



UN SDGs ADOPTED

Positive, Sustained Community and Social Impacts

Creating thriving communities sits at the heart of S P Setia's purpose. We believe long-term value is only possible when we put people first — strengthening well-being, fostering inclusion and supporting the communities that live, work and grow alongside our developments.



**OCCUPATIONAL
SAFETY &
HEALTH**

A safe and healthy workplace is the foundation of sustainable performance. Through structured leadership, strong risk management and a culture of shared accountability, we strive to safeguard our employees, contractors and customers, while creating healthy environments that promote both physical and mental well-being.

WHY IT MATTERS

We operate in an industry with elevated health and safety risks, given the nature of our construction and real estate development activities. Prioritising the safety and well-being of both employees and non-employees is therefore essential to preventing incidents and protecting people from workplace hazards. Effective risk management also safeguards S P Setia's financial strength and operational continuity by helping us maintain our licence to operate, minimise legal exposure and avoid undue compensation and remediation costs.

Armed with this cognisance, we are committed to implementing stringent health and safety measures that prevent illness and injury, enhance productivity and reinforce public confidence — while ensuring full compliance with occupational safety and health (OSH) regulations to support a safe, sustainable and successful working environment. To achieve this, we embed accountability at every level of the organisation. This not only protects our employees, contractors and customers, but also strengthens our reputation, supports operational efficiency and reinforces long-term financial resilience.



Fire Drill Training

OUR APPROACH

Our approach to health and safety is anchored in full compliance with the Occupational Safety and Health (Amendment) Act 2022 and alignment with ISO 45001:2018 Occupational Health and Safety Management Systems. These commitments are formalised through our Health, Safety and Environment (HSE) Policy, and Standard Operating Procedures (SOPs) which are communicated to all employees and relevant non-employees (including contractors).

Together, these documents provide clear guidance on core health and safety procedures, including Hazard Identification, Risk Assessment and Risk Control (HIRARC) and Office Environmental Planning and Inspection, as well as operational processes. They also ensure OSH risks are systematically assessed and consolidated into a Group-wide risk profile for ongoing monitoring and control.

Oversight of OSH practices is supported by a structured HSE Governance Framework. Committees at Business Unit and project site levels report to the Group Health, Safety & Environment (GHSE) which is overseen by the Chief Operating Officer. This integrated governance structure strengthens decision-making, ensures consistent implementation across operations and enables timely escalation and response to emerging risks.

ESG Report

Business Unit committees convene monthly to address evolving worksite conditions and maintain regular dialogue with site managers and employees, ensuring consistent adherence to our health and safety standards. At project sites, our HSE representatives also meet on a monthly basis and comprise both employer and employee representatives. These committees are chaired by project managers, with dedicated support from HSE officers to strengthen on-the-ground oversight and implementation.

Our Group-wide OSH Management System, which is further aligned with ISO 14001:2015 for environmental compliance, ensures robust controls are in place to protect permanent, contract and contractor employees across all project sites. Where work involves specialised activities and heightened hazards, additional safeguards are implemented to manage unique risks.

To drive continuous improvement, we conduct regular audits, inspections and management reviews to proactively identify gaps and strengthen performance. Employees are encouraged to contribute through hazard reporting, incident investigations and ongoing safety training. Together with health and wellness programmes, these efforts reinforce a strong safety culture, reduce risk exposure and support operational excellence.

OUR INITIATIVES

Strengthening Our Safety Commitments

We conduct regular management reviews to evaluate and strengthen health and safety performance across our Business Units and project sites. These reviews focus on:

- Legal and regulatory compliance
- Employee management of hazards, risks and opportunities
- Progress of Group-level objectives
- Effectiveness of operational controls

Our Group Health, Safety and Environment (GHSE) team carries out monthly HSE audits at project sites to verify compliance with established standards and contractor requirements. Key findings are shared with Business Unit project teams, who implement corrective actions and communicate the necessary information to workers and their representatives to ensure shared understanding and timely action. Follow-up verification checks are then conducted to confirm the effectiveness of these measures.

To support continuous improvement, we systematically document HSE performance across all sites and conduct at least one Group-level internal audit each year to assess the effectiveness of our policies and procedures against HSE objectives. This is reinforced by third-party audits for the renewal of our ISO 14001:2018 and ISO 45001:2015 certifications.

Conducting Hazard Identification and Risk Assessment

Each project site and its related Business Unit office carry distinct health and safety risks for employees, contractors and the surrounding environment. To manage these risks effectively, we maintain a strong focus on early identification and proactive control measures including the assessment of health and safety considerations at the planning stage of new initiatives as well as throughout ongoing operations and existing projects.

We implement Hazard Identification, Risk Assessment and Risk Control (HIRARC) to systematically identify site-specific hazards and assess their potential impact. Based on inspection findings, hazards are prioritised using a risk matrix that considers both severity and likelihood, enabling us to prioritise attention and resources for the most critical issues first.

To strengthen ongoing safety performance, we embed risk management into our daily operations through:

- Daily site assessments – These are conducted by project teams, with prompt action taken on non-compliance
- Monthly audits – Undertaken by the GHSE department, these identify improvement areas and update risk controls as projects evolve
- Regular risk assessment reviews – Immediate re-evaluation of risks triggered by changes in processes, equipment or working environments
- Routine workplace inspections – Frequent inspections ensure risks remain effectively controlled
- Quarterly office inspection by our OSH Committee members

To further enhance risk mitigation, we also incorporate feedback from project teams, consultants and employees, helping us maintain a balanced and comprehensive view of evolving hazards and site conditions.

Managing Incident Response and Investigation

To effectively manage workplace incidents, we have established the S P Setia Workplace Incidents Framework to guide appropriate response and investigation SOPs.



Empowering Employees for a Safer Workplace

We view input from our project implementation teams as a critical enabler of safer worksites and more effective processes, as they bring a frontline understanding of day-to-day hazards and risk exposures.

Employees across all project sites and Business Unit offices are represented through our OSH Committees, which convene monthly for site committees and quarterly for office committees. Committee members actively participate in safety meetings, hazard and risk assessments, and the development of control measures — enabling open, two-way communication and timely escalation of concerns. They also take part in weekly toolbox sessions, providing a platform to discuss emerging safety issues and share learnings informally.

Committees at project sites are empowered with decision-making authority over safety procedures, implementation and workplace initiatives. Through regular inspections and close collaboration with management, employees that are committee members help identify potential hazards early and recommend targeted safety training programmes that address site-specific challenges.

ESG Report



Providing OSH Training

We believe the best way to safeguard health and safety for all our teams to effectively educate them on best practices. To this end, we deliver structured health and safety training programmes across our offices and project sites to strengthen competency, reinforce safe behaviours and embed a safety-first culture throughout the Group. Our OSH training programmes include:

All new employees and workers at Setia offices and project sites are required to attend a full safety and health induction to ensure baseline awareness of key risks, roles and expectations.

Safety Induction

We conduct regular refresher sessions to reinforce safe work practices, build awareness of emerging hazards and strengthen day-to-day compliance.

Ongoing Safety Training Sessions

Targeted training equips employees with practical knowledge of emergency response procedures, including evacuation protocols, first aid readiness and the safe use of emergency equipment.

Emergency Response Training

We provide guidance to enable employees to conduct Job Safety Analysis, identify hazards effectively, assess risk levels and implement appropriate mitigation and control measures.

HIRARC Training

We deliver timely updates on relevant OSH laws, regulations and compliance requirements to ensure employees remain informed and aligned with regulatory expectations.

Legal Compliance Training

To strengthen safety performance at project sites, all workers, including employees and contractor personnel, are required to attend compulsory training in scaffolding, machinery operations, working at height and emergency response procedures. This ensures those performing higher-risk tasks have the competencies needed to minimise incidents and operate safely.



A-Frame Scaffolding Erection Training

Our developments operate under an approved Environmental Impact Assessment (EIA) and conduct monitoring for noise, vibration, water quality and air quality as per authority requirements. This helps ensure that these parameters remain within prescribed threshold limits, safeguarding the health and safety of our people as well as the surrounding community.

We also organise OSH Day activities at construction sites to reinforce practical safety awareness through enhanced briefings, experience sharing and updates on tools and best practices. These sessions often recognise contractor teams who demonstrate strong safety compliance, reinforcing positive behaviours and shared accountability.

Strong individual performance is also rewarded, with high-performing employees rewarded with the chance to pursue professional safety certifications. In parallel, supervisors and managers undergo safety leadership training to strengthen their capability to champion safe behaviours, drive accountability and embed a consistent safety culture across their teams.

Encouraging Employee Health and Well-being

Beyond workplace safety, we support our employees in living healthier, more balanced lives through structured programmes, benefits and services that promote both physical and mental well-being.

To strengthen physical wellness, we provide ongoing health education and resources that cover key topics such as healthy lifestyle practices, nutrition and exercise. We also organise periodic voluntary fitness and wellness challenges that build camaraderie and encourage positive habits across the Group.

These initiatives are complemented by comprehensive medical insurance coverage for all employees, including preventive care, routine check-ups and specialist consultations. In addition, we provide healthcare navigation support to help employees access suitable providers and make informed choices about their care.

Strengthening Contractor Safety Standards

As we work with a wide network of suppliers and business partners across our projects, we place strong emphasis on ensuring our contractors uphold the same high standards of health and safety as we do. Any inconsistency in safety practices can elevate risks not only for our respective workforces, but also for surrounding communities and the public.

To safeguard people and operations, the S P Setia Contractor Risk Management Framework embeds rigorous due diligence across every stage — from tender evaluation and contract award through to on-site monitoring and continuous improvement.

- **During the tender process**

Contractors are required to demonstrate robust health, safety and environmental management practices as part of the selection criteria. This includes compliance with relevant requirements and the presence of recognised management system standards. For higher-risk or larger work packages, contractors' ISO 14001:2015 and ISO 45001:2018 certifications (or equivalent) may be prioritised as part of the evaluation.

- **Upon contract award**

Contractors must submit a comprehensive HSE plan for management review and ensure their personnel complete induction training aligned with S P Setia's standards. We also conduct a detailed risk assessment to identify potential gaps in the contractor's health and safety processes and implement appropriate preventive measures, including engineering and administrative controls as well as personal protective equipment (PPE).

- **Ongoing oversight and support**

To ensure standards are sustained throughout project execution, we extend our internal monitoring and governance practices to contractor operations. This includes regular site audits, continuous performance monitoring and ongoing safety communication. Contractor employees also participate in project-specific training and awareness programmes and are provided access to incident reporting mechanisms to support prompt intervention and stronger safety outcomes.

ESG Report

OUR RESULTS AND ACHIEVEMENTS

In 2025, our Lost Time Incident Rate (LTIR) stood at 0.17 for employees and 0.01 for contractors. We also delivered health and safety training to 765 employees and 1,098 contractors, representing an increase compared with 2024 as we sharpened our focus on safeguarding our people.

We continuously engage the relevant stakeholders and carry out thorough set of corrective actions to strengthen controls and reinforce preventive measures moving forward.

	2023	2024	2025
Number of work-related fatalities (Employees)	0	0	0
Lost Time Incident Rate (LTIR) (Employees)	0.68	0.16	0.17
Lost Time Incident Rate (LTIR) (Contractors)	0.02	0.01	0.01
Number of employees trained on health and safety standards (Employee)	943	345	765
Number of employees trained on health and safety standards (Contractors)	2,535	496	1,098
Total man-hours worked for the reporting period (Employees)	3,217,528	3,153,856	2,309,036
Total man-hours worked for the reporting period (Contractors)	18,495,158	17,327,905	13,900,637

GOING FORWARD

In 2026, we will continue to strengthen workplace health and safety through targeted initiatives, including scaffolding training, working-at-height programmes and emergency response preparedness, held across all Business Units. Regular risk assessments, safety audits and ongoing training will remain key to identifying and mitigating hazards, supported by preventive measures that reduce risks and reinforce safe work practices.

To sustain strong implementation, we will continue allocating the necessary resources to provide training and support for employees and contractors. In tandem, we aim to further enhance our internal governance structures and processes to improve risk monitoring and uncover new opportunities to progressively advance Group-wide health and safety practices.



A-Frame Scaffolding Erection Training



BUSINESS MODEL RESILIENCE

The resilience and sustainability of our business rests on our people, who uphold our high-quality standards, shape our corporate culture and advance our strategic objectives—ensuring S P Setia remains agile, capable and positioned for long-term success. By strengthening their capabilities and supporting their well-being, we are empowered to deliver with consistency, respond to change and sustain long-term value creation.

WHY IT MATTERS

A resilient business model is built on a strong, skilled and agile workforce. Attracting, developing and retaining talent not only safeguards business continuity, but also strengthens our ability to innovate, respond to evolving market conditions and perform consistently in a dynamic environment. An inclusive and supportive workplace, both for our direct employees and those across our supply chain, further reinforces this resilience by helping employees feel valued, remain engaged and contribute meaningfully over the long term.

We remain committed to strengthening employee engagement and investing in succession planning and talent development to ensure our organisation retains the right skills and leadership depth. This supports workforce capability, enhances adaptability and helps sustain business resilience amid evolving operating landscapes.



Risk Hunt 2025

OUR APPROACH



Agile@Work

Our comprehensive approach to building and sustaining a capable and adaptable workforce is guided by a suite of Group-wide policies and procedures. Together, these frameworks ensure compliance with applicable labour standards while embedding mechanisms that strengthen employee engagement and development. People management is overseen by Group Human Capital (GHC), ensuring our workforce practices

align with overarching business strategies and that employees are equipped with the skills, support and governance needed to drive sustained performance and long-term growth.

Employee Development Framework

To ensure resources are adequately deployed for workforce progression, we have consistently allocated 2% of our Annual Gross Salary towards employee training and development. The programmes and initiatives conducted are designed around business priorities and competency requirements, with Group HC leading this process by setting priorities and tracking programme effectiveness through specialised systems.

This framework continues to guide the Group's learning and development approach, providing a structured and equitable pathway for employees to access opportunities that build capability in line with evolving business needs.

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Remuneration and Benefits

Our remuneration practices are designed to remain competitive and aligned with employees' capabilities and responsibilities. Employees are positioned within structured salary ranges according to job grade, supported by performance-based rewards linked to KPI achievement. All employees receive standardised benefits, including leave entitlements, healthcare coverage, professional development support and staff purchase privileges.

Building a Diverse Workplace

Our approach to diversity focuses on fostering harmonious workplaces where differences are respected, unique talents are recognised and equal opportunities are upheld. We ensure equal access to rewards and resources for all employees, and takes proactive measures to eliminate any form of workplace discrimination, including but not limited to discrimination based on individual traits such as race, gender, age, religion, disability or nationality, across the organisation.

Labour Rights Policy

Implemented in July 2023, our Labour Rights Policy establishes clear standards across six material areas:

- Fair wages and benefits
- Freedom of association
- Prevention of forced and child labour
- Diversity and inclusion
- Safety and health
- Upskilling and education

The policy is communicated to all employees across our operations, ensuring consistent understanding and guiding our relationships with employees and business associates, while reinforcing fair employment practices and regulatory compliance.

We maintain stringent protocols to prevent forced and child labour, aligning our practices with the International Labour Organisation's Core Labour Standards and Malaysia's Children & Young Persons (Employment) Act 1966. These include rigorous screening of labour agents, mandatory social compliance training for recruitment personnel and monitoring mechanisms to detect emerging risks.

Our policy sets out clear disciplinary consequences, including legal action, against any party enabling forced labour conditions. Regular audits, preventive controls and immediate remediation protocols further safeguard worker rights throughout the employment lifecycle. We also uphold freedom of association in full compliance with local labour laws, underscoring our commitment to ethical and responsible employment practices.

Labour Management Standards

We uphold labour standards across nine key areas to ensure consistent, fair and respectful treatment:



Working Hours

Clear parameters on standard hours and overtime compensation.



Benefits and Wages

Competitive remuneration aligned with market standards.



Employee Contracts

Comprehensive written agreements that protect all parties.



Labour Rights

Safeguarding fundamental worker rights and freedoms.



Leave Management

Balanced policies that support work-life integration.



Training and Development

Structured pathways for career progression.



Whistleblowing Procedures

Protected channels for reporting concerns.



Health and Safety Standards

Robust workplace safety requirements.



Anti-Harassment Policies

Clear guidelines to prevent workplace harassment.

OUR INITIATIVES

In 2025, we continued to advance workforce progression through purposeful programmes and refinements that strengthen internal capabilities, employee well-being and workplace satisfaction.

Nurturing Our Talent

Strategic talent development remained a core priority as we continued investing in learning initiatives aligned with business priorities and evolving competency needs. During the year, we rolled out a focused capability-building agenda across Team Setia, centred on agile execution, leadership continuity and technical excellence.

This included targeted programmes for executives, senior managers and managers to strengthen their adaptability, resilience and performance in an increasingly dynamic operating environment. In parallel, we invested in strengthening the leadership pipeline through structured development series for Heads of Department and senior management.

At the functional level, a series of Technical Tea Talks were organised to support continuous knowledge-sharing across technical teams. These sessions provided practical insights into industry best practices and real-world applications, empowering teams to drive quality improvement, compliance and operational excellence.

Programme Name	Description	Target Participants	Sessions & Participation
Agile Leadership	Designed to equip leaders with the mindset and competencies to navigate a fast-paced and evolving business environment. Participants explored agile leadership principles, strategies for leading through change and behaviours that drive resilience, adaptability and high performance, with a strong emphasis on practical application in daily leadership decisions.	Managers across various functions	<ul style="list-style-type: none"> Total Participants: 185 Total Sessions: 6
Agile @ Work	Introduced agile ways of working to enhance adaptability, proactiveness and continuous improvement. Participants learned to streamline workflows, improve prioritisation and strengthen collaboration through practical exercises and guided discussions.	Assistant Manager level and below, including executives in technical and support functions	<ul style="list-style-type: none"> Total Participants: 648 Total Sessions: 3
Advanced Leadership Acceleration (ALA)	A flagship four-month leadership development programme designed exclusively for selected leaders. Participants strengthened leadership capabilities through immersive face-to-face modules, Harvard case studies, business simulations, peer learning and facilitated group coaching. These empowered them with the mindset, skills, and tools necessary to lead high performing teams, drive operational excellence, and navigate organisational change to create meaningful and strategic impact.	Selected managers and emerging leaders	<ul style="list-style-type: none"> Total Participants: 82 Total Sessions: 2 cohorts with each completing three 2-day face-to-face sessions and multiple coaching sessions conducted as part of the structured journey

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Programme Name	Description	Target Participants	Sessions & Participation
Strategic Leadership Acceleration (SLA)	<p>A premier development initiative for senior leaders aimed at strengthening strategic foresight, systems thinking and enterprise leadership, closing the gap between current responsibilities and future expectations. The intensive four-month programme included high-impact workshops, global masterclasses, and peer learning sessions focused on elevating customer-centricity, innovation, systems thinking, and sustainable leadership practices. A key highlight was participation in MIT Sloan’s “Leading Organisation and Change” programme, through which leaders gained practical strategies to drive enterprise-wide impact, lead complex change, and operate effectively as leaders of leaders.</p>	<p>Selected senior leaders identified for leadership growth</p>	<ul style="list-style-type: none"> • Total Participants: 39 • Total Sessions: A four-month journey for one cohort, with components including strategic workshops, global masterclasses, peer learning sessions and the MIT Sloan programme
Technical Tea Talks	<p>Three-hour knowledge-sharing sessions focused on diverse technical areas, providing practical insights into industry best practices, regulatory compliance and real-world applications. Sessions encouraged interactive discussion and learning to strengthen technical competence and operational effectiveness.</p>	<p>Employees involved in project and contract administration</p>	<p>Topics and Participation:</p> <ul style="list-style-type: none"> • Waterproofing Best Practices – 138 participants • Do It Right, The First Time / Trade Excellence – 92 participants • M&E in Focus: Powering Quality – 90 participants • QCLASSIC & Quality Talk – 100 participants • Soil Investigation & Sub-Structure – 113 participants



Advancing Gender Diversity and Inclusion

We continue to take deliberate and consistent steps to embed gender equality into key people decisions, including promotions and leadership succession planning. As a result of these concerted efforts, women now comprise 40% of the Group's management team. In terms of career progression, female employees accounted for 52% of total promotions in 2024, increasing further to 56% in 2025, reflecting continued momentum in advancing gender balance across the organisation.

Over the year, we implemented a range of targeted initiatives aimed at strengthening female leadership representation, fostering inclusive leadership and ensuring equitable access to development opportunities across all levels.

Women in Leadership Programme

Selected female leaders from the management team were identified to participate in an external women's leadership programme alongside women leaders from diverse industries. This initiative reflects the Group's commitment to nurturing female leadership talent, broadening perspectives and supporting women leaders in challenging boundaries and accelerating their leadership growth.



Leadership Development Programmes

As part of our ongoing focus on building leadership capability and bench strength, the Group rolled out two leadership development series:

- the Advanced Leadership Acceleration Programme, targeted at managerial-level leaders; and
- the Strategic Leadership Acceleration Programme, designed for Heads of Department and Deputy General Managers.

In the design and implementation of both programmes, deliberate efforts were made to ensure gender-balanced participation. Across each cohort, female representation was maintained at 40%-50%, supporting equitable access to leadership development and strengthening the progression of women within the leadership pipeline.



International Women's Day

The Group commemorates International Women's Day annually across the organisation. In 2025, celebrations were anchored on the theme "CelebrateHER", which focused on recognising and uplifting women across the organisation, while also acknowledging allies, mentors and male colleagues who actively champion gender equality. The programme reinforced our commitment to inclusivity, with a Board member delivering a message on diversity, empowerment and inclusion that was broadcast across all regions, signalling leadership's continued support for gender equality.



Sponsorship of The Women Way Forward Conference

S P Setia supported The Women Way Forward Conference, organised by Wanita Industri Binaan Malaysia (WIBM) in conjunction with International Construction Week (ICW) 2025. The conference highlighted women's leadership and contributions within the construction sector, serving as a platform to inspire, support and accelerate women's career progression in a traditionally male-dominated industry. Beyond sponsorship, selected female talents from the Group actively participated in the conference, underscoring our commitment to developing and advancing women leaders within the organisation.



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Providing Workplace Flexibility

Our three-tier flexible work arrangement provides employees with greater agency over their work-life balance while maintaining operational continuity.

Flexible Working Hours

Employees may manage their schedules, provided they:

- are present during core hours (10.00 a.m. to 5.00 p.m.); and
- complete nine working hours at the office, inclusive of lunch breaks.

Work From Anywhere

Employees may work from another S P Setia office, reducing travel burden and enabling greater flexibility to meet personal commitments. Approval is subject to work requirements and office space availability.

Working From Home

This option supports employees who are unable to be physically present in the office due to specific circumstances, including:

- office unavailability due to natural disasters;
- pandemic-related office closure; or
- crisis situations that prevent employees from coming into the office
- when an employee is infected, or has close contact with a person infected, with a contagious disease; or
- when an employee needs to attend to a personal issue

Enabling Open Communication

Employees are empowered to raise workplace issues and highlight concerns through our established grievance procedures which provide a structured channel for communication with management. The process safeguards confidentiality and ensures issues are escalated appropriately from immediate supervisors through to senior management when required, with appropriate remediation undertaken promptly.

Promoting Employee Engagement

We continue to strengthen employee engagement through regular initiatives that foster connection, reinforce our culture and cultivate a strong sense of belonging across the Group.

During the year, the Group organised festive celebrations at the regional level, including Chinese New Year and Hari Raya luncheons, bringing employees together to celebrate cultural diversity and strengthen camaraderie across teams and Business Units.

In addition, personal engagement sessions with the President & CEO were facilitated across various Business Units through "*turun padang*" visits. A total of 14 sessions were conducted, covering Business Units in Malaysia as well as operations in Vietnam and Melbourne. These sessions enabled direct interaction with employees, deeper engagement with leadership and the sharing of the Group's strategic direction, priorities and expectations. Collectively, these engagements foster open communication, strengthen alignment and reinforce a shared sense of purpose across the organisation.



SETIA SUSTAINABILITY DAY 2025 – Empowering Our People to Shape the Future

Setia Sustainability Day 2025 marked a key moment in the Group’s employee engagement calendar, bringing sustainability to life through dialogue and hands on learning. Anchored on the theme “Shaping Places for People, Planet and Future”, the programme reinforced Setia’s belief that long term progress must balance environmental stewardship, community wellbeing and business responsibility.



A knowledge sharing session at EcoHill Club360 featured a panel on “Designing Tomorrow: Integrating Nature, Industry and Community in Sustainable Placemaking”, moderated by Dr Matthew Wong of CarbonGPT. Employees also took part in an outdoor sustainability treasure hunt at Adventure Park and South Creek Park, strengthening teamwork while applying practical sustainability concepts.

The day was further strengthened by the launch of the Sustainability Park Revival initiative and a Group wide Green Space Competition. Submissions were assessed based on creativity, functionality, visual appeal and alignment with Setia’s sustainability themes, with the top three Business Units recognised. Overall, the event deepened awareness and affirmed Setia’s commitment to shaping places that create lasting value for people, the planet and the future.

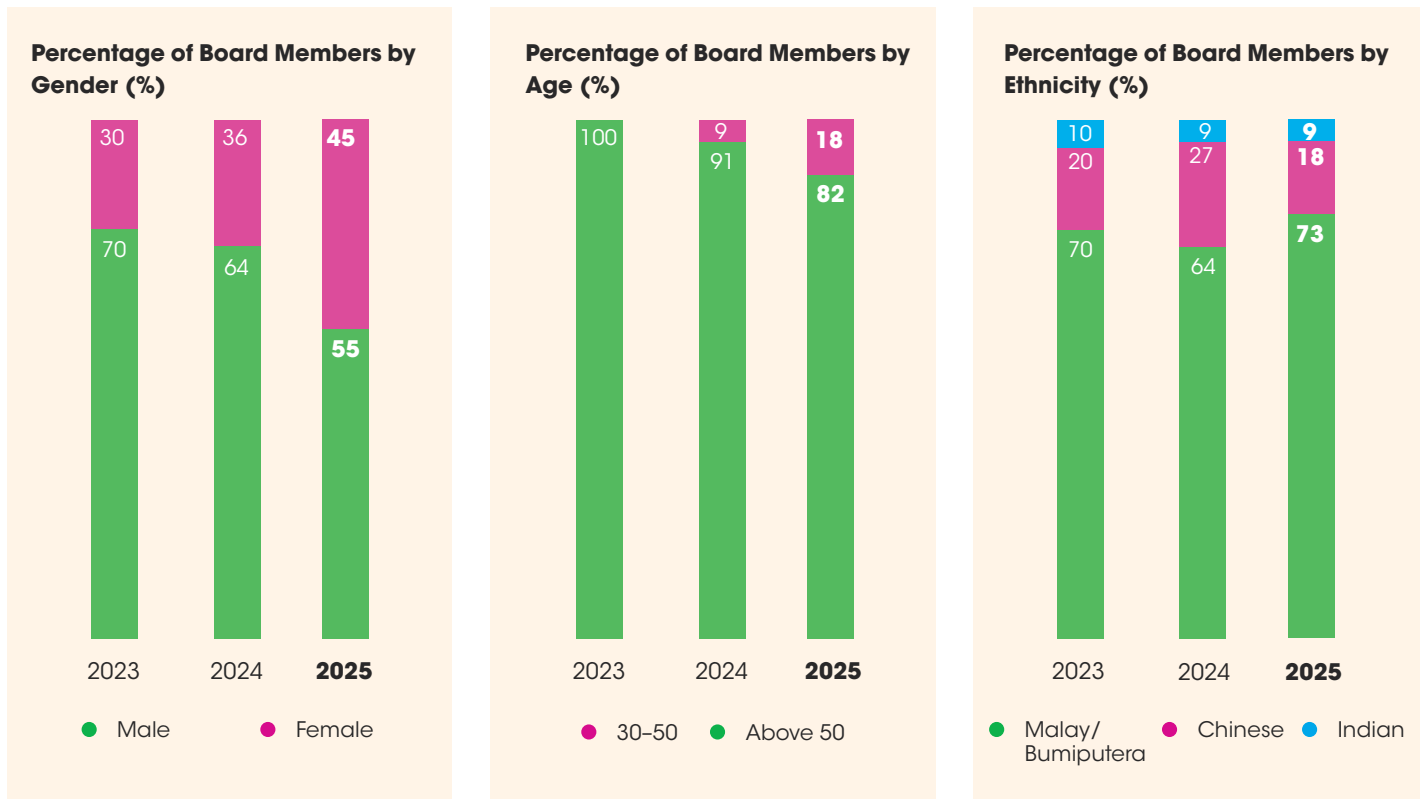


ESG Report

OUR RESULTS AND ACHIEVEMENTS

Workforce Composition

As of 2025, the Group’s workforce comprised 1,436 employees, predominantly permanent staff (97%), with the remainder engaged on a contract basis. Gender representation remained well balanced, with women making up 47% of employees. Board diversity remained strong, with female representation maintained at 45%.



Gender Diversity by Employee Category

Employees - Gender Diversity by Employee Category (%)	2023	2024	2025
Senior Management - Male	63	58	65
Senior Management - Female	37	42	35
Management - Male	57	52	47
Management - Female	43	48	53
Junior Management - Male	51	49	48
Junior Management - Female	49	51	52
Executive - Male	50	47	47
Executive - Female	50	53	53
Non-Executive - Male	66	69	71
Non-Executive - Female	34	31	29

Workforce by Type of Employment

Employees – Types of Employment (%)	2023	2024	2025
Permanent	97	98	97
Contract	3	2	3
Part Time	0	0	0

Age Diversity by Employee Category

Employees – Ages by Employee Category (%)	2023	2024	2025
Senior Management – Below 30	0	0	0
Senior Management – 30–50	26	26	26
Senior Management – Above 50	74	74	74
Management – Below 30	0	2	0
Management – 30–50	71	65	67
Management – Above 50	29	34	33
Junior Management – Below 30	1	1	1
Junior Management – 30–50	86	86	86
Junior Management – Above 50	12	12	13
Executive – Below 30	20	14	14
Executive – 30–50	72	78	77
Executive – Above 50	8	8	9
Non-Executive – Below 30	12	6	5
Non-Executive – 30–50	69	78	76
Non-Executive – Above 50	20	16	19

	2023	2024	2025
Percentage of Employees Who are Contractors of Temporary Staff (%)	3	2	3

New Hires and Turnover

We hired a total of 83 employees in 2025.

New Hires by Employee Category	2025
Senior Management	3
Management	13
Junior Management	20
Executive	39
Non-Executive	8
Total New Hires	83

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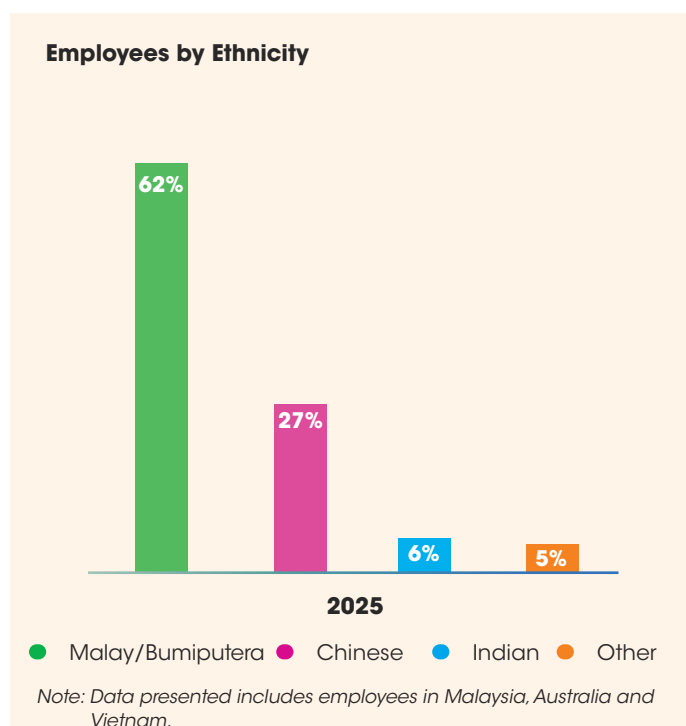
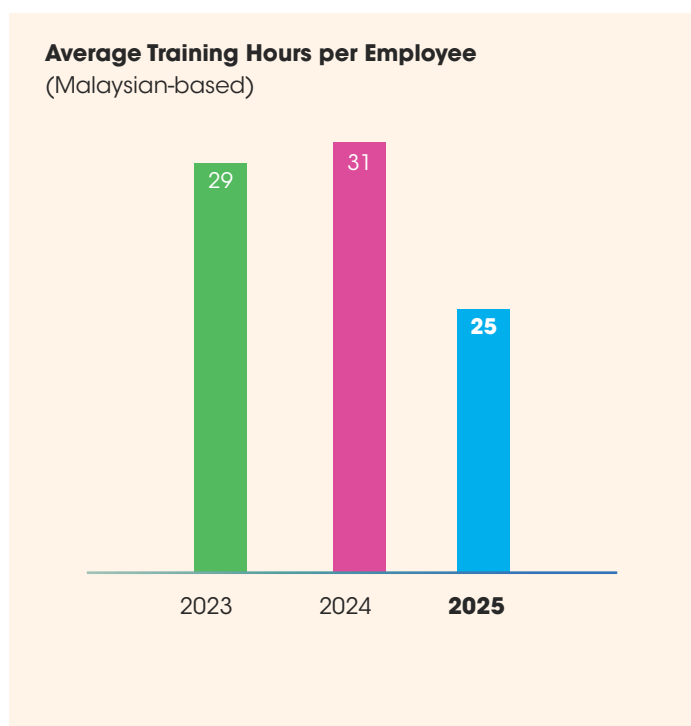
In 2025, total workforce transitions across all employment categories amounted to 160 employees, compared with 369 employees in 2024.

Total Number of Employee Turnover by Employee Category	2023	2024	2025
Senior Management	5	4	2
Management	30	38	26
Junior Management	55	101	48
Executive	120	147	65
Non-Executive	42	79	19
Employee Attrition	252	369	160

Training and Development

We continued to invest in talent development in 2025, providing 36,864 hours of training across the workforce. This amounts to an average of 25 hours per employee.

Total Hours of Training by Employee Category	2023	2024	2025
Male	22,372	22,372	17,147
Female	27,021	20,990	19,717
Senior Management	728	670	822
Management	8,389	8,018	9,501
Junior Management	15,144	18,256	13,883
Executive	21,988	13,423	10,887
Non-Executive	8,065	2,993	1,771





Employee Engagement

Each year, we partner with Mercer in conducting the People Pulse Survey to better understand employee sentiment across the Group. The survey captures key indicators such as workplace satisfaction, opportunities for professional growth and perceptions of our organisational culture. These insights enable us to evaluate the effectiveness of our people initiatives and identify areas for enhancement as we continue strengthening our position as an employer of choice.

In 2025, we significantly improved our score to 85%, indicating a stronger employee experience and a more engaged workforce—strengthening our ability to execute consistently and sustain long-term performance.

People Pulse Survey	2023	2024	2025
People Pulse Survey – Engagement Score	72%	71%	85%

Note: All data presented pertains to our Malaysian operations only.

GOING FORWARD

In 2026, we will continue strengthening our workforce management practices to ensure the Group remains resilient, agile and well-positioned to navigate evolving business demands. We will expand professional development opportunities to equip employees with future-ready capabilities that support both individual progression and long-term organisational sustainability. Diversity and inclusion will remain a key priority, supported by targeted efforts to increase female representation in management and foster workplaces that reflect shifting needs and expectations.

We will also continue leveraging the Setia Cares programme to support employee well-being, while adopting flexible working arrangements that enhance productivity and job satisfaction. As the business and operating landscape evolves, we will regularly refine our workplace policies, monitoring and reporting mechanisms, and training and awareness initiatives to maintain strong governance, accountability and continuous improvement.

ESG Report



HUMAN RIGHTS

By respecting and upholding human rights, we foster a just, inclusive and ethical workplace that empowers individuals and strengthens the integrity and long-term sustainability of our operations.

WHY IT MATTERS

As our people are the foundation of our sustainability, safeguarding human rights is likewise essential to protecting the resilience and continuity of our business. A strong commitment to human rights reinforces ethical conduct, supports harmony and stability, and safeguards individuals from harm — enabling our workforce to thrive and perform at their best.

Conversely, when human rights principles are not effectively governed and upheld, organisations risk enabling exploitation, perpetuating inequality and failing to protect individuals from harm. This can erode stakeholder trust, damage reputation and weaken long-term sustainability. By upholding human rights, we reinforce the foundations of responsible growth and cultivate a workplace where people are treated with dignity, fairness and respect.



Ethics & Integrity Workshop

OUR APPROACH



Team Setia promoting respect and inclusivity during training

At the fundamental level, our commitment to human rights protection is anchored in a zero-tolerance stance towards forced labour, child labour and all related unethical labour practices, including modern slavery, bonded labour and human trafficking. We ensure our practices align with the International Labour Organisation’s Core Labour Standards and Malaysia’s Children & Young Persons (Employment) Act 1966, which provide clear requirements for ethical labour practices across our operations.

In line with these commitments, we have established comprehensive governance measures under our Code of Conduct and Business Ethics (CoCBE) to monitor, prevent and address any instances of forced or compulsory labour. In parallel, our CoCBE, Labour Rights Policy and related internal policies ensure employees are protected and empowered to exercise their rights — including the ability to leave the workplace upon completion of the workday and the freedom to terminate employment with reasonable notice. Together, these measures provide a strong foundation for a fair, lawful and compliant working environment.

OUR INITIATIVES

To protect human rights across our operations, we take comprehensive and active measures to prevent unethical labour practices and uphold the highest standards of compliance.

Standing Against Child Labour

We enforce strict measures to prevent underage employment. If any individual below the age of 15 is identified, work is immediately ceased and appropriate action is taken. Rigorous screening and ongoing monitoring across our operations further ensure that underage workers are not recruited or engaged.

Eradicating Forced or Compulsory Labour

We maintain a robust set of safeguards to detect, address and prevent forced or compulsory labour. These include:

- Taking disciplinary and, where necessary, legal action against any individual found exploiting workers or profiting from unethical labour practices.
- Providing structured social compliance training for recruitment personnel to strengthen ethical hiring practices.
- Implementing mechanisms to identify early warning signs and prevent forced labour risks across our operations.
- Applying strict screening requirements for labour agents to ensure responsible and ethical recruitment.

All employees receive training on the CoCBE and social compliance standards, equipping them to recognise and report violations effectively. We also conduct regular reviews of recruitment practices and labour compliance processes to reinforce accountability and uphold ethical standards across the organisation. Together, these proactive measures reflect our commitment to fostering a fair, principled and sustainable workplace.

In 2025, we conducted audits throughout the group resulted in zero complaints concerning human rights violations.

OUR RESULTS AND ACHIEVEMENTS

We are pleased to report that S P Setia continues to preserve a strong track record of zero human rights violations.

	2023	2024	2025
Number of substantiated complaints concerning human rights violations	0	0	0

GOING FORWARD

Looking ahead, we will further strengthen our human rights safeguards by deepening alignment with ethical labour standards and reinforcing controls to prevent forced and child labour across our operations. We will continue conducting regular audits, enhance oversight of recruitment and employment practices, and expand ongoing CoCBE and social compliance training to ensure risks are identified early, concerns are addressed promptly and accountability is consistently upheld throughout the Group.



ESG Report



CUSTOMER SATISFACTION

With customer satisfaction being the cornerstone of a sustainable and thriving business, we remain deeply committed to delivering quality homes and exceptional service throughout our customers' homeownership journey.

WHY IT MATTERS

Our position as a trusted property developer is built on the satisfaction and confidence of our customers. Positive experiences contribute to a stronger reputation, supporting long-term business sustainability and reinforcing our growth prospects in an increasingly competitive market.

By consistently delivering quality developments and service excellence, we cultivate brand loyalty, enhance market appeal and drive sustainable value. Conversely, neglecting customer satisfaction can erode credibility, increase customer churn and weaken market share, ultimately impacting our reputation and business performance.

Accordingly, we remain committed to safeguarding customer satisfaction through strong construction quality, timely project delivery, transparent business practices and community-focused developments. These efforts deepen trust in the S P Setia brand, strengthen customer retention and help sustain our competitive advantage over the long term.



Frontline team connecting with customers over personalised discussions.

OUR APPROACH

To sustain customer satisfaction and long-term loyalty, we have established S P Setia's Sustainability and Quality Assurance Framework, which sets clear guidelines to ensure our developments meet or exceed customer expectations. This framework supports the delivery of high-quality products and sustainable communities that reinforce trust in the S P Setia brand. In parallel, our frontline teams uphold the 5-Star Setia Service Excellence Standard and are guided by S P Setia's Customer Service Handbook, ensuring a consistent and exceptional customer experience across touchpoints.

We measure customer satisfaction through annual surveys guided by Group Quality Management's (GQM) survey frameworks and biannual assessments across the following six key aspects of the customer journey:

- Sales and Marketing Department performance
- Credit Administration Department performance
- Customer Relation Department performance
- Site Supervisor performance
- Product Quality
- The likelihood of customers repurchasing the product

These surveys and assessments are complemented by regular service benchmarking and customer service audits conducted by internal and external parties, enabling us to evaluate performance and continuously raise service standards. Following a review by the Group Quality Department in 2024, our survey questions were refined in 2025 to enhance feedback quality and deepen our understanding of consumer behaviour and evolving needs.

Across relevant teams, we set clear customer service key performance indicators (KPIs) and provide regular training programmes, equipping them with the skills to meet evolving customer expectations. Findings from audits and feedback are translated into actionable improvements to further refine internal processes and practices.

OUR INITIATIVES



Customer relations team delivering a smooth, customer-focused key handover.

Product Quality Improvement Focus

- Prioritised product quality enhancement as a key focus area in 2025, with systematic reviews and refinements undertaken across all critical elements contributing to the final product delivered to customers.
- Centralised the Quality Assurance Quality Check (QAQC) function under Group Quality Management (GQM) to align quality standards, reporting and practices consistently across Business Units.
- Leaders 'Walk the Talk' campaign was launched and formalised as a Group-wide project site initiative, rallying stakeholder engagement and alignment, including consultants and contractors, to support effective implementation across project sites.
- Conducted competency gap assessments and intensified training programmes for contractors and internal teams to strengthen technical capabilities and drive collective commitment towards quality excellence goals.



Sales team showcasing show house model to potential buyers

Digitalising the Customer Experience

- Advanced our customers' digital experience to the next level through the introduction of the QMS – Quality Management System self-help platform, enabling homeowners to submit defect repair requests with photos and comments, or provide feedback to our friendly Customer Relations personnel conveniently and at any time.
- Enabled customers to track the status of their feedback and issue resolution in real time, improving transparency and reducing the need for manual follow-ups.

ESG Report

OUR RESULTS AND ACHIEVEMENTS

Enhancing Real-Time Data and Feedback Resolution

- Refined data and feedback collection processes to focus on critical customer touchpoints, ensuring feedback is channelled promptly to relevant stakeholders for timely action, and that all feedback is recorded and monitored following each interaction.
- This approach ensures customer issues and concerns can be addressed more proactively and efficiently by Team Setia, compared to the traditional approach of collating data from annual or biannual surveys.
- Continued enhancing this real-time resolution framework throughout the year to improve responsiveness, service recovery and overall customer satisfaction outcomes. Our ISO 27001-aligned controls govern third-party access to customer systems, with zero privacy complaints recorded in FY2025.



In 2025, customer feedback reflected strong performance across key touchpoints of the customer journey. Customer satisfaction with service quality delivered by our frontline teams, including Sales and Marketing, Credit Administration and Customer Relations, achieved a score of 87%, underscoring the effectiveness of our service standards and customer engagement practices.

Customers' willingness to recommend S P Setia for purchase recorded a score of 67%, providing an important indicator of brand advocacy and highlighting opportunities to further strengthen customer loyalty and market confidence. This positive sentiment is further supported by the growing appeal of our offerings, where green-enabled features supplied through our value chain have encouraged customer uptake, reflected in 41% of overall sales.

In terms of product quality, our developments achieved a QLASSIC score of 82% as assessed by CIDB, reflecting continued progress in construction quality and adherence to recognised industry standards. Collectively, these results affirm our ongoing focus on service excellence, product quality and customer-centric delivery, while guiding targeted improvements to further enhance the homebuyer experience.

GOING FORWARD

To strengthen customer satisfaction across the Group, we will seek opportunities for further enhancing our feedback and engagement channels, including surveys, online platforms and community sessions. These efforts will be supported by AI-enabled tools to identify recurring themes, anticipate emerging concerns and refine our processes proactively. We will also reinforce employee training aligned with the 5-Star Setia Service Excellence Standard, ensuring service consistency across touchpoints, while systematically investigating negative feedback to drive targeted improvements.

In parallel, we will continue upgrading our digital touchpoints to deliver more timely and transparent communication. This includes real-time project updates, practical property management tools and sustainability guides, supported by regular progress reporting to provide clarity on milestones and any changes to project timelines. Quarterly assessments will remain a core mechanism for tracking customer satisfaction performance, with clear improvement targets set and monitored over time.

To strengthen ongoing trust and responsiveness, we will maintain regular engagement with Resident Associations and review purchaser feedback periodically, ensuring concerns are addressed promptly and improvements are embedded across future developments.



COMMUNITY

Contributing to communities sits at the heart of our purpose and business philosophy. By advancing community well-being, we help drive meaningful, positive change across Malaysia while strengthening trust in the S P Setia brand — supporting the long-term resilience and viability of our business.

WHY IT MATTERS

Community advancement is deeply embedded in how we operate, enshrined within our core purpose of creating sustainable communities. At the same time, we complement our development activities with outreach initiatives that address the needs of disadvantaged groups, strengthen educational outcomes, promote unity and provide support during times of crisis.

Through these collective efforts, we contribute to Malaysia’s socioeconomic progress while strengthening our position as a trusted community partner — reinforcing the sustainability of our business. Conversely, neglecting community priorities could weaken our reputation and brand, erode customer trust and affect revenue, while undermining our ambition to create developments that deliver lasting societal value.

We therefore remain committed to working meaningfully with stakeholders and supporting national development through initiatives rooted in social responsibility. By sustaining these efforts, we aim to strengthen our standing as a socially responsible organisation, deliver long-term benefits to the communities we serve, and build resilience in responding to evolving societal needs.

OUR APPROACH

Led by our dedicated charity arm, the Setia Foundation, our community initiatives aim to create a brighter future for communities through four key focus areas aligned with our ESG agenda.

Disaster Relief

Mobilises assistance during times of crisis. Following the 2025 floods, Setia Foundation rolled out the Humanitarian Post-Disaster Engagement (HOPE) Programme to support affected communities in Kelantan, Pahang and Perlis through Back-to-School assistance and the distribution of essential relief items.

Community and Health

Uplifts vulnerable communities through the Sincerely, Setia Festive Assistance (SSFA) programme and the Setia Charitable Adoption and Residential Engagement (CARE) initiative. SSFA delivers timely support to underprivileged communities in conjunction with major festive celebrations, while CARE deepens this contribution through sustained, longer-term engagement with selected communities, underscoring Setia Foundation’s commitment to inclusive well-being and meaningful social impact.

Education

Advances educational access and outcomes by easing financial constraints, strengthening learning support and promoting STEM learning through the Setia Caring School Programme (SCSP). The programme suite also enhances examination preparedness via Tuition Mission (Pecutan Akhir SPM) and strengthens employability for B40 youth through industry attachments with Amari under the STEP-UP programme. Together, these initiatives improve academic achievement, reduce inequality and help develop future-ready talent aligned with national development priorities.

Unity

Strengthens social cohesion by celebrating Malaysia’s cultural diversity through festive discovery initiatives. By involving students in experiential learning centred on key celebrations such as Chinese New Year, Hari Raya and Deepavali, the programmes encourage inclusivity, deepen cross-cultural understanding and cultivate values of harmony and togetherness among primary school children.

ESG Report

To encourage meaningful involvement, we establish annual employee volunteering hour targets, coordinate volunteering programmes through Setia Foundation and provide replacement leave to support staff participation. During Ramadan, Setia Foundation further strengthens its support for social welfare initiatives through a collaboration with S P Setia Berhad’s subsidiary, Perumahan Kinrara Berhad (PKB). Through this partnership, food baskets and zakat contributions are distributed to deserving Asnaf communities, funded through PKB’s wakalah zakat allocations.

To support the Setia Foundation’s efforts, we actively encourage and facilitate employee volunteerism across the Group. Employees may seek approval to participate in community initiatives during working hours, while our Group HC department also provides volunteer leave to enable weekend participation.

We have additionally established our flagship “Sincerely, Setia” initiative, which delivers programmes throughout the year that reflect our commitment to spreading kindness and care to underserved Malaysians.

OUR INITIATIVES

DISASTER RELIEF

No. of Beneficiaries	Amount Invested
146 households and 1,503 individuals	RM57,603

List of Disaster Relief Initiatives



Back-to-School Assistance

In collaboration with Perumahan Kinrara Berhad (zakat) and Pertubuhan Badan Bantuan Bencana NGO (BBNGO) Malaysia, Back-to-School assistance was provided to 153 Asnaf primary school students in Rantau Panjang, Kelantan.



HOPE Disaster Relief Assistance (Kelantan and Pahang)

In partnership with BBNGO, essential relief items were distributed to communities affected by floods in Tumpat, Kelantan and Kuantan, Pahang. Assistance included baby and adult diapers, kain pelikat and kain batik, benefitting a total of 1,350 affected individuals.



HOPE Disaster Relief Assistance (Perlis)

Through continued collaboration with BBNGO, additional disaster relief assistance was extended to flood-affected communities in Arau, Perlis. Sleeping necessities and cleaning supplies were distributed, supporting 146 families during the recovery period.

COMMUNITY AND HEALTH

No. of Beneficiaries	Amount Invested	S P Setia Volunteer Participants	Total Volunteer Hours
1,598	RM179,450	112	573.5

List of Community and Health Initiatives:

1. Sincerely, Setia Festive Assistance (SSFA) – Chinese New Year, Hari Raya and Kaamatan

Food baskets were distributed alongside community engagement activities, including physiotherapy sessions and health screening programmes, to support the well-being of underprivileged communities during major festive periods.

2. Sincerely, Setia Festive Assistance (SSFA) – Ramadan

In collaboration with Perumahan Kinrara Berhad (wakalah zakat), food assistance and zakat contributions were distributed to Asnaf families, extending timely support during the month of Ramadan.

3. Sincerely, Setia Festive Assistance (SSFA) – Hari Raya Aidilfitri

Through partnerships with Perumahan Kinrara Berhad (wakalah zakat) and Amari Penang, festive assistance was provided to orphans. The initiative included the distribution of meals and duit raya, alongside the hosting of a Hari Raya celebration.

4. Setia CARE – Adoption Programme for Elderly Homes (Deepavali and Christmas)

Sustainable support was provided to adopted elderly homes through the donation of a regenerative aquaponic system, ensuring a consistent supply of fish and vegetables for a minimum period of three years. This was complemented by regular engagement activities with elderly communities, enabling continuous support and meaningful interaction.



ESG Report



Sincerely, Setia Tuition Mission in Selangor: Pecutan Akhir SPM 2025

EDUCATION

No. of Beneficiaries	Amount Invested	S P Setia Volunteer Participants	Total Volunteer Hours
2,461	RM1,064,615	228	2,883.5

List of Education Initiatives:

- 1. Sincerely, Setia Youth Engagement (Scientific Calculator and Spectacles Donation)**
 Scientific calculators and spectacles were provided to students to support learning needs and enhance academic performance.
- 2. Setia Caring School Programme (SCSP) - Educational Assistance at Sekolah Angkat MADANI (RM150)**
 Educational assistance amounting to RM150 was distributed to students in adopted schools to ease financial burdens and ensure continued access to basic learning resources.
- 3. SCSP - STEM Stars Programme at Sekolah Angkat MADANI**
 STEM enrichment activities were implemented to cultivate interest in science, technology, engineering and mathematics among students in adopted schools.
- 4. STEP-UP at Amari**
 Capacity-building opportunities were provided to B40 students through structured industry attachments at Amari, supporting the development of practical skills and enhancing employability.
- 5. Sincerely, Setia Tuition Mission - Pecutan Akhir SPM**
 Intensive tuition support was delivered to Form 5 students preparing for SPM examinations, with a focus on strengthening academic readiness and improving learning outcomes.

UNITY

No. of Beneficiaries	Amount Invested	S P Setia Volunteer Participants	Total Volunteer Hours
294	RM44,846	37	156

List of Unity Initiatives:

Setia Caring School Programme (SCSP) - Unity in Diversity: Festive Discovery

Students were engaged through experiential learning centred on major cultural celebrations, including Chinese New Year, Hari Raya and Deepavali. The programme fostered inclusivity, strengthened mutual respect and encouraged cross-cultural understanding among diverse communities.



OUR RESULTS AND ACHIEVEMENTS

In 2025, we channelled RM1.35 million towards community-focused initiatives, impacting 5,442 individuals through 24 programmes. These efforts strengthened educational opportunities, enhanced community well-being, and fostered resilience among vulnerable groups.

Our amplified efforts over the past year reflects our long-term commitment to uplifting communities, advancing social well-being and ensuring our business delivers a meaningful impact to society.

	2023	2024	2025
Total amount of programmes	N/A	20	24
Total amount invested in community initiatives (RM)	520,000	500,418	1,346,513
Total number of beneficiaries of the investment in communities	5,044	3,184	5,442
Employees that participated in community impact programmes	391	327	377
Total hours spent on community impact programmes	3,898	4,907	3,613

Note: 100% of the total amounts stated above went to beneficiaries that are external to the Group.

GOING FORWARD

S P Setia will continue to create meaningful community impact by delivering more structured signature programmes, strengthening collaborations with trusted partners and setting clear, measurable outcomes to drive deeper, lasting results. Going forward, the Setia Foundation's efforts will be anchored on three core pillars—disaster relief, community well-being and education, with unity embedded across each pillar to advance inclusivity and social cohesion.