry. SkyWorld Development contributes to REHDA’s objectives by participating in policy discussions, industry events, and initiatives aimed at improving the regulatory framework and promoting best practices in property development.
Human Resource Association	SkyWorld Development’s membership in the Human Resource Association underscores our commitment to excellence in human resource management. By engaging with this Association, SkyWorld Development stays abreast of the latest HR trends, policies, and best practices. allowing us to implement innovative HR strategies that enhance employee engagement, development, and overall organisational performance.

MATERIALITY ASSESSMENT PROCESS

SkyWorld Development’s sustainability strategy is grounded in determining material matters based on their inward impact on the Group’s business and outward impact on stakeholders and the environment. This approach enables us to accurately identify and prioritise issues critical to our triple bottom line for effective management and resource allocation.

In FY2023, SkyWorld Development conducted a comprehensive materiality assessment incorporating feedback from internal and external stakeholders to determine the relative importance of 22 identified material topics.



Sustainability Statement

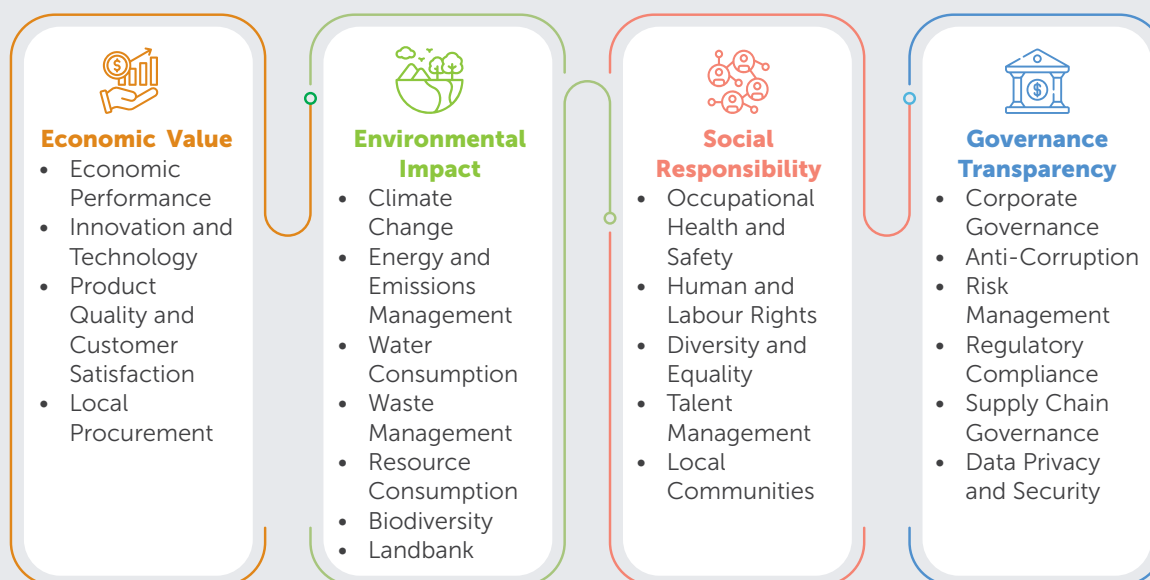
PHASE 1 Identification of Material Matters

A preliminary list of sustainability matters was identified from:

- the key stakeholder concerns captured during engagement
- financial and non-financial risks and opportunities within the Group's operating context
- sector-specific and common sustainability topics and indicators identified by regulators and global ESG reporting standards
- an analysis of sustainability matters ascertained by the Group's peers.

PHASE 2 Refinement and Categorisation of Material Matters

The sustainability matters identified in Phase 1 were distilled into a list of 22 material topics for assessment, which have been categorised into the following pillars:



PHASE 3 Assessment and Prioritisation of Material Matters

An online materiality assessment survey was held in FY2023 to gather feedback from the Group's internal and external stakeholders. Respondents were asked to rate the importance of each material sustainability matter to SkyWorld Development's value creation ability, as well as the extent of its environmental and social impacts. Respondents were also asked to rank the importance of the Group's various stakeholders in terms of their ability to impact the organisation.

PHASE 4 Analysis and Creation of Materiality Matrix

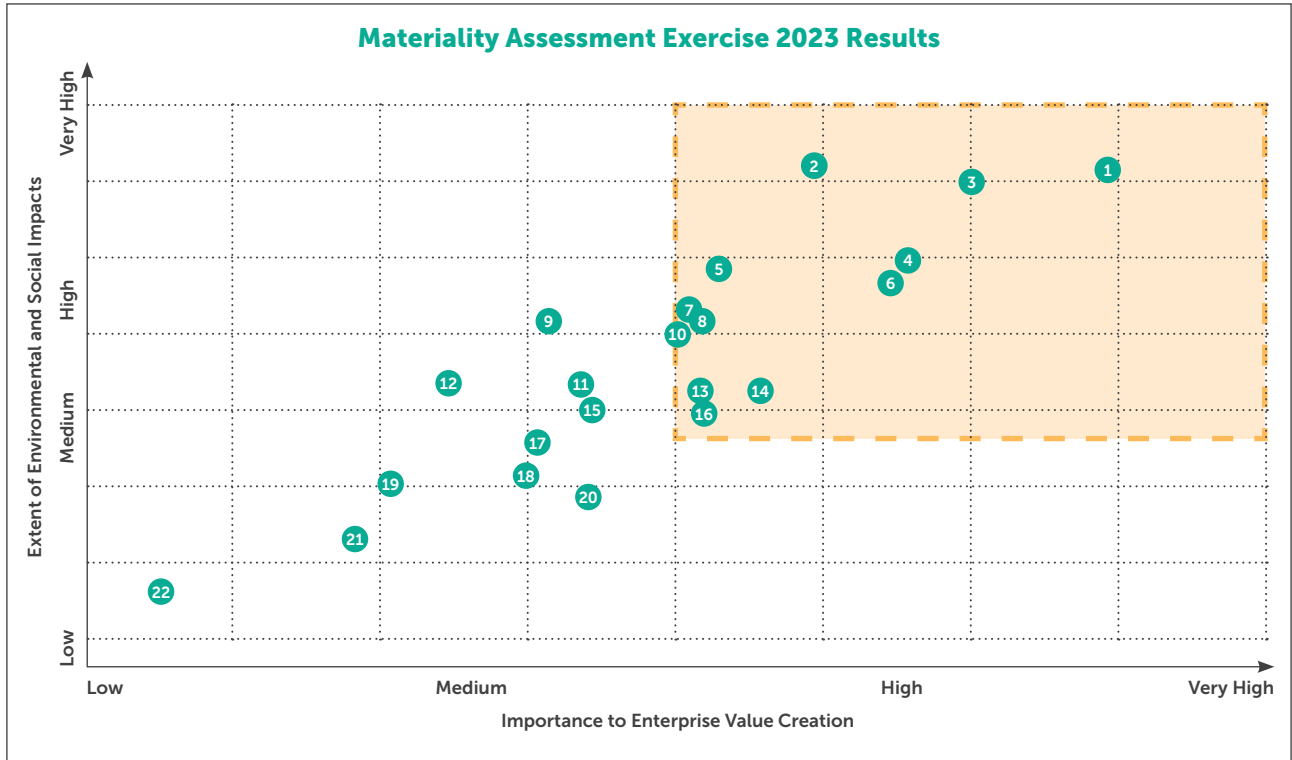
The feedback gathered from the survey was tabulated using best practices in statistical analysis that incorporated weighted scores for different respondents' feedback based on their relative importance to the Group. The 22 topics were then plotted on a materiality matrix to determine their relative priority to SkyWorld Development's sustainability agenda.

PHASE 5 Validation and Presentation of Material Matrix

The materiality matrix, as well as additional findings from the materiality assessment survey, were presented to the Board for validation. The materiality matrix has been approved and endorsed by the Board.

Sustainability Statement

MATERIALITY MATRIX



- 1 Product Quality and Customer Satisfaction
- 2 Anti-Corruption
- 3 Occupational Health and Safety
- 4 Data Privacy and Security
- 5 Risk Management
- 6 Human and Labour Rights
- 7 Local Communities
- 8 Regulatory Compliance
- 9 Corporate Governance
- 10 Waste Management
- 11 Energy and Emissions Management
- 12 Climate Change
- 13 Diversity and Equality
- 14 Talent Management
- 15 Resource Consumption
- 16 Economic Performance
- 17 Water Consumption
- 18 Innovation and Technology
- 19 Biodiversity
- 20 Landbank
- 21 Supply Chain Governance
- 22 Local Procurement

This materiality matrix was reviewed during the preparation of the SS2024 to ensure its continued relevance and has been endorsed by the Board on 18 July 2024 for presentation in this report. Details of SkyWorld Development’s management approach of these ESG matters are disclosed in the subsequent pages of this report.

Sustainability Statement



ECONOMIC VALUE



SkyWorld Development’s sustainability agenda focuses on creating and sustaining economic value through various strategic areas to meet the needs and expectations of our diverse stakeholders. This includes prioritising economic performance to ensure the long-term financial stability of the company, leveraging innovation and technology to implement cutting edge solutions that enhance our efficiency and competitiveness, and holding steadfast to our commitment to product quality and customer satisfaction commitment to deliver award-winning products that meet our customers’ needs. We also emphasise local procurement to support the economic advancement of the communities where we operate.

These efforts collectively contribute to sustainable value creation and reinforce our commitment to responsible business practices as we pursue financial growth for SkyWorld Development.

Material Topics:



UNSDG Alignment:

<p>Goal 8: Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	
<p>Goal 9: Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	
<p>Goal 10: Reduced Inequalities Reduce inequality within and among countries.</p>	
<p>Goal 11: Sustainable Cities and Communities Make cities and human settlements inclusive, safe, resilient and sustainable</p>	

Sustainability Statement

ECONOMIC PERFORMANCE

SkyWorld Development recognises the crucial role of strong economic performance in sustaining earnings and funding the Group's growth strategies. Aside from meeting our fiduciary responsibility to the company and its shareholders, financial growth is a fundamental prerequisite that strategically impacts our ability to sustain our agenda on the ESG front.

We are committed to continue enhancing the financial value generated for our various stakeholders.



Economic Value Distribution (RM'000)	FY2024	FY2023	FY2022
Total monetary value / spend on Procurement	470,405	563,253	533,825
Total payout to Employees in salaries and benefits	45,547	46,211	41,903
Net taxes paid to Government	42,797	79,234	47,849
Net repayments to Financiers	14,439	(144,777)	(74,234)
Dividend Returns to Shareholders	42,500	-	-
Total:	615,688	543,921	549,343

Indirect Economic Impact

SkyWorld Development's business model generates value beyond quantifiable direct and indirect financial value, propagating socio-economic prosperity through a range of multiplier effects.

For instance, the Group's development activities create job and entrepreneurial opportunities, uplifting the livelihoods for the surrounding communities through our commitment to support local supply chains during procurement.

We also contribute to quality-of-life improvements by empowering homeownership. Quality homes not only provide security and new lifestyle aspirations for homeowners but also serve as a foundation for better overall living standards, including improved healthcare, education, and community engagement.

This is partly enabled as well by SkyWorld Development's prioritisation on the development of transit-adjacent properties such as SkyMeridien Residences, ensuring proximity to public transportation systems to facilitate accessibility to other amenities beyond the immediate vicinity of our developments.

The Group also invests in the construction and enhancement of surrounding amenities and infrastructure, such as recreational parks, SkyArena Sports Complex, and installation of Electric Vehicle ("EV") chargers. Road enhancements are also carried out at our SkySanctuary development to improve the local communities' quality of life. To manage the increased risk of water runoff due to climate change, SkyWorld Development has upgraded the existing drainage systems at our developments, ensuring that it can accommodate heavy rain events.

Championing Affordable & Sustainable Homeownership

SkyWorld Development also supports the government's affordable housing programme, offering high-quality, affordable homes in the nation's capital.

The Group's SkyAwani series of homes in particular were developed as part of the Residensi Wilayah affordable housing programme, priced at RM300,000 per unit to keep these residential units affordable for first-time homeowners and lower income households. Despite the modest price point, these residences scored highly in quality ratings, with SkyAwani V Residences attaining a 5-star SHASSIC* rating, and notably, an 84% QCLASSIC# score – the highest in the country for affordable housing.

Additionally, SkyWorld Development collaborates with financial institutions to enhance buyers' ability to secure home loans. Notably in FY2024, SkyWorld Development embarked on a strategic collaboration with RHB Banking Group to offer a higher margin of 95% financing to promote green-certified homeownership of Vesta Residences and Curvo Residences, exceeding the conventional mortgage's maximum margin of 90%.

Note: # Quality Assessment System in Construction ("QCLASSIC"), evaluated by the Construction Industry Development Board Malaysia ("CIDB")

* CIDB's Safety and Health Assessment System in Construction ("SHASSIC")

Sustainability Statement

INNOVATION AND TECHNOLOGY

In today’s digitised and competitive landscape, technology and innovation are crucial for SkyWorld Development. These elements are central to our success, enabling us to optimise operational efficiencies, meet customer expectations, and maintain a competitive edge.

SkyWorld Development integrates a variety of technologies to streamline operations and enhance stakeholder value. We employ Building Information Modelling to facilitate efficient design and construction processes, and Industrialised Building Systems (“IBS”) are utilised to accelerate project timelines while maintaining high-quality standards. The digitalisation of processes across various departments ensures agility and scalability in our daily operations.

The strategic adoption of cutting-edge technologies not only boosts business and operational efficiencies but also opens new avenues for value creation. This enhances customer experiences, improves productivity, and fosters the development of innovative value propositions.

Furthermore, technology and innovation play a vital role in advancing our sustainability efforts. Through data analytics, we can better monitor, analyse, and reduce energy consumption. Automation through IBS aids in enhancing resource consumption efficiency and reduces waste generation, thereby reducing our environmental impact. It also allows for faster construction time, reducing manual labour load that is increasingly feeling the weather-related impacts of climate change.

These technological implementations empower us to meet and exceed our sustainability goals, shaping a more responsible and resilient future for SkyWorld Development.

PRODUCT QUALITY AND CUSTOMER SATISFACTION

SkyWorld Development remains steadfast in our commitment to delivering high-quality products, recognising the dual benefits of immediate economic value and the cultivation of lasting customer relationships. This commitment positively impacts the Group by enhancing reputation and brand recognition, providing a sales advantage, and improving staff morale.

The Product Function’s Project Management Office is accountable for project quality, while the Customer Advocacy Function’s Customer Relations unit oversees customer satisfaction. An independent Project Audit Team conducts random inspections to monitor project quality.

To ensure product quality and customer satisfaction, SkyWorld Development focuses on adopting innovative designs and construction best practices. The Group has established our own preferred unit layouts, materials specifications, quality frameworks, and customer satisfaction surveys. Key quality frameworks include:



Our dedication to quality is consistently reflected in the outstanding scores we achieve in the QLASSIC, evaluated by the Construction Industry Development Board Malaysia (“CIDB”). QLASSIC provides a framework for assessing the workmanship quality of buildings and structures based on the Construction Industry Standard (“CIS 7”). SkyWorld Development aims to achieve a minimum QLASSIC score of 75% for mid-range products and 70% for affordable housing. Additionally, the Group has targeted to achieve a minimum Bronze GreenRE Certification or GBI Compliant rating for all new High-Rise Developments in Klang Valley by FY2025.

The Group’s QLASSIC and IBS scores are detailed below:

Build Quality Data	Name of Development		
	SkySierra Residences (The Valley)	SkyAwani V Residences	SkyAwani IV Residences
QLASSIC Score	86	84	81
IBS Score	70	73	71

For safe working environment, contractors must comply with the Occupational Safety & Health Act and are assessed by CIDB’s SHASSIC at 50% construction progress. The Company conducts monthly safety inspections, with scores converted into the SkyWorld Development Safety Index. To further demonstrate our commitment to quality, the Company has set the KPI for Project Quality. In the event of non-compliance, the purchaser will get an extension of defect liability period by six months.

Customer satisfaction is crucial to the Group’s sustainability, directly influencing our ability to secure new and recurring business opportunities and strengthen ongoing relationships. We are dedicated to exceeding our customers’ needs and expectations.

Sustainability Statement

Given the diverse nature of our operations, each division sets specific targets and metrics to gauge customer satisfaction. We conduct customer satisfaction surveys during development handovers, providing valuable insights into customer experiences. Pre-Vacant Possession (“VP”) and Post-VP assessments occur annually, with Handing Over Vacant Possession (“HOVP”) surveys conducted based on development handover periods and Customer Experience and Perception (“CEP”) surveys across various programmes, averaging 12 to 16 programmes per year.

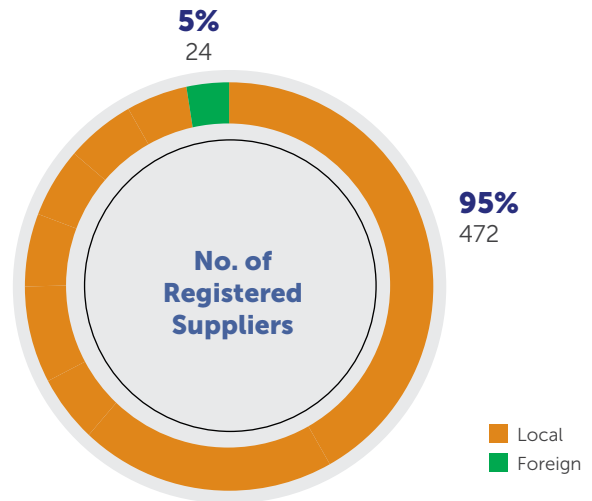
Our customer satisfaction assessments focus on measuring opinions and perceptions towards our products and services, including Purchase Experience, Service Level, App Experience, Product Quality and Design, and Living Experience. The Group also tracks our Net Promoter Score (“NPS”), which measures customer experience and loyalty and allows SkyWorld Development to benchmark our performance against industry standards.

SkyWorld Development aims to consistently achieve a customer satisfaction rate of 90% and above, and an NPS of 78% and above.

Customer Satisfaction & Complaints	FY2024	FY2023	FY2022
NPS	87	92	92
Customer Satisfaction Scores (%)	97.7	98.2	98.2
Customer complaints received	262 cases	344 cases	311 cases
Customer complaints resolved	254 cases	341 cases	305 cases
Number of complaints from regulatory bodies	8 cases	3 cases	nil

LOCAL PROCUREMENT

SkyWorld Development is committed to sustainable procurement and supply chain management, prioritising local suppliers not just out of patriotism, but also as a means to derive environmental and socio-economic benefits.



We define “local” suppliers as those registered in Malaysia, with a preference for those in close proximity to the Group’s operational sites as the shorter transportation distances reduce the Group’s carbon footprint. The timely delivery of materials by local suppliers also helps reduce construction delays and mitigates the impact of cost fluctuations between tender and delivery on the Group’s construction budget.

This focus on local suppliers also maximises the multiplier effect on the local economy by fostering employment opportunities and supporting the growth of small and medium enterprises within Malaysia, thereby contributing to the nation’s economic advancement.

Procurement Targets

X-Series	Signature X-Series	SkyAwani
Minimum	Minimum	Minimum
50% local	60% local	70% local

Exceptions to local procurement are made only when local options cannot meet the required specifications, quality, price point, or timelines. The procurement process is closely monitored by the Contract Department in collaboration with the Product Department and overseen by the CEO.

Sustainability Statement

SkyWorld Development has set specific targets to prioritise local procurement, apportioning the target percentages according to the feasibility and specifications for each of the Group's ongoing and upcoming developments.

Procurement Spend (RM'000)	FY2024	FY2023	FY2022
Total Procurement Spending	470,405	563,253	533,825
Total Local Procurement Spending	470,296	563,203	533,816
Total Foreign Procurement Spending	108	50	9
Proportion of Spending on Local Suppliers	99.98%	99.99%	99.99%

This approach has proven effective, as 99.98% of the Group's total procurement spend in FY2024 was directed to local suppliers. Out of 496 suppliers registered in the Group's database, 472 are local suppliers, which is equivalent to 95.16%. By prioritising local procurement, SkyWorld Development not only enhances our operational efficiency but also strengthens the local economy and supports sustainable development.



Sustainability Statement



ENVIRONMENTAL IMPACT



Responsible environmental management is crucial for preserving the natural capital of SkyWorld Development, as our business model heavily relies on the sustainable use and continued availability of strategic landbank. Hence, SkyWorld Development adopts a precautionary approach to environmental management, aiming to avoid or minimise negative impacts arising from our operations through responsible management of our energy use, emissions generation, water consumption, waste generation and disposal, and resource consumption.

We are committed to combating climate change and preserving the planet’s natural biodiversity, implementing eco-friendly practices, embracing green building principles and prioritising compliance with all relevant environmental regulatory requirements to deliver on our promise to ‘Make Living Better’ as the ‘Always Best City Developer’.

Material Topics:



UNSDG Alignment:

<p>Goal 9: Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation.</p>	
<p>Goal 11: Sustainable Cities and Communities Make cities and human settlements inclusive, safe, resilient and sustainable.</p>	
<p>Goal 13: Climate Action Take urgent action to combat climate change and its impacts.</p>	
<p>Goal 15: Life on Land Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.</p>	

Sustainability Statement

CLIMATE CHANGE

SkyWorld Development recognises the property industry’s significant contribution to climate change and is committed to limiting global temperature rise to 1.5°C, supporting Malaysia’s Nationally Determined Contributions (“NDC”) to the global climate action frameworks like the Kyoto Protocol and the Paris Agreement.

Climate change presents both risks and opportunities for our business, with extreme weather events, such as heatwaves, rising sea levels, and floods, potentially disrupting construction, diminishing property values, and impacting community quality of life. Poor mitigation efforts can also pose a reputational and financial risk to SkyWorld Development, especially given the growing environmental awareness and concern among younger homeowners.

The Board acknowledges ultimate accountability and provides oversight on the management of climate change risks and opportunities. The CEO is responsible at the Board level for climate-related matters.

Climate Adaptation and Mitigation

Recognising the opportunity to enhance our competitiveness, brand appeal and organisational resilience through proactive climate action, the Group has been focusing our efforts on improving energy and resource consumption efficiency to limit greenhouse gas emissions, and is championing initiatives like green certifications, energy-efficient fixtures, green space allocations, and the installation of EV infrastructure in our developments.

Additionally, SkyWorld Development is establishing a Climate Change Policy to formalise our commitments on this front. The Group is also fast-tracking adoption of the TCFD framework before the compliance due date.

To that end, SkyWorld Development has invested RM18,773 to conduct a climate change workshop in FY2024. With guidance from the Group’s appointed external ESG consultant and the collective input from our Management and the heads of the Group’s various operations, SkyWorld Development has successfully identified our physical and transitional climate change risks and opportunities at this cross functional workshop. Based on climate scenarios like the NGFS Net Zero and RCP 4.5, which aim to limit global warming to 1.5°C and 2.4°C above pre-industrial levels, we have also developed adaptation and mitigation plans to address the various potential business and operational challenges arising from these scenarios.

The findings from this workshop and the resulting climate change report are summarised in the TCFD section of this report, while the risks, opportunities and mitigation plans identified will be used to guide the Group’s strategy setting and financial planning efforts going forward.

Several climate mitigation and adaptations measures are currently being implemented at our Vesta Residence development:



- ✓ Mandating the use of architectural materials that comply with the local code and standards for Residential Envelope Transmittance Value (“RETV”), roof insulation applications, and hardscape and roof applications
- ✓ Prioritising green products and building materials
- ✓ Selecting materials that are low in Volatile Organic Compounds (“VOC”) and formaldehyde for adhesives, sealants, interior paints and coatings, and flooring
- ✓ Installation of water efficient fittings, water usage monitoring devices, rainwater harvesting systems and siphonic rainwater discharge systems
- ✓ Selecting drought-tolerant plant species for landscaping
- ✓ Selecting energy efficient unitary air conditioners and lifts/ vertical transportation systems
- ✓ Empowering low carbon mobility through masterplanning, installation of EV charging stations, and provision of bicycle parking lots
- ✓ Mandating the installation of Solar Photovoltaic systems to cover at least 30% of total roof area
- ✓ Installing pneumatic waste collection system to ensure efficient waste management for residents
- ✓ Requiring indoor environmental quality verification such as air quality, noise level, daylighting and artificial lighting system
- ✓ Reducing soil and air-borne pollution caused by construction activities by preparing Erosion and Sedimentation Control Plan in compliance with Manual Saliran Mesra Alam (“MSMA”), or Urban Stormwater Management Manual) requirements before the commencement of construction
- ✓ Monitoring of electricity, water and fuel consumption efficiency throughout construction
- ✓ Tracking waste generated and sent for recycling during construction

Sustainability Statement

Climate Action through Commitments and Collaborations

To ensure effective climate action management, we are committed to establishing quantitative GHG emissions reduction targets and are enhancing our data collection processes to support this. In the meantime, process targets adopted by the Group in FY2024 include initiatives to support renewable energy adoption, green building practices, and energy-efficient fixtures (see ESG KPIs and Targets on page 57).

These targets and initiatives serve to align our climate change journey with Malaysia's Net Zero aspirations, supporting the National Energy Transition Roadmap ("NETR"), Low Carbon Cities Framework ("LCCF"), and the National Low Carbon Cities Masterplan.

Given the importance of these targets, the Board and Management of SkyWorld Development has committed to align the achievement of these targets to their remuneration and are working on establishing the mechanism to that end.

Additionally, SkyWorld Development is also catalysing climate action through memberships in organisations that share knowledge and best practices on green energy transition, green building, and emissions reduction. We are committed to take appropriate action to ensure consistency between our climate change policy and the positions taken by our trade associations. At the moment, SkyWorld Development has deemed our trade associations' position on climate change to be aligned with ours.



REHDA

REHDA actively supports climate action and sustainable practices through collaborations with developers and government agencies to create a more conducive environment within the real estate and construction industry.

SkyWorld Development has embraced REHDA's green building and carbon-rating tool, Green Real Estate (GreenRE), with a commitment to achieve Bronze GreenRE or GBI-Compliant rating for all our new high-rise developments by FY2025.

ENERGY AND EMISSIONS MANAGEMENT

SkyWorld Development is committed to efficient energy and emissions management as we recognise that the real estate sector is an energy-intensive operations. Higher energy consumption leads to increased operational costs and contributes to higher carbon dioxide emissions, adversely affecting the environment. As electricity is also vital for modern life and is used extensively for lighting, heating, cooling and operating home appliances, we are committed to dedicate our efforts not just to reduce energy consumption of our business activities, but to innovate our development designs to be less energy intensive across the buildings' life cycles.

The Group's principal sources of energy is from diesel consumption for our development sites, and electricity sourced from the national grid for our office, sales gallery and property showrooms. To minimise and avoid the emissions impact from these, we have formed a research and development department to explore the adoption of alternative renewable energy sources in our operations. Additionally, we have adopted smart systems to control electricity usage in our buildings, incorporating sensor-controlled light fittings and air-conditioning systems at our headquarters and ensuring efficient scheduling of facilities usage like meeting rooms.

SkyWorld Development has implemented smart meters in all developments managed by us, namely SAMA Square and SkyBlox. Smart meters are also adopted at some of the developments of the Group such as SkyAwani IV Residences and SkyAwani V Residences, allowing residents to track energy usage on their phones to ensure efficiency. Building Management Systems are also implemented in some of our sites such as SkyLuxe on The Park Residences, SkyAwani Residences, SkyAwani IV Residences, Ascenda Residences and SkyMeridien Residences.

Ongoing developments are meticulously designed with LED light fittings and distinct electrical wire circuits, ensuring minimal use of artificial lighting during peak and off-peak hours through well-defined zoning. Completed developments from the past are also retrofitted with LED light fittings in the car park podium area, effectively reducing overall electricity consumption.

SkyWorld Development is also committed to the adoption of renewable energy across its developments. Currently, three of our developments, Vesta Residences and Curvo Residences, and the upcoming SkyRia by the Hills Residences, utilise renewable energy sources, highlighting our dedication to sustainable practices and reducing our carbon footprint.

Our commitment to energy efficiency and emissions reduction is an ongoing effort, and we are dedicated to improving our practices continuously. We are actively working towards developing comprehensive policies, closing present data gaps, and setting measurable goals to enhance our energy management approach.

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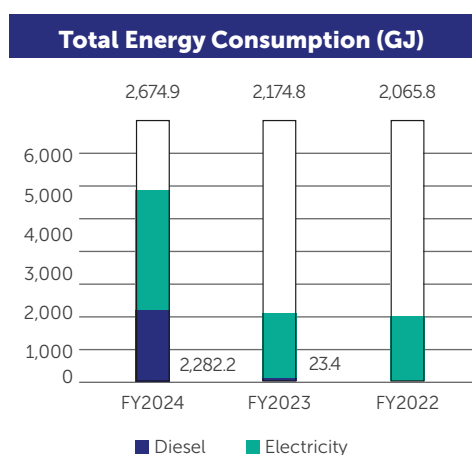
Prioritising Energy Efficiency

In FY2024, we have kicked off the environmental data collection process for three of our development sites, which included Scope 1 direct energy consumption data for the first time. Our electricity consumption data for Scope 2 has also expanded in scope to include two sales galleries to provide a more accurate view of the Group's total energy demands.

The insights gained from more precise monitoring and analysis of energy use patterns will enable SkyWorld Development to identify any wastages and subsequently implement targeted measures to improve energy efficiency, ultimately reducing costs and minimising environmental impact.

Diesel Consumption (in Litres)	FY2024	FY2023	FY2022
Development sites:			
Edgewood Residences	765	656	-
Curvo Residences	60,000	-	-
Vesta Residences	3,200	-	-
Total:	63,965	656	-

Total Electricity Consumption (in kWh)	FY2024	FY2023	FY2022
Sales Galleries:			
Setiawangsa	135,659	118,543	39,697
Setapak	407,860	337,424	369,436
Headquarters Office	199,520	148,150	164,710
Total:	743,039	604,117	573,843



Energy Intensity	FY2024	FY2023	FY2022
Total Energy (GJ)	4,957.2	2,198.2	2,065.8
Revenue (RM'mil)	688.0	841.4	790.4
Energy Intensity (GJ/RM'mil)	7.2	2.6	2.6

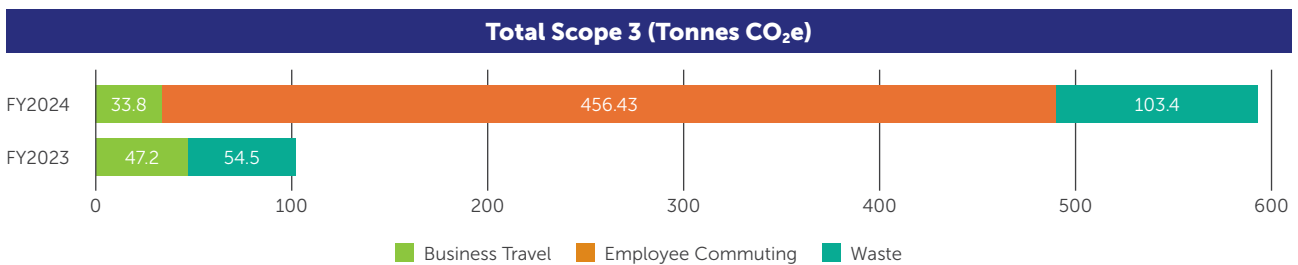
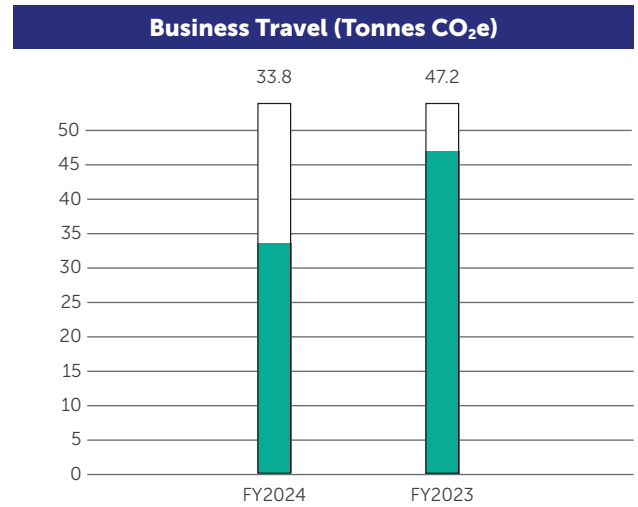
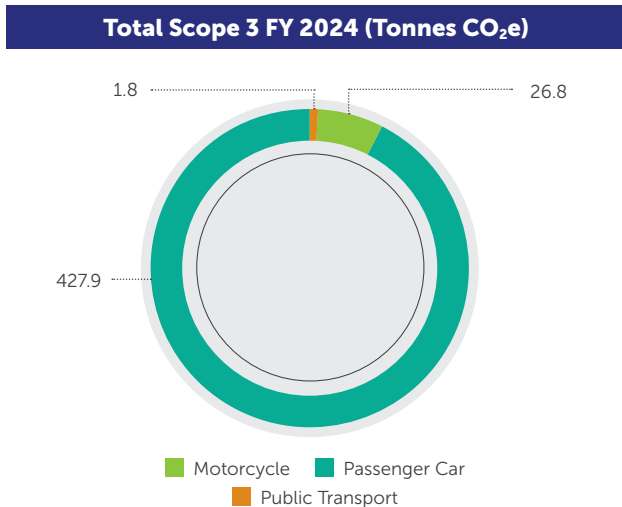
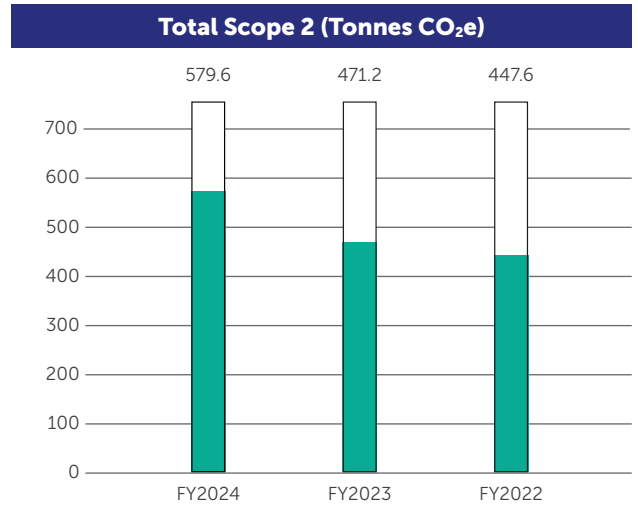
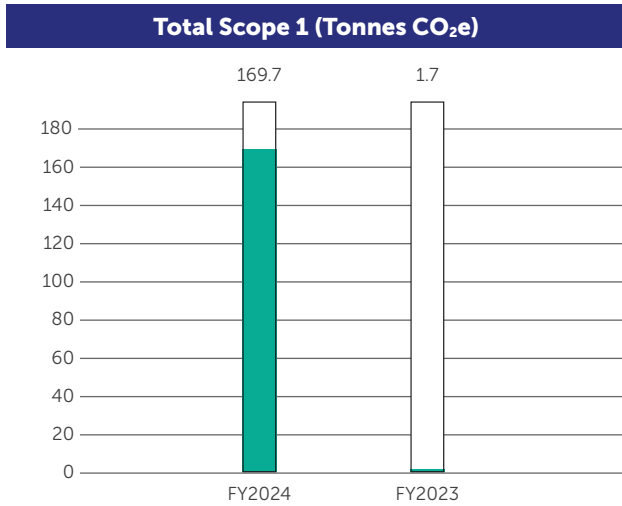
Note: The energy data above is scoped to the Edgewood Residences, Curvo Residences and Vesta Residences development sites, the Setiawangsa and Setapak Sales Galleries, and Headquarters Office only.

In FY2024, SkyWorld Development experienced an increase in electricity consumption compared to the previous year. This was primarily due to the extension of a new block at the Company Headquarters, which resulted in increased floor space and a corresponding rise in electricity usage.

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Minimising GHG Emissions

With the inclusion of diesel consumption data, SkyWorld Development is pleased to incorporate Scope 1 emissions data in our carbon accounting for FY2024. We have also collected Scope 3 emissions data for the dimensions of Business Travel and Employee Commuting for disclosure in this report.



Emission Intensity	FY2024	FY2023	FY2022
Total Emission (tCO ₂ e)	1,342.9	574.6	447.6
Revenue (RM'mil)	688.0	841.4	790.4
Emission Intensity (tCO ₂ e/RM'mil)	2.0	0.7	0.6

Note: The emissions data above are scoped to the Edgewood Residences, Curvo Residences and Vesta Residences development sites, the Setiawangsa and Setapak Sales Galleries, and Headquarters Office only.

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WATER CONSUMPTION

SkyWorld Development recognises that access to clean water, sanitation, and hygiene is a human right crucial for health, poverty reduction, and food security. According to the World Resource Institute's Aqueduct Water Risk Atlas Tool, Malaysia is not considered a water stressed nation. Hence at present, none (0%) of the Group's ongoing and completed developments, including those scoped in this report, is located in water-stressed region.

As a city developer, SkyWorld Development recognises that the water infrastructure of Klang Valley where we primarily operate, faces stress from the demands of a growing urban population, as well as the increasing impact of a warming world which exacerbates water scarcity issues. Disruption of water supply can have detrimental effects on the lives of our community, as well as the efficiency of our business operations.

We are committed to ensure efficient water management across our operations to reduce our water consumption and conserve this precious resource. Water consumed by SkyWorld Development is primarily sourced from municipal supplies.

Water Withdrawal Breakdown by Source (m ³)	FY2024	FY2023	FY2022
Surface water from rivers, lakes, natural ponds	0	0	0
Groundwater from wells, boreholes	0	0	0
Used quarry water collected from the quarry	0	0	0
Municipal potable water	19,634.8	12,896.3	4,437.0
External wastewater	0	0	0
Harvested rainwater*	-	-	-
Sea water, water extracted from the sea or the ocean	0	0	0
Total:	19,634.8	12,896.3	4,437.0

* While SkyWorld Development employs rainwater harvesting systems in its developments, the amount of water collected and utilised from these systems is not measured or recorded presently.

The Company is committed to enhancing our water consumption efficiency, implementing water reduction strategies and incorporating water management plans at every stage of development. This includes the implementation of Rainwater Harvesting Tanks in all our developments to reduce dependency on municipal water for landscape irrigation and maintenance. Only the temporary structures of our managed assets at SkyBlox and SAMA Square does not utilise rainwater harvesting. In total, 14 out of 16 sites are equipped with a water recycling system as part of its water management plan, representing 87.5% of the Group's operations.

Development Name	Location	Rainwater Harvesting Adoption
Completed Developments		
Ascenda Residences	Setapak	Yes
Bennington Residences	Setapak	Yes
SkyLuxe on The Park Residences	Bukit Jalil	Yes
SkyMeridien Residences	Sentul	Yes
SkySierra Residences (The Valley)	Setiawangsa	Yes
SkyAwani Residences	Sentul	Yes
SkyAwani II Residences	Sentul	Yes
SkyAwani III Residences	Setapak	Yes
SkyAwani IV Residences	Setapak	Yes
SkyAwani V Residences	Sentul	Yes
SkyBlox	Setapak	No
SAMA Square	Setapak	No
On-going Developments		
SkyVogue Residences	Taman Desa	Yes
EdgeWood Residences	Setapak	Yes
Curvo Residences	Setapak	Yes
Vesta Residences	Setiawangsa	Yes

Sustainability Statement

Additionally, SkyWorld Development collaborates with consultants and contractors on the daily construction water management. Although there are no independent verifications of water use data or formal water use policies, the Company is working towards establishing comprehensive water management plans, including potential investments in research & development to mitigate water-related risks. For instance, we have required the appointed contractor of Vesta Residences to use water efficient fittings with at least Water Efficiency Labelling Scheme (“WELS”) 2-tick rated or its equivalent on the development and to install permanent water meters for water usage monitoring.

Through these efforts, SkyWorld Development aims to ensure sustainable water use while maintaining compliance with regulatory standards. We are pleased to report that there have been no incidents of non-compliance with water quality or quantity standards in FY2024. SkyWorld Development consumes 100% of the water withdrawn from municipal sources. The Group did not withdraw or consume water in water stressed regions over the past 3 years.

Total Water Withdrawal and Consumption Volume (m ³)	FY2024	FY2023	FY2022
Development Sites:			
EdgeWood Residences	6.3	3.2	-
Curvo Residences	1,668.0	-	-
Vesta Residences	2,503.0	-	-
Sales Galleries:			
Setiawangsa	6,764.0	5,393.0	1,928.0
Setapak	6,888.0	4,870.0	2,509.0
Headquarters Office:	1,805.5	2,630.0	5,940.0
Total:	19,634.8	12,896.3	4,437.0

This data is compiled from the Group’s municipal water bill records. The increase in water usage can be attributed to the addition of a new block at the Headquarters, resulting in expanded floor space and increased staff. Nevertheless, we pleased to note that the water consumption at our Headquarters Office has decreased from 2,314.4m³ in FY2023 to 1,806m³ in FY2024, which translated to a savings of RM1,018 from this reduction.







Water Intensity	FY2024	FY2023	FY2022
Total Water Consumption (m ³)	19,634.8	12,896.3	4,437.0
Revenue (RM'mil)	688.0	841.1	790.4
Water Intensity (m ³ /RM'mil)	28.5	15.3	5.6

Note: The Water Withdrawal and Consumption data above are scoped to the Edgewood Residences, Curvo Residences and Vesta Residences development sites, the Setiawangsa and Setapak Sales Galleries, and Headquarters Office only.

WASTE MANAGEMENT

SkyWorld Development is committed to efficient waste management, recognising that our construction activities generate significant waste that requires proper handling and disposal to avoid pollution and the associated negative health impacts on nearby communities. Efficient waste management and waste reduction are crucial as it reduces costs associated with the processing and disposal of waste materials, as not all construction wastes can be reused or recycled. Improper disposal can also lead to environmental degradation, including increased landfill use and incineration, contributing to pollution.

To address these challenges, SkyWorld Development has implemented comprehensive waste reduction strategies and several initiatives to drive waste reduction and efficiency, demonstrating our commitment to sustainable development and environmental stewardship.

- 
Green Building Adoption:
 Prioritise Green Building Index and Green Real Estate certifications to ensure resource consumption efficiency and reduce waste generation
- 
Design Optimisation:
 Detailed reviews of construction drawings to minimise waste during execution
- 
Material Efficiency:
 Adoption of Industrialised Building Systems (IBS) and the use of aluminium system formwork to reduce material wastage
- 
On-Site Management:
 Strict monitoring of construction sequences and adherence to Inspection Test Plans (ITP) to prevent rework and material wastage
- 
Adopting 3R Principles:
 We are focused on reducing waste generation, reusing materials wherever possible, and promoting recycling initiatives
- 
Regulatory Compliance:
 Our operations strictly adhere to the Environmental Quality (Scheduled Wastes) Regulations of 2005

Sustainability Statement

The appointed main contractors are responsible for engaging waste companies to collect and dispose waste at the Group's development sites. At the same time, the Company collaborates with consultants, contractors, and suppliers to find ways to reduce waste generation throughout its operations, beginning with the strengthening of data collection processes. The Group has set a target to establish 3-year baseline data of non-hazardous waste diverted from disposal by FY2027 as a means to prioritise waste reduction and promote the 3R principles.

Waste (Tonnes)	FY2024	FY2023	FY2022
Waste Directed to Disposal:			
EdgeWood Residences	980.0	585.0	-
Curvo Residences	96.0	-	-
Vesta Residences	10.6	-	-
Waste Diverted from Disposal:			
EdgeWood Residences	0	0	-
Curvo Residences	0	-	-
Vesta Residences	23.8	-	-
Total Waste Generated:	1,110.4	585.0	-

Note: Waste data is scoped to the EdgeWood Residences, Curvo Residences and Vesta Residences development sites only.

RESOURCE CONSUMPTION

SkyWorld Development acknowledges the growing issue of resource scarcity and the critical need for efficient resource consumption in our operations, which utilises construction raw materials sourced from nature that poses significant risks to ecosystems.

To ensure responsible resource management to minimise this impact, SkyWorld Development employs value engineering exercises during the project design and development stages to source alternative, sustainable materials that adhere to our requirements. SkyWorld Development has also adopted the green building principles in all developments to maximise recycling and reusing of materials. We have sought green building certification for some of our projects. Out of 16 completed and ongoing developments of the Group, 6 (37.5%) are GRI certified while 2 (12.5%) are GreenRE rated.

Development Name	Location	GRI Rating	Year of Issue	Status
Bennington Residences	Setapak	Certified	2016	Completed
SkyLuxe on The Park Residences	Bukit Jalil	Certified	2021	Completed
SkyMeridien Residences	Sentul	Certified	2023	Completed
SkySierra Residences (The Valley)	Setiawangsa	Certified	2020	Completed
SkyVogue Residences	Taman Desa	Certified	2021	Under Construction
Curvo Residences	Setapak	Certified	2024	Under Construction

Sustainability Statement

This initiative involves close collaboration with consultants and contractors to comply with GBI and GreenRE requirements. Construction materials consumed in the course of our development activities include cement, reinforcement bars, bricks, tiles, aluminium window frames, timber, plasterboard, and machinery and equipment ("M&E"). We have begun data collection processes at three development sites in FY2024 to track their consumption. This voluntary alignment with Bursa Securities recommended disclosure demonstrates our commitment to reducing our environmental impact through sustainable resource consumption.

Material Consumption (Tonnes)	FY2024
Wood	42.0
Cement	492.5
Crusher run	2,500.0
Reinforced steel bar	5,202.0
Total:	8,236.5

Note: Material Consumption data is scoped to the EdgeWood Residences, Curvo Residences and Vesta Residences development sites only.

BIODIVERSITY

SkyWorld Development recognises the critical importance of biodiversity and is committed to reducing or avoiding negative impacts on natural habitats, flora, fauna, and particularly any species listed on the International Union for Conservation of Nature ("IUCN") Red List of Threatened Species. Although as an urban developer, SkyWorld Development's biodiversity risk exposure is relatively lower than companies adopting a township development model, we nevertheless embrace our responsibility in preserving biodiversity while pursuing sustainable development.

None of SkyWorld Development's completed or ongoing developments are located in or adjacent to sites with high biodiversity value, and hence, the Department of Environment did not require an Environmental Impact Assessment ("EIA") to be conducted. However, part of our planned development in Taman Melawati includes portions of a protected forest reserve within the 9.5 acres of allocated landbanks, while the planned site for SkyAmanyi in Cheras requires land clearing. To minimise our biodiversity in these areas, we are undertaking the necessary biodiversity assessments prior to commencement of development. These assessments will help determine the ecological value of the site and establish conservation priorities before construction begins. As at FY2024, the Group has assessed 11.11% of its operations for biodiversity risks.

Development Name	Location	In or Adjacent to Sites with High Biodiversity Value	EIA Required
Completed Developments			
Ascenda Residences	Setapak	No	No
Bennington Residences	Setapak	No	No
SkyLuxe on The Park Residences	Bukit Jalil	No	No
SkyMeridien Residences	Sentul	No	No
SkySierra Residences (The Valley)	Setiawangsa	No	No
SkyAwani Residences	Sentul	No	No
SkyAwani II Residences	Sentul	No	No
SkyAwani III Residences	Setapak	No	No
SkyAwani IV Residences	Setapak	No	No
SkyAwani V Residences	Sentul	No	No
SkyBlox	Setapak	No	No
SAMA Square	Setapak	No	No

Sustainability Statement

Development Name	Location	In or Adjacent to Sites with High Biodiversity Value	EIA Required
On-going Developments			
SkyVogue Residences	Taman Desa	No	No
EdgeWood Residences	Setapak	No	No
Curvo Residences	Setapak	No	No
Vesta Residences	Setiawangsa	No	No
Upcoming Developments			
SkyRia by The Hills Residences	Taman Melawati	Yes	Yes
SkyAmanyi Residences	Cheras	Yes	Yes

In addition, SkyWorld Development has set a target to provide more than 10% of green spaces from the development area in all high-rise developments in Klang Valley by FY2025. This initiative aims to enhance urban biodiversity, creating habitats for various species and contributing to the overall ecological health of the urban environment. Our commitment to biodiversity underscores our dedication to sustainable development and environmental stewardship.

LANDBANK

As part of our commitment to sustainable development, SkyWorld Development places significant emphasis on responsible landbank management. Our approach ensures that all lands acquired and utilised aligns with our environmental sustainability goals and supports the development of vibrant, sustainable communities.

We carefully evaluate potential land acquisitions based on several environmental criteria, including biodiversity impacts, proximity to protected areas, and potential for ecosystem restoration. We also take into consideration risks associated with climate change, such as flood risks of potential sites. This rigorous assessment helps us minimise negative environmental impacts and ensures that our growth contributes positively to the environment and the communities we serve.





57.5 acres

of Reserve Landbanks
in Klang Valley

Sustainability Statement



SOCIAL RESPONSIBILITY



SkyWorld Development is committed to 'putting people first' in all that we do – from the employees and workers who carry out the day-to-day activities of our operations, to the communities where we operate.

As a socially responsible organisation, we believe that upholding sound human and labour rights practices is paramount to ensure the creation of a safe and healthy workplace where our people can thrive as they support the growth of our business. The principles of equality, diversity and inclusivity forms the basis of our talent management and community engagement strategy, helping to ensure the creation of an inclusive and equitable future for all our stakeholders.

Material Topics:

Human and Labour Rights	Diversity and Equality	Talent Management	Occupational Health and Safety	Local Communities
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UNSDG Alignment:

<p>Goal 3: Good Health and Well-being</p> <p>Ensure healthy lives and promote well-being for all at all ages.</p>	
<p>Goal 4: Quality Education</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.</p>	
<p>Goal 5: Gender Equality</p> <p>Achieve gender equality and empower all women and girls.</p>	
<p>Goal 8: Decent Work and Economic Growth</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	

Sustainability Statement

HUMAN AND LABOUR RIGHTS

SkyWorld Development adheres to the principles of basic human rights and complies with all relevant Malaysian labour laws, including the Malaysian Employment Act 1995, as well as other applicable regulations in the regions where we operate. Beyond mere compliance, SkyWorld Development is dedicated to implementing best practices in labour standards across the Group.

In support of human rights, SkyWorld Development aligns with the International Bill of Human Rights and the following guidelines and practices:

 <p>Universal Declaration of Human Rights ("UDHR")</p>	 <p>International Labour Organization ("ILO")'s Declaration on Fundamental Principles and Rights at Work</p>	 <p>UN Guiding Principles on Business and Human Rights ("UNGPs")</p>	 <p>10 Principles of the United Nations Global Compact ("UNGC")</p>
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Other labour practices and commitments adopted by the Group include compliance with the local laws on the following:

 <p>Ensuring equal opportunity and non-discrimination of Race, Religion, Gender, Age, Marital Status, Nationality, and Disability</p>	 <p>Respecting workers' right to dignity at work</p>	 <p>Supporting a harassment-free and violence-free workplace</p>	 <p>Prohibiting retaliation or any form of physical and mental disciplinary practice</p>
 <p>Upholding employees' right to freedom of association</p>	 <p>Respecting workers' right to collective bargaining</p>	 <p>Ensuring compliance with Minimum Wage Order 2022 and laws governing working hours and fair compensation</p>	 <p>Prohibition and prevention of forced labour, debt bondage, human trafficking and all forms of modern slavery</p>
 <p>Recognition of children's rights and prohibition and prevention of child labour</p>	 <p>Respecting employees' right to minimum notice periods</p>	 <p>Respecting people's right to their own culture, to practice their religion and to speak their language</p>	 <p>Upholding the right to safe working conditions</p>  <p>Eliminating Excessive Working Hours</p>

In addition to the Group's employees, vendors, suppliers and contractors engaged by SkyWorld Development is also guided by these same commitments.

SkyWorld Development is committed to integrating human rights principles into our business practices, with a comprehensive Human Rights Policy that is currently being developed. Our human rights commitments are conveyed during the employee induction process and are reinforced through the availability of relevant documents on the company intranet, such as the Code of Conduct. Additionally, these commitments are highlighted in our annual Sustainability Reports.

By ensuring that our human rights principles are clearly communicated and accessible to all stakeholders, including business partners and employees, SkyWorld Development aims to foster a culture of respect and responsibility throughout the organisation and among our external partners.

Sustainability Statement

Human Rights Due Diligence in the Supply Chain

SkyWorld Development is firmly against any form of human rights violations, whether directly within our property development operations or throughout our supply chain. Oversight responsibility for this issue has been assigned to the Chief Compliance Officer who is also our Executive Director, while the day-to-day responsibilities for preventing and monitoring human rights risks are managed collectively by the Risk Working Committee, and operations and talent departments. Appropriate human capital and financial resources are allocated to support effective management.

All workers, including those employed by third-party contractors or subcontractors, must be treated with dignity and work in safe conditions. Going forward, we aim to ensure that contractors acknowledge

their commitment to comply with Malaysian laws concerning human rights, labour standards, worker welfare, child labour, and human trafficking. Failure to adhere to these commitments will result in serious consequences, including the termination of the supplier’s services and reporting the party to relevant authorities for legal action.

SkyWorld Development assesses labour risk issues and human rights impacts on an ongoing basis as part of our core business processes and supply chain due diligence for new procurement partners. The human rights issues identified as most salient to SkyWorld Development in the property development sector, along with our prevention plans, are disclosed below. These issues have been identified through internal risk assessments conducted as part of our sustainability strategy and through engagement with stakeholders to address their concerns and identify key human rights risks for SkyWorld Development.

Human Rights Issues	Prevention Plan
Ensuring the protection of workers from occupational hazards and accidents	<ul style="list-style-type: none"> • Providing adequate safety training and equipment • Establishing emergency response procedures
Upholding workers’ right to representation, freedom of association, and to form and join unions for collective bargaining	<ul style="list-style-type: none"> • Employees are entitled to join, endorse or take part in any organisation, cultural or professional society or political group, as long as it does not violate the law • At the moment, the Group’s employees and workers have not requested the establishment of a union or any other representative body to advocate for their rights or exercise their entitlement to collective bargaining
Prevention of modern slavery such as bonded or forced labour, excessive work hours and unfair compensation	<ul style="list-style-type: none"> • Conducting due diligence on suppliers and contractors • Providing training and raising awareness for workers • Ensuring fair compensation through commitment to equal pay for equal work

In FY2024, SkyWorld Development successfully maintained our track record of no reported incidents of non-compliance with labour standards or human rights violations. There were no instances of child labour, human trafficking, or forced or compulsory labour throughout the fiscal year. Additionally, SkyWorld Development has no history of human rights breaches involving the rights of indigenous people.

Grievance Mechanism

SkyWorld Development provides safe channels for employees and stakeholders to report misconduct, bullying, grievances, or concerns related to regulatory or policy non-compliance, harassment, human rights exploitation, and other issues. These can be reported anonymously and without fear of reprisal, either directly to managers, human resource representatives, or through our confidential whistleblowing channel accessible to all internal and external stakeholders. SkyWorld Development is committed to investigating all grievances and concerns promptly and ensuring remedies for affected parties where the organisation has caused or contributed to negative impacts.

Sustainability Statement

Minimum Notice Period

SkyWorld Development aims to minimise the impact of major operational changes on employees by providing a minimum notice period for changes in duties or work location. The specific notice period varies depending on the nature and extent of the change, while changes to employee benefits or employment conditions are communicated at least one month prior to implementation. The Group is dedicated to giving employees sufficient time to seek clarification about changes and to express any concerns or grievances to their immediate supervisor or the Human Resources department.

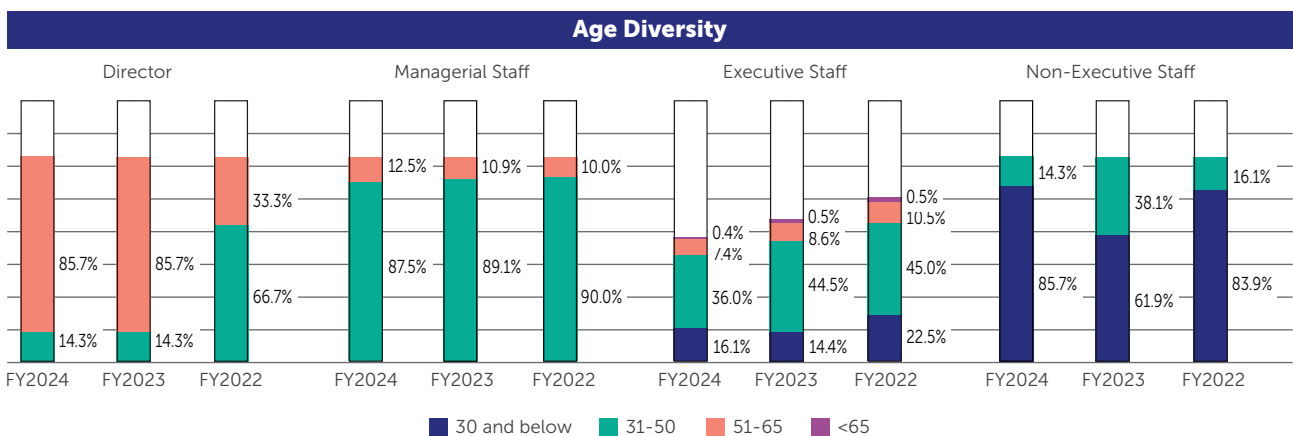
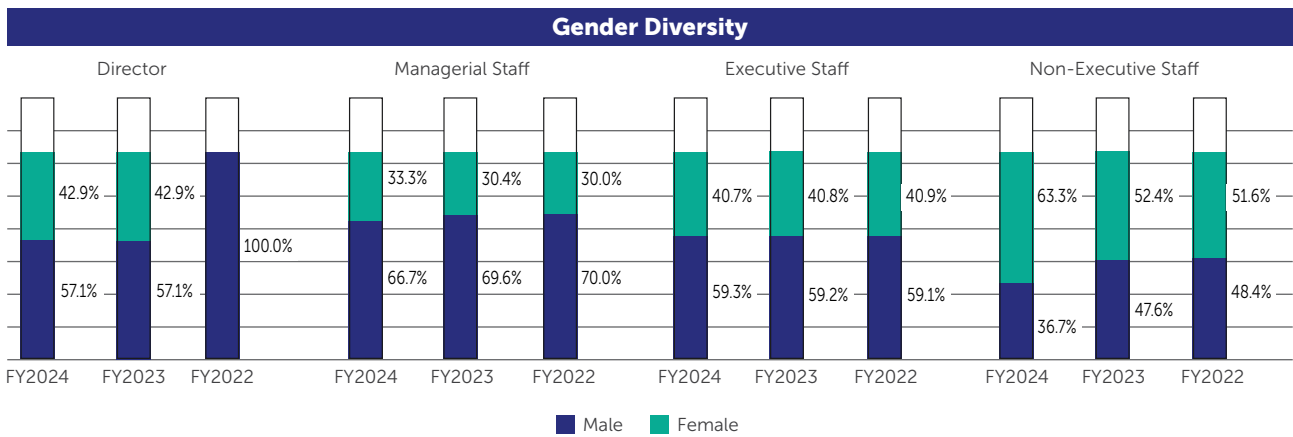
In FY2024, there were no complaints received regarding operational changes.

DIVERSITY AND EQUALITY

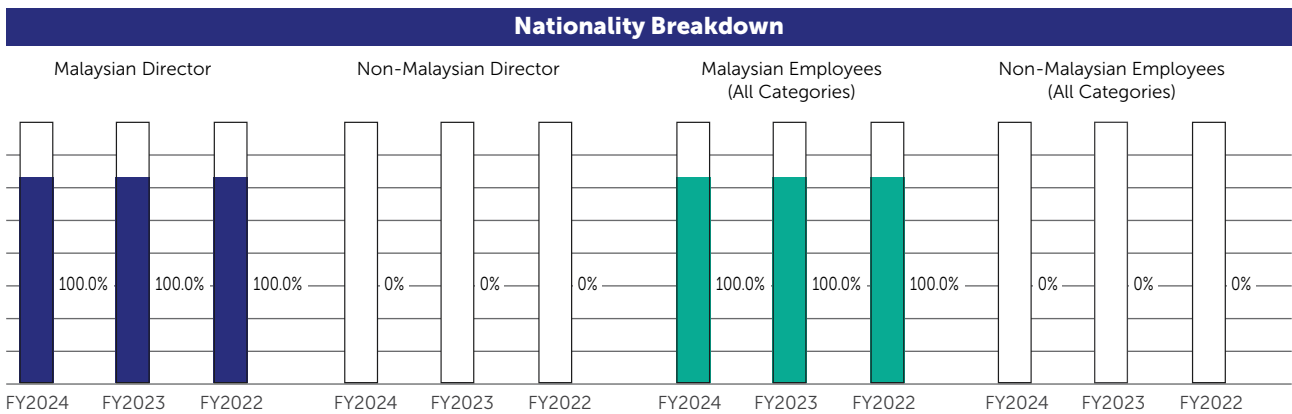
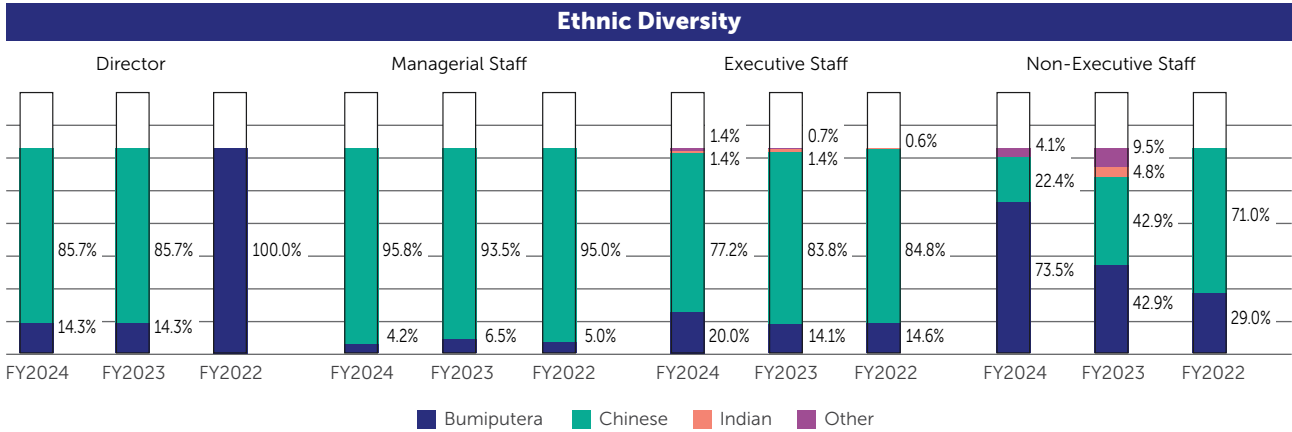
SkyWorld Development recognises that a diverse workforce is integral to the success of our day-to-day operations. The collective skills, expertise, and experiences of our employees constitute a vital part of our intellectual capital, directly influencing the Group’s ongoing achievements and growth.

We are committed to creating a diverse and inclusive workplace, where every employee has an equal opportunity to succeed regardless of their age, gender, race, religion, sexual orientation, disability, or nationality, and fostering an environment where employees can be their authentic selves without fear of discrimination. Our goal is to create an inclusive atmosphere that attracts a skilled and diverse workforce from all segments of society, encouraging collaboration and creativity among employees to enhance SkyWorld Development’s competitive edge in the property development sector. Our selection process during recruitment is designed to be equitable and based on merit, ensuring that all employees have the opportunity to thrive and contribute to the Group’s success.

While we do not discriminate on the basis of nationality, SkyWorld Development is committed to the hiring of locals, prioritising the employment of citizens from the country where the operation is located. Qualified candidates from other nationalities that are in compliance with local employment and immigration laws are given due consideration in our hiring process.



Sustainability Statement



Disability Breakdown	FY2024	FY2023	FY2022
Directors with Disabilities	0%	0%	0%
Staff with Disabilities (All Categories)	0%	0%	0%

Additionally, SkyWorld Development supports the hiring of fresh graduates and provide internship opportunities to reduce youth unemployment. In line with the Sustainable Development Goal 4: Quality Education, we invest in the future of students who intern with us. We expose our people to real-world scenarios and provide hands-on experiential learning, contributing to our emergence as an award-winning employer. While this strategy enhances our potential talent pool, it equips the interns with market-ready skills to be sought-after talents in any field, anywhere.

Empowering the Underrepresented

While SkyWorld Development’s talent management philosophy is rooted in merit-based principles, we aspire to enhance employment opportunities for traditionally underrepresented, marginalised, or vulnerable groups.

Aligned with this approach, SkyWorld Development is committed to fostering an inclusive environment. This commitment extends to our property designs, ensuring that all developments comply with local accessibility standards and regulations.

By promoting social mobility and inclusivity, SkyWorld Development aims to empower underrepresented communities and ensure that all individuals have equal opportunities within our operations and developments. Going forward, we aim to include disability data in our diversity indicators tracked as part of our annual sustainability reporting to strengthen our commitment on this front.

Sustainability Statement

TALENT MANAGEMENT

SkyWorld Development recognises the pivotal role of human capital in the Group’s success. Therefore, the Board and Management maintain vigilant oversight on talent management and development. This includes overseeing staff retention strategies, which are implemented by the Group’s Human Resources Department. These strategies adopt a comprehensive approach, incorporating principles of equality, diversity, and inclusivity across all facets – from hiring to retention, compensation, rewards, and professional development – with the goal of fostering employee satisfaction and driving organisational excellence.

Workforce Breakdown	FY2024	FY2023	FY2022
Women in Global Workforce	43.8%	39.7%	40.4%
Permanent Staff	86.0%	97.0%	93.0%
Temporary/Contract Staff	14.0%	3.0%	7.0%
Full-Time Staff Voluntary Turnover Rate*	27.0%	28.0%	24.0%
Total Turnover	56	57	52
Total New Hires	134	90	77
Total Workforce	242	209	235

* Excludes part-timers, interns, temporary and probationary staff as well as involuntary termination.

Employee Engagement

SkyWorld Development values the engagement and involvement of its employees at all levels, fostering a culture of open communication and collaboration. We organise coffee chat sessions throughout the year between the CEO and all managers, as well as between the Executive Director and all executives, to keep them apprised of Group developments. These sessions facilitate direct communication, ensuring that all managers and executives are aligned with the Company’s strategic direction and are informed about key updates.

To further strengthen employee engagement, we host an annual town hall and team-building event that saw the participation of over 200 employees in FY2024. This event is designed to promote team cohesion, enhance morale, celebrate the achievements of our workforce, and complements the Group’s Quarterly Workshops with All Managers in shaping the organisation’s growth direction in a collaborative manner.

Additionally, the Group organises pain point discovery sessions periodically to proactively identify and address challenges within the organisation. These sessions provide a forum for employees to voice their concerns, contribute ideas, and collaborate on solutions, fostering a culture of continuous improvement and innovation. By addressing issues and encouraging open dialogue, we aim to promote a healthy and productive workplace.

Our commitment to employee engagement and a positive work environment has been recognised with Kincentric’s Best Employers Award for five years, reflecting our dedication to creating an exceptional workplace for our employees.



Sustainability Statement

Training and Development

SkyWorld Development places a strong emphasis on the continuous development of our workforce, recognising it as crucial for enhancing productivity and overall employee satisfaction. This commitment is reflected in various initiatives aimed at promoting the personal and professional growth of our employees.

We empower our workforce to continually expand their skill sets, offering a range of training programmes meticulously designed to align with both organisational needs and individual career aspirations, ensuring that employees are supported in their professional journey. We are committed to providing personal development training to enhance individual skills and abilities. We have also established a Train the Trainer ("TTT") Programme, where we groom internal staff to be certified trainer themselves, where they are then able to train our internal staff.

Training needs are identified during the annual performance appraisal of all employees, and through a self-nomination process, which requires approval from supervisors before attendance. At the end of each programme, a mandatory feedback session is conducted to improve content and trainer efficiency. Talent training hours are meticulously tracked, and monthly training reports are sent to managers to ensure that staff fulfil all mandatory training requirements.



General Training Data	FY2024	FY2023	FY2022
Total Training Hours as a Company	10,731.0	8,573.0	9,174.0
Total Company Training Spend (RM)	256,383.6	311,213.1	144,835.3
Total Training Hours Per Division / Business Unit	976.0	779.0	834.0
Total Training Spend Per Division / Business Unit (RM)	23,307.6	28,292.1	13,166.8
Average Training Hours Per Employee	44.0	41.0	39.0
Average Training Days Per Employee	5.5	5.1	4.9
Average Training Spend Per Employee (RM)	1,059.4	1,489.1	616.3
Average Training Hours by Gender	FY2024	FY2023	FY2022
Average Training Hours Per Employee (Male)	57.0	49.0	52.0
Average Training Hours Per Employee (Female)	26.0	29.0	20.0
Average Training Hours by Employee Category	FY2024	FY2023	FY2022
Average Training Hours Per Employee (Senior Management Staff)	9.7	5.9	11.4
Average Training Hours Per Employee (Management Staff)	8.3	7.2	10.4
Average Training Hours Per Employee (Executives)	7.3	6.0	4.9
Average Training Hours Per Employee (Non-Executives)	5.7	4.6	7.5
Total Training Hours by Employee Category	FY2024	FY2023	FY2022
Total Training Hours (Senior Management Staff)	523.0	450.0	857.0
Total Training Hours (Management Staff)	1,164.0	1,095.0	1,326.0
Total Training Hours (Executives)	8,592.0	6,720.0	6,730.0
Total Training Hours (Non-Executives)	452.0	308.0	262.0

Sustainability Statement

Training Attendance Data	FY2022	FY2023	FY2022
Total Male Employees Training Attendance	997	950	1,322
Total Female Employees Training Attendance	446	471	282
Total Employees Training Attendance	1,443	1,421	1,604

Note:

The training data reflects a higher number of male employees trained compared to female employees due to the construction industry being predominantly male-dominated.

Courses carried out in FY2024 include:

Mandatory Training

- Orientation for New Joiner
- Scaling Up - Introductory/People/Execution
- 7 Habits - Module 1 & 2

Product Training

- Inspection Test Plan (Civil & Structural/ Mechanical & Electrical/ Architecture)
- Design Good Practice (Civil & Structural/ Mechanical & Electrical/ Architecture)
- SHASSIC
- Skyworld Quality Index/Skyworld Safety Index
- QLASSIC

Sales Training

- Concept Selling - After Sales Service/Quality/Project Secret Recipe
- SkyRians Team Training- (Power Prospecting/Power Presentation/Customer Relations Management/ Closing & Follow Up
- Personal Branding & Image

Personal Development and Others

- Dominance, Influence, Steadiness and Conscientiousness ("DISC") - Self Discovery
- DISC- Effective Communication
- DISC - Communication Style
- Time Management
- MyTime Boxing

We are starting to digitalise our learning approach into a blended style, combining e-Learning and physical sessions, starting with mandatory training programmes such as New Joiner Orientation, Scaling Up, and 7 Habits. The IT department is dedicated to creating a Learning Management System portal to cater to e-Learning needs.

SkyWorld Development boasts a pool of eight internal trainers to cater to product training, sales training, and other training needs. All internal trainers will be sent to the Human Resource Development Corporation Train-the-Trainer programme for final certification to ensure training effectiveness and quality.

Competitive Employee Remuneration and Benefits

SkyWorld Development employs a merit-based approach in allocating benefits and remuneration, ensuring that our employees receive a comprehensive range of incentives. These include paid leave, healthcare coverage, travel allowances, and other perks to support their well-being. We are committed to exceeding minimum wage requirements to provide all our employees a living wage, and are continuously evaluating our remuneration and benefits packages against industry standards to maintain competitiveness.

Employee Benefits (RM'000)	FY2024	FY2023	FY2022
Total Payments Made to Employees in Terms of Salaries, Bonuses and Benefits	37,221	35,884	32,300
Total Statutory Payments Made for Employees' Retirement Benefits (EPF)	4,600	4,517	4,230
Total Payments for Employees' Social Security Organisation (SOCSO) Contribution	221	205	189
Percentage of Employees Entitled to Employee Benefits (%)	86%	97%	93%

Sustainability Statement

We believe that women and men have the right to receive equal remuneration for work of equal value, and are committed to close the gender pay gap progressively.

Ratio of Basic Salary and Remuneration of Women to Men Ratios for Key Employee Categories	FY2024	FY2023	FY2022
Managerial Staff:			
i) Average Salary of Women (RM)	17,000	17,000	18,000
ii) Average Salary of Men (RM)	28,000	29,000	30,000
iii) Women to Men Salary Ratio	60.7%	58.6%	60.0%
Executive Staff:			
i) Average Salary of Women (RM)	5,400	5,700	5,000
ii) Average Salary of Men (RM)	7,200	7,200	7,000
iii) Women to Men Salary Ratio	75.0%	79.2%	71.4%
Non-executive Staff:			
i) Average Salary of Women (RM)	2,800	2,900	2,500
ii) Average Salary of Men (RM)	3,100	3,500	2,300
iii) Women to Men Salary Ratio	90.3%	82.9%	108.7%

We provide parental leave to full-time employees who are expecting parents, in accordance with Malaysian employment laws. This ensures that our employees can balance their professional and personal responsibilities effectively.

Parental Leave	FY2024	FY2023	FY2024
Employees Entitled for Maternity and Paternity Leave:			
(a) Number	130	129	130
(b) Percentage	54%	62%	55%
Employees Who Took Paternity Leave:			
(a) Number	2	4	4
(b) Percentage	2%	3%	3%
Employees Who Took Maternity Leave:			
(a) Number	2	2	2
(b) Percentage	2%	2%	2%
Male Return to Work Rates	100%	100%	100%
Female Return to Work Rates	100%	100%	100%
Male Retention Rates Post 12 Months	100%	100%	100%
Female Retention Rates Post 12 Months	100%	100%	100%

Sustainability Statement

OCCUPATIONAL HEALTH AND SAFETY (“OHS”)

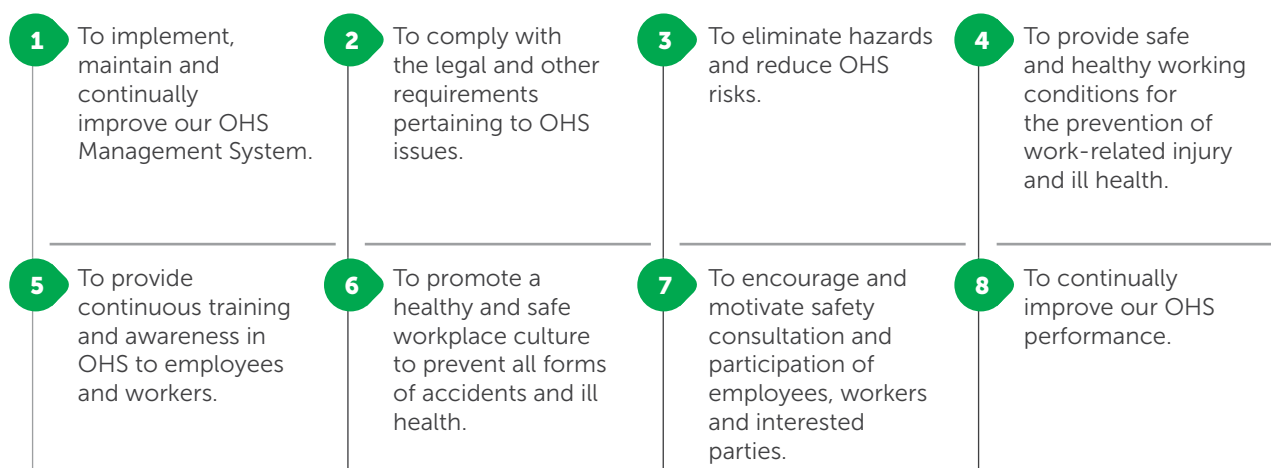
SkyWorld Development places paramount importance on OHS, recognising that effective OHS implementation leads to a healthy work environment that prevents loss of life and enhances operational productivity.

As a property developer, we are responsible for the safety of our employees and the workers of our contractors, especially in an industry with high-risk occupational activities. Hence, we are committed to conducting our operations in a manner that protects the health and safety of our employees, workers, clients, and the general public. We are dedicated to continuous improvement of our OHS practices and performance.

OHS Management Strategy

The Group has adopted an Integrated QHSE Management System that complies with ISO 45001 standards, and diligently adheres to the latest government and Ministry of Health guidelines at all development sites. We strictly adhere to the Centralised Labour Quarters (“CLQ”) standards when setting up workers’ quarters. However, at present, none of our development sites have obtained ISO 45001 or OHSAS 18001 certification.

Our OHS Policy includes eight core elements:



These policies apply to all employees and workers on our development sites. Communication and training sessions ensure that all personnel are aware of OHS policies, and reminders are given during routine inspections, daily observations, and site walks. Non-compliance results in corrective actions, stop-work orders, or penalties.

The Board maintains oversight on the management of health and safety risks while our CEO, who is also on the Board, holds overall responsibility for OHS Management. They are supported by the Project Managers in this responsibility. OHS compliance is a key performance indicator (“KPI”) for the entire company, hence the Board of Directors include OHS in their monthly management meeting agenda.

We have established protocols for investigating and addressing incidents or accidents, including immediate response, care, and scene preservation. Our “Incident/Accident Investigation and Reporting Procedure” ensures that all incidents are reported to the CEO and Project Manager immediately, and that investigations are completed within 48 hours for severe incidents. Findings are discussed in Company & Site HSSE Committee Meetings and monthly management meetings, and cascaded up to Management and the Board accordingly.

Safety Training and Communication

SkyWorld Development allocates a yearly OHS budget to run all necessary programmes that promote a safety culture within the organisation. In FY2024, we conducted various training programmes, including first aid training, fire extinguisher usage demonstrations, slinging and rigging training, hot work training, working at height training, and signalman training. Additional training included compliance training for OHS personnel and external training for lifting supervisors, signalmen, riggers, and operators of tower cranes, forklifts, and mobile cranes. We also continuously apply for CIDB training and accreditation for workers, operators, and employees.

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Regular OHS discussions are carried out with worker representatives through monthly HSE meetings, weekly site 5S meetings, weekly grand toolbox meetings, and daily high-risk Hazard Identification, Risk Assessment, and Risk Control ("HIRARC") briefings. All workers, whose work or workplace is controlled by the organisation, are represented by formal joint management-worker health and safety committees. Toolbox meetings are held weekly to share unsafe practices, and health and safety issues are discussed in both project-level and company-level OHS Committee meetings where workers and Management can freely voice out their concerns.

OHS Risk Assessment

OHS risk assessments are conducted on development sites via HIRARC to identify high-risk activities such as working at height.

Several HSE audits are performed, including daily and monthly site inspections, and records are audited during quarterly site performance audits, half-yearly internal audits, and yearly ISO audits. Developments also undergo SHASSIC assessments within their cycle.

Dengue Prevention

We are acutely aware of the dangers posed by mosquito-borne diseases such as malaria and dengue. To combat this threat, we have implemented several mitigation strategies across our worksites, executed daily or weekly through the initiatives such as larvaciding and fogging, identifying and eliminating potential mosquito breeding sites, as well as awareness and community clean-up efforts.

Performance-Linked KPIs

We have set specific quantitative targets to reduce OHS incidents, including 100% compliance with relevant OHS regulations, zero fatalities, and achieving at least an 80% SHASSIC score. OHS performance is tracked monthly and audited half-yearly, with data such as worker induction records, Notice of Prohibition and Stop Work Order records, incident/accident records, and SHASSIC scores analysed and discussed at both project and company levels.

OHS Data [#]	FY2024	FY2023	FY2022
Total Manhours Worked	3,556,554	-	-
No. of Work-related Fatalities	0	0	0
• Employee Fatalities	0	0	0
• Contractor Fatalities	0	0	0
No. of Recordable Work-related Injuries	0	0	0
Total No. of Lost Days/LTIs	0	0	0
Incident Report	0	0	0
Unsafe Act Unsafe Condition ("UAUC")	0	0	0
Occupational Diseases Rate	0	0	0
Absenteeism Rate - Days	0	0	0
Absenteeism Rate - Headcount	0	0	0
Injury Rate (Including Fatalities)	0	0	0
Rate of High-consequence Work-related Injuries	0	0	0
Lost Day Rate	0	0	0
Fatality Rate	0	0	0
Lost Time Incident Rate [*]	0	0	0
Number of Employees Trained on Health and Safety Standards	0	0	0

Note: * The Lost Time Incident Rate measures workplace safety by calculating the number of incidents resulting in employees and contract workers being unable to work due to injury or illness, expressed as the number of such incidents per 1,000,000 hours worked.

OHS Data is scoped to the EdgeWood Residences, Curvo Residences and Vesta Residences development sites only.

We are pleased to achieve our target of Zero Fatalities and Zero LTI in FY2024, which is a commendable achievement when compared to the national average fatality rate of 0.48* for the construction industry in 2022.

* Source: National Occupational Accident And Disease Statistics 2022 DOSM

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LOCAL COMMUNITY

As an urban property developer, we collaborate closely with local authorities to develop sustainable communities. Our commitment to social responsibility drives us to actively engage in initiatives aimed at supporting underprivileged communities.

Our community investments focuses on promoting literacy and education, enhancing health and well-being, alleviating poverty, enhancing community infrastructure, and providing financial support to those facing hardship to improve the quality of life of our communities. To further strengthen our efforts, we are in the process of establishing our own foundation dedicated to serving underprivileged communities.



The SkyWorld Foundation will work with SkyWorld Cares initiative to provide aid and improve the welfare of communities in the areas of Green Tech, Education, and City Community. This foundation will be spurred by our mantra of 'One For All; All For One,' promoting team collaboration and emphasising that our success is a collective effort. We encourage all employees to participate in at least one volunteer event annually.

In FY2024, SkyWorld Development made significant contributions to community support amounting to RM15,000 in total, directed to three beneficiary organisations and reaching many more community members.

A total of 60 SkyRians participated in the Pinky Run at MyTown Shopping Centre in Cheras, KL, organised by Beauté Library Malaysia from 13 to 15 October 2023 to raise awareness and funds for breast cancer through the National Cancer Society Malaysia. As the silver sponsor, SkyWorld Development contributed a total of RM5,000 to support this event, which included a 5km fun run, 3km fun walk, complimentary screenings for underprivileged families, and more.



On 12 December 2023, SkyWorld Development donated a full truck load of second-hand items to the Red Shield Industries from The Salvation Army. The pre-loved goods were generously contributed by SkyRians, our compassionate community members, to support those experiencing difficulties.



Additionally, we organised a memorable event for 74 less fortunate children from Yayasan Sunbeam Homes on 4 November 2023, which cares for displaced, abused, and neglected children. A team of 31 SkyRians accompanied the children to "Farm in the City" for a day filled with animal feeding, petting, fishing, and interactive learning, aiming to provide a heartwarming and joyful experience for both the children and SkyRians. A total of RM10,000 was allocated by SkyWorld Development to support this event.



Further information on our CSR activities can be found here: <https://skyworldgroup.com.my/skyworld-cares>.

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GOVERNANCE TRANSPARENCY



Governance is a cornerstone of SkyWorld Development’s sustainability agenda, reflecting our commitment to ethical conduct, integrity, and accountability. These principles form the foundation of our business practices, fostering an organisational culture that values professional excellence, upholds high-performance standards, and ensures equal opportunities for all. Robust corporate governance is essential for effective risk management, compliance with applicable regulations including data privacy and security, and mitigating risks within our supply chain.

By prioritising these elements, SkyWorld Development aims to create a sustainable and resilient business environment that benefits all stakeholders.

Material Topics:

Corporate Governance	Anti-Corruption
Risk Management	Regulatory Compliance
Supply Chain Governance	Data Privacy and Security









UNSDG Alignment:

<p>Goal 8: Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.</p>	
<p>Goal 16: Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.</p>	
<p>Goal 17: Partnerships for the Goals Strengthen the means of implementation and revitalise the global partnership for sustainable development.</p>	

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CORPORATE GOVERNANCE

SkyWorld Development is committed to ensure good governance, and effective sustainability and climate-risk management at the highest ranks of the Group. Actions taken to ensure that include:

 <p>Appointed an Independent Non-Executive Director who is a member of the Malaysian Institute of Accountants as the Chair of the Audit Committee.</p>	 <p>Appointed a fully non-executive Audit Committee and Remuneration Committee, with all independent members for both.</p>
 <p>Ensured Directors who have an interest in a transaction abstain from deliberation and voting on the relevant resolution.</p>	 <p>Ensured that the Board reviews conflicts of interest and Related Party Transactions on a quarterly basis.</p>
 <p>Appointed the CEO to provide focused management of sustainability strategically across the Group's operations.</p>	 <p>Ensured the Board understands and is kept abreast with sustainability issues relevant to the Company and its stakeholders, including climate-related risks and opportunities.</p>
 <p>Ensured that the Company's sustainability strategies, priorities and performance are communicated to its internal and external stakeholders.</p>	 <p>Disclosed Directors' qualifications, expertise, other directorships held, and Board and Committee Meeting regular attendance. <i>(Please see Profile of Board of Directors on page 14 to 17 and Corporate Governance Overview Statement on page 31 to 39 for more information.)</i></p>

The Nomination & Remuneration Committee of SkyWorld Development conducts an annual evaluation of the Board's effectiveness. In FY2024, the Board comprises seven (7) Directors, including four (4) Independent Non-Executive Directors. With three (3) female Directors, women represent 42.9% of the Board, thereby effectively meeting the 30% women Directors recommendation of the Malaysian Code of Corporate Governance (MCCG) 2021.

For detailed information on SkyWorld Development's application of MCCG recommended practices, please refer to the Group's Corporate Governance Report at <https://www.skyworldgroup.com.my/investor-relations/reports>.

SkyWorld Development is committed to transparency and timely disclosure, ensuring that stakeholders are well-informed about key events and decisions. This is demonstrated by the ample lead time between our FY2023 AGM date and the notice filing date.

Below are our FY2023 Annual General Meeting ("AGM") and notice dates:

AGM	FY2023
AGM Notice Filing Date (DD-MM-YYYY)	31-07-2023
AGM Date (DD-MM-YYYY)	29-09-2023
Number of Days Between the Date of Notice and Date of Meeting	60 Days

Note: Please refer to page 199 to 203 of this Annual Report for the FY2024 Notice of AGM.

ANTI-CORRUPTION

SkyWorld Development maintains a zero-tolerance policy against all forms of bribery and corruption, recognising the significant risks associated with non-compliance, including loss of stakeholder trust and legal repercussions under Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act.

Our commitment to combat corruption is evidenced by our comprehensive Anti-Bribery and Corruption ("ABAC") Policy. This policy provides detailed guidance to employees on managing bribery and corruption concerns, including the handling of gifts, entertainment, and hospitality; political contributions, donations, and sponsorships; charitable support; improper solicitation; facilitation payments and kickbacks; money laundering; and obstruction of justice.

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Training and Communication on Corruption

The ABAC Policy applies to all employees and intermediaries including business partners, associates, agents, vendors, suppliers, contractors, consultants, distributors and any other third party service providers or persons who perform services for or on behalf of SkyWorld Development, and has been communicated to all applicable stakeholders to ensure comprehensive understanding and compliance. Individuals found engaging in corrupt practices face strict repercussions, which may include suspension, termination, legal action, or reporting to authorities.

SkyWorld Development also conducts regular training and briefings on anti-corruption for both new and existing employees. Anti-corruption messaging is consistently disseminated throughout the Group via various communication channels to ensure extensive awareness.

Anti-Corruption Training and Communication	FY2024	FY2023	FY2022
Number and Percentage of Governance Body Members with Anti-corruption Training:			
a. Total Number of Directors	7	7	7
b. Number of Directors Who Have Received Training on Anti-corruption	7	7	7
c. Percentage of Directors Who Have Received Training on Anti-corruption	100%	100%	100%
Percentage of Employees Who Received Training and Briefing on the Organisation’s Anti-corruption Policies and Procedures by Employee Category:			
a. Managerial staff	100%	100%	100%
b. Executive staff	100%	100%	100%
Breakdown of Number and Percentage of Business Partners Who Have Been Briefed on this Organisation’s Anti-corruption Policies and Procedures	496 /100%	496 /100%	496 /100%

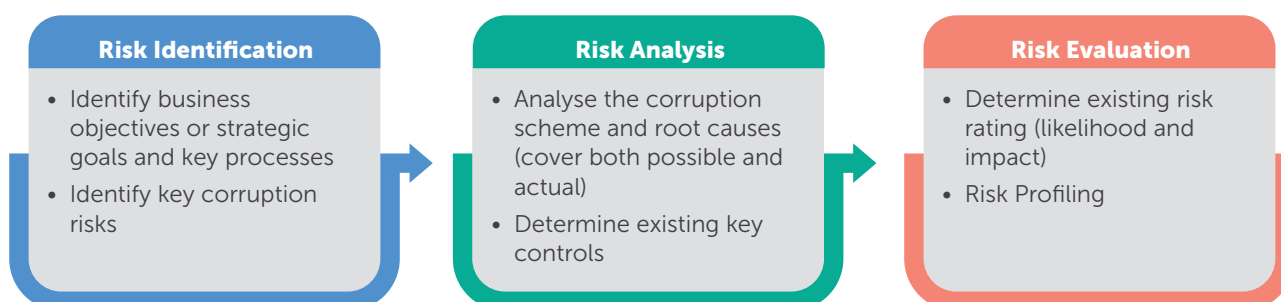
Corruption Due Diligence

SkyWorld Development conducts thorough due diligence on business partners, suppliers, and associates to ensure compliance with our comprehensive ABAC policy. Employees are required to conduct comprehensive due diligence on customers and counterparties, assessing the business background of prospective partners and verifying the source of funds, assets, and services.

Before engagement, business partners and vendors are also required to acknowledge their understanding and adherence to the ABAC policy.

Risk Assessment and Internal Audit

The Group has established a detailed corruption risk assessment process, with risk assessments conducted annually by the Risk Management Committee. These assessments are also performed when there are changes in law or business circumstances to ensure that identified corruption risks remain relevant and that adequate mitigating controls are implemented.



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Corruption Risk Assessment	FY2024	FY2023	FY2022
Percentage of Operations Assessed for Corruption-related Risks (%)	100%	-	-
Total Number of Confirmed Incidents of Corruption	0	0	0
Total Number of Confirmed Incidents in Which Employees were Dismissed or Disciplined for Corruption	0	0	0
Total Number of Confirmed Incidents When Contracts with Suppliers & Contractors were Terminated or not Renewed Due to Violations Related to Corruption	0	0	0
Public Legal Cases Regarding Corruption Brought Against the Organisation or its Employees During the Reporting Period and the Outcomes of Such Cases	0	0	0
Cost of Fines, Penalties or Settlements in Relation to Corruption (RM)	0	0	0
Total Amount of Political Contributions Made (RM)	0	0	0

RISK MANAGEMENT

SkyWorld Development recognises the inherent risks associated with ESG matters, such as climate change, human and labour rights, occupational health and safety, and corruption. These risks can disrupt operations, erode stakeholder trust, reduce competitiveness, and potentially impact the Group's license to operate.

The Board holds ultimate accountability and maintains strategic oversight on all sustainability, ESG and climate-related risks to ensure effective integration into the company's risk management framework. The Group's risk management approach can be summed up as follows:

Risk Responsibility

Risk management is overseen by the Board through the Audit & Risk Management Committee ("ARMC"), which ensures the adequacy, effectiveness, and integrity of the Group's internal control systems through regular reviews and an ongoing risk management process.

Risk Monitoring and Mitigation

The Board and Management have implemented a robust framework for managing risks and internal controls within the Group. Leveraging the Group's Enterprise Risk Management Framework, which references the ISO 31000:2018 Risk Management Guidelines, we diligently identify, monitor, and address significant strategic, operational, and project risks that may impact the Group's ability to generate value. Our Risk Register is regularly updated and reviewed half-yearly by the ARMC. ESG and climate-related risks such as non-compliance with Bursa Securities's disclosure requirements on the 11 common sustainability matters and TCFD-aligned climate risk disclosure, as well as risks associated with indicative poor ESG ratings have been incorporated into the Risk Register.

Risk Resilience

Our assessments demonstrate that we have adequate internal controls and risk management systems to meet our objectives. These systems ensure compliance with laws, regulations, policies, and procedures, maintain the integrity of information, and safeguard our assets. We are committed to continually enhancing our risk management and internal controls to better manage ESG risks as we advance our sustainability agenda.

Please see the Statement on Risk Management and Internal Controls on page 43 to 47 for more information.

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Upholding Ethical Conduct

SkyWorld Development has established comprehensive Codes of Business Conduct for employees and directors, which govern corporate behaviour and interactions with stakeholders, including suppliers, contractors, vendors, business partners, and other related parties. The Code focuses on three key areas:



Workplace Conduct:

Prioritising safety, safeguarding company resources, maintaining confidentiality, accurately documenting records, and responsibly using IT systems and social media platforms.



Business Practices:

Emphasising transparency, a zero-tolerance policy against bribery and corruption, guidelines for avoiding conflicts of interest and handling instances of unethical behaviour, such as money laundering, while ensuring full compliance with applicable laws.



Community Engagement:

Advocating for respectful interactions that support local interests and foster community development, contributing to an enhanced living environment.

Employees are encouraged to report any concerns about potential breaches of the Code following the guidelines set out within. The Board oversees the Code to ensure compliance. All reports will be promptly investigated internally with professionalism and transparency, while ensuring confidentiality and impartiality. All Officers are required to fully cooperate with these audits and investigations, as well as any resulting corrective actions or ongoing assessments. In cases where external investigations are necessary, every officer must respond appropriately, cooperate fully, and refrain from interfering with any lawful government inquiry, audit, or investigation. The Code is reviewed periodically to ensure its continued relevance and effectiveness in addressing existing and emerging ethical concerns.

In the year under review, the Group recorded zero substantiated claims or incidents of non-compliance with the Code.

Whistleblowing Mechanism and Policy

SkyWorld Development has implemented a comprehensive Whistleblowing Policy, offering a clear and transparent framework for reporting any instances of improper conduct or wrongdoing within the Group. This policy ensures that all internal and external stakeholders have access to an accountable internal reporting channel, including staff, contractors, joint venture partners, and members of the public.

Under the Whistleblowing Policy, individuals who disclose actual or perceived misconduct are assured confidentiality, to the extent reasonably practicable, provided the disclosure is made in good faith. Whistleblowers are protected against any form of harassment or retaliatory actions resulting from their report.



All reports received through the whistleblowing mechanism undergo a thorough assessment and investigation process, ensuring that each case is handled with the utmost integrity and diligence. In FY2024, SkyWorld Development Berhad did not receive any reports through the whistleblowing channel.

REGULATORY COMPLIANCE

SkyWorld Development’s Board and Management are steadfast in their commitment to conducting business with integrity, adhering to the highest standards of ethics, and complying with all applicable laws and regulations.

To ensure adherence, the Group has implemented clear, transparent policies that facilitate continuous monitoring, evaluation, and validation of business processes in line with our legal obligations.

SkyWorld Development has also established a robust Compliance Monitoring Framework to prevent any infringement of laws or regulations in our operating markets. This framework ensures that adequate and standardised policies and procedures are consistently applied across the Group by all relevant employees, fostering a positive culture of compliance as an integral part of the Group’s effective risk management.

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ESG Regulatory	FY2024	FY2023	FY2022
No. of environmental non-compliance incidents in the company and/or subsidiaries that resulted in a fine or censure	0	0	0
No. of socioeconomic non-compliance incidents in the company and/or subsidiaries that resulted in a fine or censure	0	0	0
Total cost of fines for environmental non-compliance	0	0	0
Total cost of fines for socio-economic non-compliance	0	0	0

Anti-Competitive Practices

SkyWorld Development strictly prohibits any form of anti-competitive behaviour. This includes practices such as price fixing, bid rigging, market or output restrictions, and the allocation of customers, suppliers, geographic areas, or product lines. The Group does not condone collusion with potential competitors or the abuse of market position to gain an unfair advantage, and is committed to ensuring that all business dealings are conducted fairly and ethically.

The Group does not have any pending or completed legal actions regarding anti-competitive behaviour and/or violations of anti-trust and monopoly legislation during the reporting year.

SUPPLY CHAIN GOVERNANCE

SkyWorld Development is dedicated to cascading our sustainability commitments across our value chain, prioritising the use of local suppliers and vendors in procurement contracts. We encourage our third-party partners to adopt and demonstrate robust environmental and social practices. Goods and services are selected based on their sustainability, competitiveness, and environmental benefits, aiming to maximise value and minimise the carbon footprint for our stakeholders.

Engagement with our supply chain partners forms a core part of our supply chain management strategy to ensure compliance with local laws, regulatory requirements, ethical conduct, and high standards in human rights, labour, and occupational safety. This approach helps insulate the Group from risks associated with these areas.

Key concerns addressed with our supply chain partners include:



The Group actively looks to foster collaboration with its supply chain partners to identify best practice and innovative solutions. We also work closely with our partners to enhance ESG data collection, driving continuous improvement and transparency in reporting.

SkyWorld Development will continue to collaborate with its supply chain to improve the Group’s environmental and social impact. This includes mindful sourcing of materials for developments, considering factors such as energy and water use, emissions, waste, biodiversity impacts, and other environmental and pollution concerns.

The Group is also developing a comprehensive supply chain management framework, policy, and code of conduct to streamline processes from due diligence to performance evaluation and audits.

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Supplier and Sourcing Commitment Statement

SkyWorld Development is dedicated to maintaining high standards of environmental and social responsibility throughout our supply chain. We are committed to:

Supplier Environmental Impact

Energy Use:

Optimising energy efficiency and promoting the use of renewable energy sources to reduce our overall energy consumption.

Climate Change Impact:

Minimising our carbon footprint and GHG emissions through sustainable practices and innovations.

Water Use:

Implementing water conservation measures and ensuring the sustainable use of water resources.

Biodiversity Impacts:

Protecting and enhancing biodiversity by avoiding practices that harm ecosystems and promoting habitat conservation.

Environmental Issues:

Addressing environmental concerns proactively and reducing the environmental impact of our operations and supply chain.

Pollution:

Preventing pollution by adhering to stringent waste management and emission control practices.

Waste Management

Reducing, reusing, and recycling waste materials to minimise landfill use and promote a circular economy.

Resource Use:

Ensuring the sustainable use of resources and sourcing materials responsibly to mitigate environmental impact.

Supplier Social Impact

Child Labor Prevention:

Prohibiting the use of child labour in any part of our supply chain.

Forced Labor Prevention:

Ensuring that all work is voluntary and that employees are not subject to forced or compulsory labour.

Non-Discrimination and Equal Opportunities:

Promoting diversity and inclusion, ensuring equal opportunities for all employees and suppliers.

Freedom of Association and Collective Bargaining:

Supporting the right to freedom of association and collective bargaining.

Working Hours:

Committing to the elimination of excessive working hours and ensuring fair working conditions.

Living Wage:

Ensuring that all employees are paid a minimum or living wage that meets their basic needs.

Health and Safety Standards:

Maintaining high health and safety standards to protect the well-being of all employees and workers within our supply chain.

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Supply Chain Management

Supplier Communication:

Communicating this policy to all relevant supplier staff to ensure understanding and compliance

Supplier Training:

Offering training on social and environmental issues to enhance supplier knowledge and performance.

Supplier Mentoring:

Providing mentoring, secondments, and sharing best practices to support supplier development and improvement.

Supplier Impact Reduction:

Encouraging and supporting suppliers in reducing their environmental and social impact.

Supplier Due Diligence:

Conducting comprehensive risk assessments regarding environmental and social practices of new and existing suppliers to identify high-risk areas and take appropriate actions to mitigate risks.

Supplier Monitoring and Auditing:

Conducting regular physical inspections and audits to assess supplier compliance.

Supply Chain Disclosure:

Reporting the number or proportion of suppliers monitored or audited, and detailing actions taken in response to any non-compliance.

With the formalisation of this Supplier and Sourcing Policy, SkyWorld Development aims to create a sustainable, ethical, and responsible supply chain that aligns with our broader sustainability goals and values.

DATA PRIVACY AND SECURITY

SkyWorld Development is committed to protecting customer data privacy in compliance with the Personal Data Protection Act 2010 ("PDPA"). In the regular course of business, we inevitably come into contact with a wide range of customer-centric data, some of which may be sensitive in nature. To safeguard this data, we have established strict data controls and procedures to ensure all information remains protected and is not misused.

Data is collected only for its intended purpose and with the consent of the data owner. Any data shared with third parties is also done with the owner's permission. This commitment to data privacy is further reinforced through the enactment of Standard Operating Procedures that detail how we collect, use, secure, and respond to breaches, complaints, and consent revocation concerning customer data.

The management of customer data privacy at SkyWorld Development falls under the purview of the Customer Advocacy & IT. Employees, suppliers, business partners, or any third party who may encounter customer data are expected to maintain its confidentiality. This expectation is outlined in the Group's Code of Conduct, which binds all employees. Vendors and third parties with access to sensitive customer data are required to sign Non-Disclosure Agreements or relevant agreements containing confidentiality obligations to affirm their commitment to data protection.

Over the past three years, SkyWorld Development has not received any fines, penalties, or warnings related to non-compliance with data privacy regulations or voluntary codes. In FY2024, we had zero incidents of data breaches, demonstrating our robust data protection measures and our dedication to maintaining the highest standards of data privacy and security.

Data Privacy and Security	FY2024	FY2023	FY2022
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	4 cases	6 cases	-
Number of complaints from regulatory bodies	0	0	-
Total fines related to PDPA non-compliance (RM)	0	0	-

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ESG PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management & Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	100.00
Non-Executive	Percentage	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	-	-	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	218,304.00	15,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	20	3
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management 30 and Below	Percentage	0.00	0.00	0.00
Management Between 31-50	Percentage	90.00	89.10	87.50
Management Between 51-65	Percentage	10.00	10.90	12.50
Management 66 and Above	Percentage	0.00	0.00	0.00
Executive 30 and Below	Percentage	22.50	14.40	16.10
Executive Between 31-50	Percentage	45.00	44.50	36.00
Executive Between 51-65	Percentage	10.50	8.60	7.40
Executive 66 and Above	Percentage	0.50	0.50	0.40
Non-executive 30 and Below	Percentage	83.90	61.90	85.70
Non-executive Between 31-50	Percentage	16.10	38.10	14.30
Non-executive Between 51-65	Percentage	0.00	0.00	0.00
Non-executive 66 and Above	Percentage	0.00	0.00	0.00
Gender Group by Employee Category				
Management Male	Percentage	70.00	69.60	66.70
Management Female	Percentage	30.00	30.40	33.30
Executive Male	Percentage	59.10	59.20	59.30
Executive Female	Percentage	40.90	40.80	40.70
Non-executive Male	Percentage	48.40	47.60	36.70
Non-executive Female	Percentage	51.60	52.40	63.30
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	100.00	57.10	57.10
Female	Percentage	0.00	42.90	42.90
30 and Below	Percentage	0.00	0.00	0.00
Between 31-50	Percentage	66.70	14.30	14.30
Between 51-65	Percentage	33.30	85.70	85.70
66 and Above	Percentage	0.00	0.00	0.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	573.83	610.61	1,377.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	0	0
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	857	450	523
Management	Hours	1,326	1,095	1,164
Executive	Hours	6,730	6,720	8,592
Non-Executive	Hours	262	308	452
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	7.00	3.00	14.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	6	10	13
Executive	Number	39	42	38
Non-Executive	Number	7	5	5
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.99	99.99	99.98
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-	6	4
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	4.400000	12.900000	19.600000

Internal assurance External assurance No assurance

(*) Restated

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Indicator	Measurement Unit	2022	2023	2024
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	585.00	1,110.40
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	0.00	23.80
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	585.00	1,086.60
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	1.70	169.70
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	447.60	471.20	579.60
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	101.70	593.60

Sustainability Statement

TCFD REPORT

Governance

Disclose the organisation’s governance around climate-related risks and opportunities.

a) Describe the board’s oversight of climate-related risks and opportunities.

At SkyWorld Development, the Board of Directors maintains comprehensive oversight and ultimate accountability of all climate-related risks and opportunities. In 2024, the Group is in the midst of revising our Board Charter to formalise ESG and climate change oversight responsibilities under the purview of the Board. The Board will serve as the ultimate decision-making authority concerning the Group’s sustainability directions. In determining the appropriate level of remuneration for Directors, the Board is required to take into consideration the Group’s performance in managing material sustainability risks and opportunities, including climate related matters.

The Chief Executive Officer (“CEO”), who also serve on the Board, has been tasked to lead the strategic management of the Group’s sustainability and climate related matters, integrating it into its day-to-day operations.

With the support of the Audit & Risk Management Committee (“ARMC”) and the Sustainability Management Committee, the Board of Directors is tasked with overseeing and approving sustainability policies and initiatives, considering climate-related issues when reviewing and guiding overall strategy, risk management policies and financial planning. Relevant matters such as energy and emissions performance, waste generation and others are brought to the attention of the Board via regular sustainability updates. The ARMC is responsible for maintaining the adequacy, effectiveness, and integrity of the Group’s internal control systems through regular reviews and an ongoing risk management process. The Risk Register, updated bi-annually, incorporates ESG and climate-related risks. Additionally, the ARMC evaluates major capital expenditures, acquisitions, and divestitures with a focus on climate-related risks and opportunities, ensuring alignment with the Group’s climate objectives and risk management framework.

Further information can be found in the Sustainability Governance Structure (page 55 to 56), Governance Transparency (page 90 to 97) and Climate Change (page 69 to 70) sections of the Sustainability Statement, as well as the revised Board Charter at <https://www.skyworldgroup.com.my/investor-relations>.

b) Describe management’s role in assessing and managing climate-related risks and opportunities.

In FY2024, SkyWorld Development established a Sustainability Management Committee, composed of the CEO and heads of functions relevant to ESG matters. This committee supports the CEO in driving ESG implementation, developing strategies and targets, and allocating necessary resources while reporting directly to the Board to ensure alignment with the organisation’s strategy and risk management framework. Management is informed about climate-related issues through regular reports and meetings, ensuring awareness of emerging risks, regulatory changes, and sustainability opportunities.

Overseen by the Management Committee, the Sustainability Working Committee, consisting of managers and executive staff from relevant functions, handles the day-to-day operationalisation of ESG initiatives, drives implementation within their functions, and gathers ESG performance data. Both committees continuously monitor climate-related issues through performance reviews and tracking of ESG KPIs and targets, ensuring proactive management and alignment with SkyWorld Development’s sustainability agenda.

Further information can be found in sections Sustainability Governance Structure (page 55 to 56) and Governance Transparency (page 90 to 97).

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Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning where such information is material.

a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

SkyWorld Development recognises climate change as a relevant risk and opportunity to our business. We have identified relevant climate change risks, categorised into physical and transition risks by short, medium, and long-term time horizons, considering the useful life of our assets and infrastructure, as well as the manifestation periods of climate-related issues.

The identified climate-related risks could potentially affect various aspects of business operations including existing operations, physical assets, access to financing and markets as well as the availability and costs of necessary inputs for the business model.

To further understand the impact of climate change on the organisation and how the Group may impact climate change, SkyWorld Development released its first full TCFD Climate Change Risk Assessment and Scenario Planning Report in FY2024. Findings were derived from a workshop held in January 2024, participated by the Management and the heads of the Group’s various operations.

Risks	Opportunities
<p>Extreme Rainfall Pattern</p> <p>S M L</p> <p>Increased frequency and intensity of rainfall can lead to flash floods, affecting property value and increasing planning and development costs to integrate flood-proofing measures into construction and planning processes.</p>	<p>Renewable Energy Adoption</p> <p>S L</p> <p>Long-term investments in renewable energy infrastructure offer substantial cost savings, reduce carbon footprint, and enhance its market positioning.</p>
<p>Rising Temperature</p> <p>S M L</p> <p>Higher temperatures can impact workers’ health and productivity and increase buildings’ defects and liabilities, necessitating higher maintenance costs for properties.</p>	<p>Increased Demand for IBS, Precast and Formwork Systems</p> <p>S L</p> <p>Advanced construction methods can enhance efficiency by reducing labour and material costs as well as minimising environmental impact.</p>
<p>Drought</p> <p>M L</p> <p>This may result in operational delays due to water scarcity. Extended periods of drought can cause structural issues in properties, leading to increased costs for repairs.</p>	<p>Carbon Credits Purchase</p> <p>S M</p> <p>Engaging in carbon trading provides incentives for emissions offset, aligning with SkyWorld’s goal to achieve Net Zero Carbon by 2050.</p>
<p>Increased Green Requirements</p> <p>S M L</p> <p>Escalated demands for integration of green requirements into design and development processes impact property prices and earnings margins.</p>	<p>Expansion into New Business Sectors and Industries</p> <p>L</p> <p>Expanding business into environmentally-friendly sectors creates additional sources of revenue and enhances the company’s brand.</p>
<p>Access to Financing</p> <p>S M L</p> <p>The financial sector’s growing emphasis on ESG performance influences capital availability and financing strategies.</p>	

Legend:
S refers to short-term (0-2 years) **M** refers to medium-term (3-5 years)
L refers to long-term (6-10 years)

Sustainability Statement

<p>b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.</p>	<p>The climate-related risks and opportunities and their associated impacts disclosed above has been deemed to significantly influence SkyWorld Development's business operations, strategic planning, and financial management. Extreme rainfall, posing a risk of flash floods, directly impacts our construction schedules and maintenance costs, necessitating investments in resilient infrastructure. High susceptibility to floods can negatively affect property values, influencing marketability and long-term profitability. Other physical risks such as rising temperatures and drought conditions further influence operational efficiency and the selection of building materials.</p> <p>The Group incorporates climate-related considerations into its planning by staying ahead of evolving regulations and adopting best practices in sustainable construction. Opportunities like renewable energy adoption and advanced construction methods drive innovation and market differentiation. The Group's ESG performance impacts access to financing, hence the need to enhance its sustainability credentials to attract favourable investment terms. Investments in renewable energy and advanced technologies offer cost savings and potential revenue streams, while its financial planning ensures resources are allocated to climate resilience and sustainability projects for long-term stability.</p> <p>SkyWorld Development has finalised its TCFD Climate Change Risk Assessment and Scenario Planning Report, which details further information on the potential impact of climate-related risks and opportunities on the organisation.</p>
<p>c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>SkyWorld Development is committed to limiting global temperature rise to 1.5°C, supporting Malaysia's Nationally Determined Contributions ("NDC") to the global climate action frameworks like the Kyoto Protocol and the Paris Agreement. SkyWorld Development is also advancing climate action through memberships in organisations that share expertise on green energy transition, green building, and emissions reduction, such as the Real Estate & Housing Developers' Association ("REDHA"). We have confirmed that the positions of our trade associations on climate change are consistent with our own.</p> <p>The climate change scenarios used during the risk assessment exercise include RCP 4.5 and NGFS Net Zero 2050. These scenarios provided a framework for evaluating potential risks and opportunities, where the implications of different emission trajectories and mitigation efforts can be incorporated into SkyWorld Development's business strategy.</p> <p>For instance, in a scenario consistent with RCP 4.5, SkyWorld Development anticipates moderate to high physical risks, such as extreme weather events impacting operational efficiency and property values. Conversely, in a scenario aligned with NGFS Net Zero 2050, where global warming is limited to 1.5°C via stringent climate policies and innovation, transition risks are higher, necessitating strategic adjustments to comply with evolving regulations and leverage new market opportunities.</p> <p>The Group has accordingly developed the necessary precautionary and mitigation plans. For example, to mitigate operational delays and reduction in workers' productivity due to flooding and heatwaves, the Group is dedicating its resources to ramp up off-site construction methods such as the use of industrialised building system ("IBS"), establish climate alert systems, and maximise automation, improving the overall working environment. Keeping abreast of the evolving climate policies, SkyWorld Development has also focused our efforts on integrating green building features in our developments, which involves continuous engagement with officials, enhanced marketing efforts, and robust financial planning.</p> <p>The Group will continue to monitor and assess the effectiveness of these risk mitigation measures to ensure they continue to support organisational resilience. Further information on the strategic adjustments to address climate-related risks under different climate scenarios is available in its TCFD Climate Change Risk Assessment and Scenario Planning Report. Additional information on the climate mitigation and adaptations measures that are currently being implemented at our development can be found in the Climate Change section (page 69 to 70).</p>

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Risk Management

Disclose how the organisation identifies, assesses, and manages climate-related risks.

<p>a) Describe the organisation's processes for identifying and assessing climate-related risks.</p>	<p>In FY2024, SkyWorld Development has undertaken a climate change workshop facilitated by the Group's appointed external ESG consultant to guide our Management and the heads of the Group's various operations in identifying the Group's climate change risks and opportunities. With the collective input of this cross functional workshop, the Group has assessed the potential impacts of various physical and transitional risks, and mapped the impact timeframes of these risks on the Group's business and formulated the appropriate mitigation measures. Opportunities arising from climate change has also been similarly identified. Based on climate scenarios like the NGFS Net Zero and RCP 4.5, which aims to limit global warming to 1.5°C and 2.4°C above pre-industrial levels, we have also developed adaptation and mitigation plans to address the various potential business and operational challenges arising from these scenarios.</p> <p>Additionally, the Group undertakes a comprehensive materiality assessment at least once every three years to identify and prioritise SkyWorld Development's material sustainability matters, including climate change, taking into consideration the feedback from all internal and stakeholders. The most recent materiality assessment was carried out in FY2023.</p> <p>Further details on this can be found in the Materiality Assessment Process section of this report on page 60 to 62.</p>
<p>b) Describe the organisation's processes for managing climate-related risks.</p>	<p>SkyWorld Development remains proactive in addressing climate-related risks and leveraging opportunities by adapting its business operations, enhancing infrastructure, and extending its supply chain. The criteria for identifying and registering climate risks are based on their severity, likelihood, and potential impact on business objectives.</p> <p>The Group has adopted an ISO 31000:2018 aligned Enterprise Risk Management ("ERM") framework, facilitated by the Board, to identify, evaluate, monitor, and manage significant risks, which include climate change risks. Oversight of risk management is conducted by the Audit & Risk Management Committee ("ARMC") of the Board, ensuring the adequacy, effectiveness, and integrity of the Group's internal control systems. The ARMC conducts regular reviews, overseeing an ongoing risk management process. Significant risks identified, along with relevant controls and mitigation plans implemented by Management, are documented in risk management reports. These reports undergo rigorous examination by both the ARMC and the Board, ensuring scrutiny and alignment with strategic objectives.</p> <p>For further insights into SkyWorld Development's risk management approach, please refer to the AR2024's Statement on Risk Management and Internal Control (page 43 to 47). Measures implemented to mitigate climate change, enhance energy consumption, curb emissions generation and other green practices can be found in the Environmental Impact section (page 68 to 77).</p>
<p>c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<p>The materiality assessment findings have been tabled to the Board in FY2023. The findings from the climate change workshop and resulting climate change report, such as climate-related risks including extreme weather events, regulatory changes, and market shifts, are being reviewed for integration into the Group's risk management framework. ESG and climate-related risks such as non-compliance with Bursa Securities's disclosure requirements on the 11 common sustainability matters and TCFD-aligned climate risk disclosure, as well as risks associated with poor ESG ratings, have been incorporated into the Risk Register. These risks undergo continuous monitoring and review by the ARMC, ensuring proactive identification, assessment, and management in harmony with our broader risk management strategy.</p>

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Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

<p>a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p>	<p>In FY2024, SkyWorld Development measured its greenhouse gas (“GHG”) emissions by accounting for direct (Scope 1) and indirect emissions (Scope 2) from its business operations. Scope 1 emissions are quantified as tonnes of CO₂e per litre of fuel consumed, while Scope 2 emissions are measured as tonnes of CO₂e per kWh of electricity used. The total emissions are then compared with the Group’s revenue in RM million to calculate the overall emission intensity.</p> <p>In alignment with Bursa Securities’s Sustainability Reporting Guide (3rd Edition), SkyWorld Development has also initiated tracking and reporting of Scope 3 emissions. This encompasses business travel and employee commuting, quantified as tonnes of CO₂e per passenger-kilometre, considering various transportation modes. Going beyond compliance, we have also included Scope 3 emissions from waste generated in our operations.</p> <p>Please refer to the Energy and Emissions Management (page 70-72) sections for more information.</p>
<p>b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.</p>	<p>SkyWorld Development calculates its emissions in line with the GHG Protocol Corporate Accounting and Reporting Standard (“GHG Protocol”), using the emission factors from the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and US Environmental Protection Agency Climate Leaders. The global warming potential (“GWP”) factors for all greenhouse gases are consistent with the Intergovernmental Panel on Climate Change (“IPCC”) Sixth Assessment Report, 2023 based on a 100-year timeframe.</p> <p>In FY2024, SkyWorld Development’s CO₂e emissions across Scope 1, 2 and 3 are as below:-</p> <ul style="list-style-type: none"> • Scope 1 = 169.69 tCO₂e • Scope 2 = 579.57 tCO₂e • Scope 3 = 593.62 tCO₂e • Total = 1,342.88 tCO₂e <p>These metrics provide a comprehensive view of our carbon footprint and help to guide the Group’s efforts to mitigate climate-related risks and implement effective reduction strategies.</p> <p>More information is provided in Energy and Emissions Management (page 70 to 72).</p>
<p>c) Describe the targets used by the organisation to manage climate related risks and opportunities and performance against targets.</p>	<p>SkyWorld Development has set clear targets to manage climate-related risks and opportunities, including: -</p> <ul style="list-style-type: none"> • Green Building Certifications: Target: Achieve a minimum Bronze GreenRE Certification or GBI Compliant rating for all new high-rise developments in Klang Valley by FY2025. • Electric Vehicle Infrastructure: Target: Install at least two electric vehicle charging stations at each high-rise development in Klang Valley by FY2025. • Energy-efficient Fixtures: Target: Provide energy-efficient lighting in all common areas for High-Rise Developments in Klang Valley by FY2025. • Sustainability Reporting: Target: Adopt TCFD for sustainability reporting by FY2025. <p>Other relevant targets can be found in ESG Key Performance Indicators (“KPIs”) and Targets (page 57), with detailed progress available in the respective sections.</p>

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STATEMENT OF ASSURANCE

The SS2024 has not been subjected to an assurance process. Nevertheless, the information and data disclosed have been reviewed by the data owners and respective business divisions to ensure the SS2024 provides a fair and accurate account of SkyWorld Development's sustainability efforts and outcomes.

The SS2024 has been approved by the Board on 18 July 2024.

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GRI CONTENT INDEX

STATEMENT OF USE:	SkyWorld Development Berhad has reported the information cited in this GRI content index for the period of 1 April 2023 to 31 March 2024 with reference to the GRI Standards.
GRI 1 USED:	GRI 1: Foundation 2021

GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
PILLAR: ORGANISATIONAL OVERVIEW, SUSTAINABILITY GOVERNANCE, STAKEHOLDER								
GRI 2: General Disclosures 2021	2-1	Organizational details	-		SASB Activity Metrics IF-RE-000.A			Who We Are (page 6); Corporate Information (page 13)
	2-2	Entities included in the organization's sustainability reporting	Scope and Basis of Scope					Scope, Boundary and Limitations (page 51)
	2-3	Reporting period, frequency and contact point						
	2-4	Restatements of information						Not Available
	2-5	External assurance	Assurance					Data Quality (page 51); Statement of Assurance (page 105)
	2-6	Activities, value chain and other business relationships	-					Who We Are (page 6-13); Stakeholder Management (page 58-60)
	2-7	Employees	Labour Practices & Standards	Labour Standards		SDG5, 8	Principle 6	Talent Management (page 83)
	2-8	Workers who are not employees						
	2-9	Governance structure and composition	Sustainability Governance	Corporate Governance		SDG16, 17	Principle 10	Profile of Board of Directors (page 14-17); Corporate Governance Overview Statement (page 31-39); Sustainability Governance Structure (page 55-56); Stakeholder Management (page 58-60); Grievance Mechanism (page 80); Corporate Governance (page 91)
	2-10	Nomination and selection of the highest governance body						
	2-11	Chair of the highest governance body						
	2-12	Role of the highest governance body in overseeing the management of impacts						
	2-13	Delegation of responsibility for managing impacts						
	2-14	Role of the highest governance body in sustainability reporting						
	2-15	Conflicts of interest						
	2-16	Communication of critical concerns						
	2-17	Collective knowledge of the highest governance body						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE		
	2-18	Evaluation of the performance of the highest governance body	Sustainability Governance	Corporate Governance	-	SDG16, 17	Principle 10			
	2-19	Remuneration policies								
	2-20	Process to determine remuneration								
	2-21	Annual total compensation ratio		Risk Management; Human Rights & Community			-	SDG16, 17	Principle 1, 2, 3, 7, 10	Competitive Employee Remuneration and Benefits (page 85-86)
	2-22	Statement on sustainable development strategy								CEO'S Message on Sustainability (page 52-53)
	2-23	Policy commitments								Robust ESG Policies and Frameworks (page 56)
	2-24	Embedding policy commitments								Human and Labour Rights (page 79-81)
	2-25	Processes to remediate negative impacts								Regulatory Compliance (page 94-95)
	2-26	Mechanisms for seeking advice and raising concerns								Stakeholder Management (page 58-60)
	2-27	Compliance with laws and regulations								Human and Labour Rights (page 79-81)
	2-28	Membership associations								
	2-29	Approach to stakeholder engagement								
2-30	Collective bargaining agreements	Labour Standards								
PILLAR: MATERIALITY										
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Materiality Assessment	-	-	-	-	Materiality Assessment Process (page 60-61)		
	3-2	List of material topics						Materiality Matrix (page 62)		
	3-3	Management of material topics	Management Approach					Throughout Sustainability Statement FY2024		
PILLAR: ECONOMIC										
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	-	-	-	SDG1, 8, 10, 13	-	Economic Performance (page 64)		
	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Aligned Disclosure					TCFD Statement (page 100-104)		
	201-3	Defined benefit plan obligations and other retirement plans	-					Not Available		
	201-4	Financial assistance received from government	-					Not Available		

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
PILLAR: ECONOMIC								
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	Human Rights & Community	-	SDG5, 8, 10	Principle 6	Not Available
	202-2	Proportion of senior management hired from the local community						Profile of Senior Management (page 18)
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	-	Human Rights & Community	-	SDG1, 2, 3, 9, 11	-	Indirect Economic Impact (page 64)
	203-2	Significant indirect economic impacts						
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supply Chain Management C7(a)	Human Rights & Community	-	SDG8, 17	-	Local Procurement (page 66-67)
PILLAR: GOVERNANCE								
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Anti-Corruption C1(a) C1(b) C1(c)	Anti-Corruption	-	SDG4, 16	Principle 10	Anti-Corruption (page 91-93)
	205-2	Communication and training about anti-corruption policies and procedures						
	205-3	Confirmed incidents of corruption and actions taken						
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	-	-	SDG8, 10, 16	Principle 10	Anti-Competitive Practices (page 95)
GRI 207: Tax 2019	207-1	Approach to tax	-	Tax Transparency	-	SDG10, 16, 17	-	Not Available
	207-2	Tax governance, control, and risk management						
	207-3	Stakeholder engagement and management of concerns related to tax						
	207-4	Country-by-country reporting						
PILLAR: ENVIRONMENTAL								
GRI 301: Materials 2016	301-1	Materials used by weight or volume	Materials S5(a)	Pollution & Resources	-	SDG12	Principle 7, 8, 9	Resource Consumption (page 75-76)
	301-2	Recycled input materials used						Not Available
	301-3	Reclaimed products and their packaging materials						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
PILLAR: ENVIRONMENTAL								
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Energy Management C4(a)	Climate Change	Energy Management IF-RE-130a.2 IF-RE-130a.3	SDG7, 12, 13	Principle 7, 8, 9	Energy and Emissions Management (page 70-72)
	302-2	Energy consumption outside of the organization			-			
	302-3	Energy intensity			-			
	302-4	Reduction of energy consumption			Energy Management IF-RE-130a.5			
	302-5	Reductions in energy requirements of products and services			Energy Management IF-RE-130a.4			
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water C9(a) Effluents S8(a)	Water Use Pollution & Resource	Water Management IF-RE-140a.4	SDG6, 12	Principle 7, 8, 9	Water Consumption (page 73-74)
	303-2	Management of water discharge-related impacts			-			Not Available
	303-3	Water withdrawal			Water Management IF-RE-140a.2			Water Consumption (page 73-74)
	303-4	Water discharge			-			Not Available
	303-5	Water consumption			Water Management IF-RE-140a.3			Water Consumption (page 73-74)
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity S1(a) S1(b) S1(c)	Biodiversity	-	SDG14, 15	Principle 7, 8, 9	Biodiversity (page 76-77)
	304-2	Significant impacts of activities, products and services on biodiversity			-			Not Available
	304-3	Habitats protected or restored			-			Not Available
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations			-			Biodiversity (page 76-77)
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Emissions Management C11(a) C11(b) C11(c)	Climate Change	-	SDG7, 12, 13	Principle 7, 8, 9	Energy and Emissions Management (page 70-72)
	305-2	Energy indirect (Scope 2) GHG emissions			-			
	305-3	Other indirect (Scope 3) GHG emissions			-			
	305-4	GHG emissions intensity			-			
	305-5	Reduction of GHG emissions			-			
	305-6	Emissions of ozone-depleting substances (ODS)	Emissions - Air Quality/ Pollution S4(a)	Pollution & Resources	-	Not Available		
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions			-			

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
PILLAR: ENVIRONMENTAL								
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste Management C10(a) C10(a)(i) C10(a)(ii)	Pollution & Resources	-	SDG6, 12	Principle 7, 8, 9	Waste Management (page 74-75)
	306-2	Management of significant waste-related impacts						
	306-3	Waste generated						
	306-4	Waste diverted from disposal						
	306-5	Waste directed to disposal						
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain (Env) S6(a) S6(b)	Supply Chain (Environment)	-	SDG8, 11, 12, 16	Principle 7, 8	Not Available
	308-2	Negative environmental impacts in the supply chain and actions taken						Supply Chain Governance (page 95-97)
PILLAR: SOCIAL								
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Labour Practices and Standards C6(c)	Labour Standards	-	SDG5, 8	Principle 6	Talent Management (page 83-86)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees						
	401-3	Parental leave						
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	-	-	SDG8	-	Minimum Notice Period (page 81)
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Health and Safety C5(a) C5(b) C5(c)	Health & Safety	-	SDG3, 4, 8	-	Occupational Health and Safety (page 87-88)
	403-2	Hazard identification, risk assessment, and incident investigation						
	403-3	Occupational health services						
	403-4	Worker participation, consultation, and communication on occupational health and safety						
	403-5	Worker training on occupational health and safety						

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GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
PILLAR: SOCIAL								
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	Health and Safety C5(a) C5(b) C5(c)	Health & Safety	-	SDG3, 4, 8	-	Occupational Health and Safety (page 87-88)
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships						
	403-8	Workers covered by an occupational health and safety management system						
	403-9	Work-related injuries						
	403-10	Work-related ill health						
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Labour Practices and Standards C6(a)	Labour Standards	-	SDG4, 5, 8	-	Training and Development (page 84-85)
	404-2	Programs for upgrading employee skills and transition assistance programs						
	404-3	Percentage of employees receiving regular performance and career development reviews						
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Diversity C3(a) C3(b)	Labour Standards	-	SDG5, 8, 10	Principle 6	Corporate Governance Overview Statement (page 31-39); Diversity and Equality (page 81-82)
	405-2	Ratio of basic salary and remuneration of women to men						Competitive Employee Remuneration and Benefits (page 85-86)
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	-	Labour Standards	-	SDG5, 8, 10, 16	Principle 6	Diversity and Equality (page 81-82)
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 3	Human and Labour Rights (page 79-81)
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor	-	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 5	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	-	Labour Standards	-	SDG8, 10, 16	Principle 1, 2, 4	

Sustainability Statement

GRI STANDARD	GRI CODE	GRI DISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	SASB ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
PILLAR: SOCIAL								
GRI 410: Security Practices 2016	410-1	Security personnel trained in human rights policies or procedures	-	-	-	SDG4, 16	Principle 1, 2	Not Available
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	-	Human Rights & Community	-	SDG10, 16	Principle 1, 2	Human and Labour Rights (page 79-81)
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Community/ Society C2(a) C2(b)	Human Rights & Community	-	SDG11, 16, 17	-	Local Community (page 89)
	413-2	Operations with significant actual and potential negative impacts on local communities						
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain (Social) S7(a) S7(b)	Supply Chain (Social)	-	SDG8, 10, 11, 16	Principle 1, 2	Not Available
	414-2	Negative social impacts in the supply chain and actions taken						Supply Chain Governance (page 95-97)
GRI 415: Public Policy 2016	415-1	Political contributions	-	Anti-Corruption	-	SDG16	Principle 10	Anti-Corruption (page 91-93)
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Customer Health & Safety/ Product Responsibility S3(a) S3(b) S3(c)	Customer Responsibility	-	SDG3, 16	-	Product Quality and Customer Satisfaction (page 65-66)
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services						
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	-	Customer Responsibility	-	SDG16	-	Product Quality and Customer Satisfaction (page 65-66)
	417-2	Incidents of non-compliance concerning product and service information and labeling						Not Available
	417-3	Incidents of non-compliance concerning marketing communications						Not Available
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security C8(a)	Human Rights & Community	-	SDG16	-	Data Privacy and Security (page 97)