



# Sustainability Report

## COMPANY OVERVIEW

### ABOUT THIS REPORT

#### Introduction

As MGB Berhad (“MGB” or “the Group”) continues with its dedication to advancing its Environmental, Social and Governance (“EESG”) performance and disclosures. Realising this commitment, the Group has created the Sustainability Report for the year 2024 (“SR2024”), outlining all of MGB’s sustainability strategies and achievements during the period from 1 January and 31 December 2024 (“FY2024”).

MGB recognises the significance of EESG and the role of its stakeholders in advancing the Group’s sustainable strategies, providing the best possible value throughout its value chain. Through MGB’s EESG commitments, the Group shows how it champions environmental stewardship and creates positive socio-economic dynamics.

In this report, MGB highlights its achievements and progress in the Group’s sustainability journey, addressing critical material matters and ensuring all stakeholders are entitled to the fullest transparency throughout the Group’s operations. From these initiatives, readers will understand how the Group contributes outside of the Group’s financial performance and provides values and benefits towards the greater community and environment.



### Reporting Framework

The SR2024 utilises the following frameworks to align with industry best practices and other leading benchmarks:

- Bursa Malaysia’s Sustainability Reporting Guide Third Edition
- Global Reporting Index (“GRI”) Standards: Core Option
- FTSE4Good Bursa Malaysia Index
- Task Force on Climate-Related Financial Disclosures (“TCFD”)
- Sustainability Accounting Standards Board (“SASB”) Sector-Specific Disclosures
- United Nations Sustainable Development Goals (“UN SDGs”)
- Greenhouse Gas (“GHG”) Protocol

## Sustainability Report

### References

All mentions of “MGB,” “the Group,” or “its” shall refer to MGB Berhad unless otherwise stated.

### Reporting Period and Cycle

This report contains information and disclosures from FY2024, between 1 January to 31 December 2024. Data for three years (FY2022–FY2024) have been provided for disclosures wherever applicable, allowing us to present analyses on trendlines and showing the Group’s performance towards advancing sustainability.

### Statement of Use

The Board of Directors (“Board”) at MGB being the Group’s highest decision-making authority, acknowledges accountability for the subsequent statement of use: The information disclosed by MGB for FY2024 has been formulated in adherence to the GRI Standards.

*This report is generated in accordance with a resolution adopted by the Board on 10 April 2025.*

### Membership in Association

MGB is a member of the following professional bodies and industry associations:

- Malaysian Employer Federation (“MEF”)
- Construction Industry Development Board (“CIDB”)
- Master Builders Association Malaysia (“MBAM”)
- Real Estate & Housing Developers’ Association (“REHDA”)
- Federation of Malaysian Manufacturers (“FMM”)

### Reporting Scope and Boundary

The SR2024 contains disclosures from MGB as a holding company and all relevant operating companies and subsidiaries. Disclosures pertaining to the Group’s value chain have also been incorporated where necessary, including suppliers, business partners, contractors, vendors, service providers, associate companies and entities within the value chain.

MGB would like to emphasise that it practices a “local-where-we-operate” policy.

### Limitations

While MGB presents the most recent data collected throughout FY2024 in this report, MGB acknowledges that there may be gaps within certain disclosures. While MGB presents the most recent data collected throughout FY2024 in this report, the Group acknowledges that there may be gaps within certain disclosures. MGB remains dedicated to closing these gaps and developing plans of action towards providing more comprehensive disclosures, include improving data collection methods to ensure the accuracy of all collected data from official channels and records and its entire supply chain in line with the Group’s commitment to transparency.

### Forward-Looking Statements

The SR2024 contains forward-looking statements related to key performance indicators (“KPIs”), targets, plans, focus areas, strategic priorities, operations and forecasted figures. These statements are created based on reasonable assumptions made from information available during the time of reporting, considering market trends and developments of the time.

Statements that may indicate future increases in economic value creation are not intended to serve as a form of guarantee of future performance. Readers are advised to practice discretion when making decisions based on the contents of this report. MGB does not provide any form of guarantee on the anticipated future outcome disclosed within this SR2024.

### Data Verification and Assurance Statement

All disclosures presented in the SR2024 have been verified internally by the respective data owners within the Group. At the same time, all financial data has undergone impartial auditing and validation by an External Auditor. This financial data is reported quarterly and annually through announcements and the Group’s published annual report.

### Report Availability and Feedback Channel

*Interested parties can access a copy of this Sustainability Report on the corporate website of the Group: <https://mgbgroup.com.my/sustainability/>*

As part of MGB’s ongoing commitment to refining sustainability practices, MGB encourages constructive input from esteemed stakeholders. For any inquiries, feedback, or suggestions, kindly direct them to the Chairman of the MGB Sustainability Committee, Datuk Lim Lit Chek, at [scr@mgbgroup.com.my](mailto:scr@mgbgroup.com.my).

## Sustainability Report

INTRODUCTION  
TO MGB

**MGB is a prominent player in the construction sector, with a strong track record of shaping the nation for over 18 years. The Group offers a wide range of services, including construction management, design-build, engineering and pre-construction planning and other related services.**

At the heart of MGB's success is its innovative VaDTech Solutions. This approach uses advanced technology and cutting-edge processes to provide high-quality, cost-effective end-to-end solutions. By integrating VaDTech into every stage of the project, from ideation and design to construction, project management and even financing, MGB ensures that each project is executed with precision, efficiency and sustainability in mind. This technology-driven approach not only optimises productivity but also enhances resource management and reduces waste.

Complementing this technological approach is MGB's adoption of the Industrialised Building System ("IBS"), which uses prefabricated construction components made with the Group's own IBS Precast Concrete technology. Produced in a controlled environment within MGB's first permanent IBS Precast Concrete Plant in Nilai, Negeri Sembilan, this system not only enhances construction efficiency but also optimises labour dependency and minimises environmental harm.

Ultimately, these approaches allow MGB to continue delivering exceptional service more rapidly, contributing to the nation's development and providing significant value to its shareholders.

## Awards and Recognition

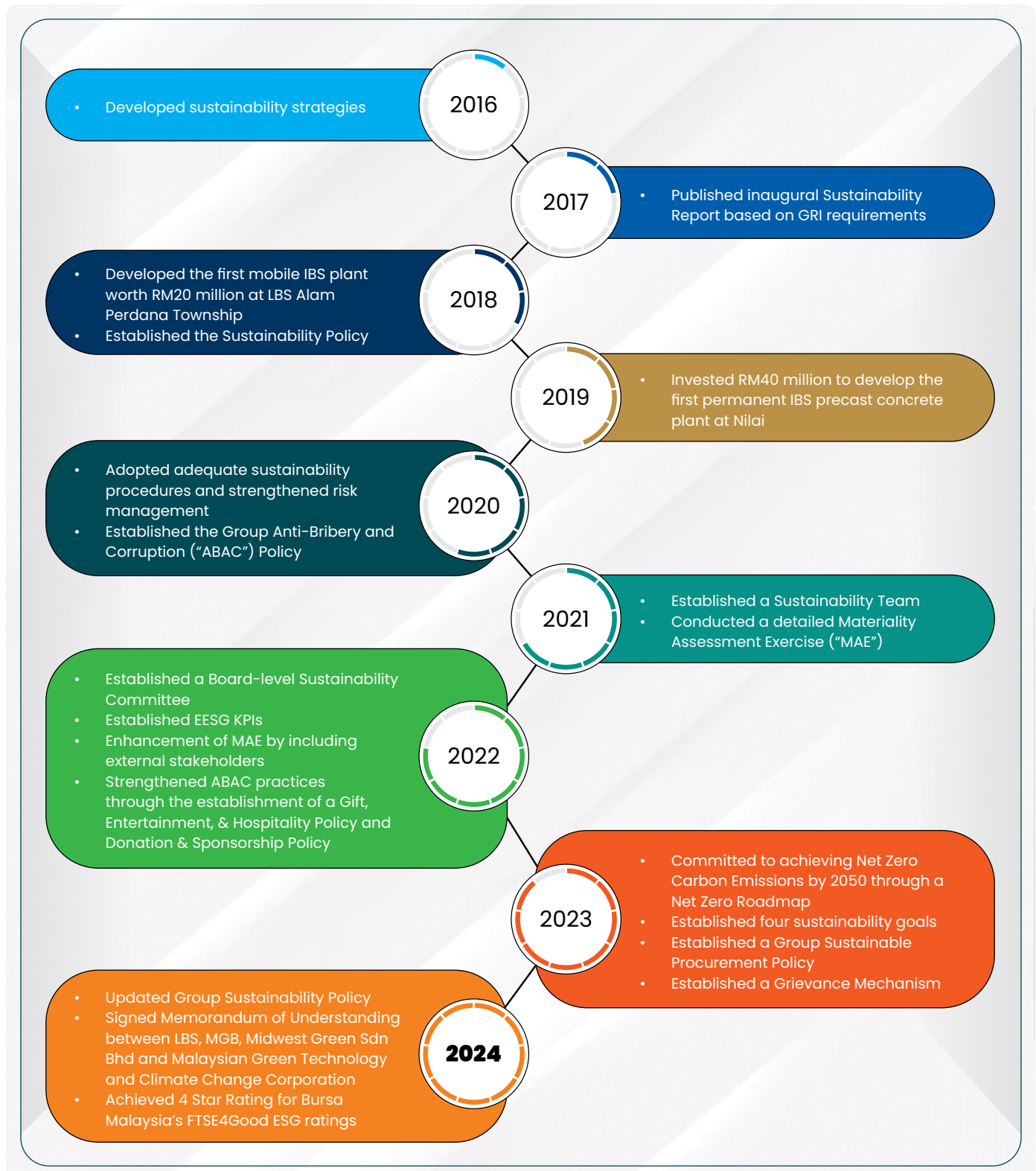


*MGB has won the silver award for the second consecutive year at The Edge Malaysia ESG Awards 2024*



## Sustainability Report

### Sustainability Milestones



## Sustainability Report

## FY2024 Sustainability Highlights



## ECONOMIC PROSPERITY:

## UNSDG:



## Highlights/Achievements

**Product Quality & Operational Efficiency**

- Group-wide adoption of ISO 9001:2015 Quality Management System
- Adoption of IBS Precast and Framework System
- Reduced construction time by 33% through IBS
- Adoption of Building Information Modelling ("BIM") in construction
- 31% reduction on manual labour through IBS



Please refer pages 63 – 67



## CLIMATE RESILIENCE:

## UNSDG:



## Highlights/Achievements

**Environmental Management**

- All MGB project sites are certified with ISO 14001:2015 Environmental Management System

**Energy Consumption**

- Installation of Renewable Energy infrastructure at IBS Precast Factory, Nilai
- Approximately 11.5% of electricity consumption supplied by solar

**Climate Change**

- Established Net Zero Carbon Emissions by 2050 Roadmap with short, medium and long-term strategies

**Waste Management**

- Implemented a 6-level waste management hierarchy at all project sites
- Implementation of a Group-wide Zero Single-Use Plastic campaign

**Biodiversity**

- Average of 20.23% green landscapes allocated for all new developments



Please refer pages 68 – 81



## SOCIAL ENRICHMENT:

## UNSDG:



## Highlights/Achievements

**Health & Safety**

- All MGB project sites are certified with ISO 45001:2018 Occupational Health and Safety Management System



Please refer pages 82 – 94



## GOOD GOVERNANCE:

## UNSDG:



## Highlights/Achievements

**Ethical Governance**

- Zero tolerance approach on regulatory and anti-corruption and bribery non-compliance



Please refer pages 57 – 62

## Sustainability Report

### Sustainability Committee Chairman's Statement

Dear readers,

For over 18 years, MGB has been a driving force in Malaysia's construction industry, shaping the nation's skyline with a commitment to innovation, efficiency and sustainability. As we navigate a future defined by rapid technological advancements, we are accelerating our digital transformation and adoption of smart technology to enhance operational efficiency improve productivity and reinforce our dedication to sustainable construction.

On behalf of MGB, I am pleased to present our 2024 Sustainability Report, which highlights our progress and achievements in sustainable value creation. This report reflects our ongoing journey towards building smarter, more resilient communities while providing cleaner, more efficient construction solutions that contribute to Malaysia's socio-economic growth.



**Datuk Lim Lit Chek**

Executive Director & Chief  
Executive Officer  
Chairman, Sustainability  
Committee

### Our Commitment to a Sustainable Future

**At MGB, we recognise the responsibility we bear in addressing global challenges such as carbon emissions, climate change and resource efficiency. The world is moving towards decarbonisation and we are determined to play an active role in this transition.**

## Sustainability Report

**Leveraging Technology for Greater Efficiency**

At the heart of our transformation is VaDTech Solutions, a cutting-edge, technology-driven approach that is redefining how we build. This end-to-end digital framework seamlessly integrates every stage of the construction lifecycle, from design and execution to financing and final delivery, creating a more connected and efficient process. By incorporating digital tools such as automated project management systems, real-time data analytics and AI-driven simulations, VaDTech enhances resource efficiency, minimises waste and improves decision-making accuracy. This transformation not only optimises project execution but also strengthens our ability to adapt to evolving industry demands.

Complementing our digital advancements is our continued investment in the Industrialised Building System (“IBS”) precast concrete panel production, a modern construction method that leverages prefabricated components to streamline the building process. Manufactured in a controlled factory environment at our IBS Precast Concrete Plant in Nilai, Negeri Sembilan, these components are produced with higher precision, superior quality and greater durability compared to traditional on-site construction. By shifting more processes off-site, IBS significantly reduces material waste, improves structural consistency and promotes a more sustainable approach to building.

By integrating VaDTech Solutions and IBS precast concrete panel technology, MGB Berhad is driving greater efficiency, cost savings and higher-quality outcomes while reinforcing its competitive edge. The adoption of IBS precast concrete panels has led to a 33% reduction in construction time and a 31% decrease in reliance on manual labour, enabling faster project delivery while mitigating labour shortages. At the same time, VaDTech’s advanced digital tools streamline project management, optimise workflows and enhance coordination through Building Information Modelling (“BIM”), ensuring better planning, accuracy and collaboration across all phases of construction. These innovations also reduce material wastage, lower the risk of errors and rework and ultimately improve cost predictability, leading to a 6% revenue increase this year.

**Driving Renewable Energy Adoption**

Beyond operational efficiency, these advancements strengthen our commitment to sustainability. By incorporating prefabrication and digital construction methods, MGB actively reduces its carbon footprint, minimises water usage and aligns with Malaysia’s decarbonisation goals. We are also taking significant steps towards renewable energy integration. At our IBS Precast Factory in Nilai, we have installed solar panels, increasing our reliance on clean energy and reducing our emissions. Expanding on this initiative, we are deploying solar technology across all MGB facilities, aligning with Malaysia’s broader sustainability and decarbonisation goals and our own Net Zero Carbon Emissions by 2050 Roadmap.

To accelerate our transition towards a low-carbon future, we have formed strategic partnerships with key organisations to further drive renewable energy initiatives. Additionally, we are in the process of transitioning our corporate fleet to electric vehicles (“EVs”), a move that will significantly reduce emissions and long-term operational costs.

As part of our long-term vision, we have also developed a Net Zero Carbon Emissions by 2050 Roadmap. These strategic initiatives ensure that MGB remains at the forefront of climate action while leveraging the latest advancements in renewable energy and carbon reduction technologies.



*Zero Plastic at construction sites initiative*



To accelerate our transition towards a low-carbon future, we have formed strategic partnerships with key organisations to further drive renewable energy initiatives.

## Sustainability Report



*Bursa Malaysia CSI Solution official launch event*

### Strengthening Governance and Risk Management

Sustainability is not just about environmental action—it is also about maintaining strong corporate governance. Our Sustainability Policy provides a framework for integrating EESG principles across our operations. In FY2024, we undertook a comprehensive Enterprise Risk Management (“ERM”) review to strengthen our risk management framework, ensuring we remain agile and prepared for evolving EESG-related challenges.

While EESG and climate-related risks were not separately categorised in the past, the enhanced ERM framework now addresses key aspects of these risks, allowing us to identify strategic opportunities, reinforce resilience and drive long-term value.

### Affordable Housing for Inclusive Growth

Sustainability is not only about environmental responsibility—it is also about creating lasting social value by ensuring equitable access to quality housing. At MGB, we believe that a sustainable future must be inclusive and this includes addressing Malaysia’s growing demand for affordable, high-quality housing. Rising living costs, inflationary pressures and stringent financing requirements have made homeownership increasingly challenging for low- and middle-income families. To bridge this affordability gap, we leverage innovative construction technologies, efficient building methods and sustainable designs to develop cost-effective homes without compromising on safety, comfort, or durability.

One of our key contributions in this space is our participation in the Rumah Selangorku Idaman MBI initiative, which aims to provide affordable housing with integrated commercial and essential infrastructure. This initiative underscores our commitment to supporting the Selangor state government’s goal of delivering 30,000 affordable homes by 2025. Guided by the principle of The Best Home Ownership Solution, we remain dedicated to helping more Malaysians realise their dream of owning a home.

### Looking Ahead

As we continue our journey, MGB remains committed to leveraging technology, innovation and sustainability as the foundation for long-term success. Our focus will be on expanding smart construction solutions, increasing renewable energy adoption and strengthening our EESG commitments to drive positive industry-wide transformation.

### A Word of Thanks

These achievements would not have been possible without the dedication of our employees, partners and stakeholders. Your support and collaboration inspire us to push boundaries and continue building a smarter, greener and more resilient future.

As we move forward, we remain steadfast in delivering impactful solutions that create lasting value—for our people, our communities and the nation. Together, we are shaping a future that is not just sustainable but truly thriving.

Sincerely,

### Datuk Lim Lit Chek

Executive Director & Chief Executive Officer  
Chairman, Sustainability Committee



## Sustainability Report

## MGB'S VALUE CREATION MODEL

MGB is guided by its Sustainability Framework in its EESG journey, integrating key principles such as Economic Advancement, Climate Resilience, Social Development and Good Governance as part of the Group's commitment to sustainability.

To ensure the Group continues to uphold accountability through its sustainable endeavours, regular assessment will be conducted periodically, aligning MGB's operations with the Group's vision and mission. This ensures that MGB's approach remains dynamic and is adaptable towards any changes that are of material importance to the Group and its stakeholders.

The vision and mission that guide MGB's EESG value creation are:



## Vision

To be a recognised design and build expert setting new standards in creating living spaces to enrich life.



## Mission

To constantly push boundaries and surpass expectations through Quality, Reliability and Innovation.

## STAKEHOLDER ENGAGEMENT

MGB recognises the significance of the perspectives provided by both internal and external stakeholders, taking into consideration their concerns and voices in building the Group's sustainability strategy. All stakeholders provide valuable inputs that shape the Group's EESG topics, allowing MGB to focus its efforts on matters that have the most impact.

The Group regularly engages with its stakeholders, ensuring all material topics are relevant. MGB's approach towards stakeholder engagement provides an open and inclusive environment that fosters an environment for effective communication and participation.

## Frequency of Engagement

|                      |                      |                                 |
|----------------------|----------------------|---------------------------------|
| <b>W</b><br>Weekly   | <b>M</b><br>Monthly  | <b>Q</b><br>Quarterly           |
| <b>A</b><br>Annually | <b>P</b><br>Periodic | <b>AW</b><br>As and when needed |

## Stakeholder Groups

|               |                                |               |                               |                             |                          |           |
|---------------|--------------------------------|---------------|-------------------------------|-----------------------------|--------------------------|-----------|
| <br>Employees | <br>Shareholders/<br>Investors | <br>Customers | <br>Government/<br>Regulators | <br>Suppliers/<br>Contracts | <br>Local<br>Communities | <br>Media |
|---------------|--------------------------------|---------------|-------------------------------|-----------------------------|--------------------------|-----------|



## Employees

Employees are the main driving force behind the daily operations contributing to the Group's success. By engaging them and providing a positive work environment with plenty of growth opportunities, MGB can maintain a motivated and productive workforce that enhances operational efficiency.



## Engagement Platform &amp; Frequency of Engagement

- Q** • Employee Engagement Surveys
- A** • Annual Performance Appraisal  
• Townhall Meetings
- P** • Briefings & Trainings  
• Events, Celebrations, & Sports  
• Management, Operational, & Committee Meetings
- AW** • WhatsApp Broadcast

## Issues of Concern

- Training & Education
- Employment
- Occupational Safety & Health
- Local Communities

## MGB's Approach

- Promote communication at all levels through employee engagement and internal programmes
- Regularly brief employees on MGB's Code of Conduct
- Conduct online training
- On-site training for job functions
- Mandatory safety training for all construction site staff
- Orientation for new recruits
- Briefing on EMS, QMS and OHSAS Management Systems to the relevant staff

## GRI Standards

- GRI 401 Employment
- GRI 402 Labour/Management Relations
- GRI 403 Occupational Health and Safety
- GRI 404 Training and Education
- GRI 405 Diversity and Equal Opportunity
- GRI 405 Non-Discrimination
- GRI 407 Freedom of Association and Collective Bargaining
- GRI 408 Child Labour
- GRI 409 Forced or Compulsory Labour

## Sustainability Report



### Shareholders & Investors

Shareholders and investors provide financial support and influence the Group's capital structure and investment decisions. Maintaining a positive relationship is necessary to sustain MGB's overall financial health.



#### Engagement Platform & Frequency of Engagement

- Q**
  - Quarterly Financial Report
  - Analysts Briefings
- A**
  - Annual General Meeting
  - Annual Report
- P**
  - Briefings
- AW**
  - Extraordinary General Meeting
  - Engagement Sessions through Meetings & Site Visits
  - Regular Communication on Bursa Securities and Corporate Websites

#### Issues of Concern

- Economic Performance
- Corporate Governance
- Anti-Corruption

#### MGB's Approach

- Promote timely and comprehensive reporting
- Demonstrate strong foundations and deliver resilient financial performance
- Enhanced sustainability disclosures in line with global frameworks and standards to elevate transparency
- Declaration and payment of dividends

#### GRI Standards

- GRI 201 Economic Performance
- GRI 205 Anti-Corruption



### Customers

As an innovative solutions provider in the construction industry, MGB's customers are usually other industry players. These stakeholders directly impact the revenue and market standing of the Group. Building a strong relationship with them allows MGB to understand and meet their expectations.



#### Engagement Platform & Frequency of Engagement

- P**
  - Media Channels
  - Product Launches
  - Marketing & Promotion
  - Programmes & Events
- AW**
  - Feedback Channels
  - Corporate Website

#### Issues of Concern

- Economic Performance
- Corporate Governance
- Procurement Practices
- Customer Health & Safety
- Anti-corruption

#### MGB's Approach

- Develop quick and thorough action plans to address customer feedback
- Maintain open dialogues with customers to develop shared understanding and establish mutually beneficial solutions in addressing challenges
- Implement measures to enhance safety, e.g. increased safety inspections to reinforce safety culture across projects
- Engage with customers on EESG concerns

#### GRI Standards

- GRI 201 Economic Performance
- GRI 204 Procurement Practices
- GRI 205 Anti-Corruption

## Sustainability Report

**Suppliers & Contractors**

Suppliers and contractors are an important part of the Group's supply chain. Collaborating effectively with them is essential for successful operations that contribute to MGB's reliability and ability to meet market demands.

**Engagement Platform & Frequency of Engagement**

- P** • Supplier Assessment Training
- Briefings and Trainings
- AW** • Meetings & Site Visits

**Issues of Concern**

- Corporate Governance
- Procurement Practices
- Anti-corruption

**MGB's Approach**

- Implement the Sustainable Procurement Policy to guide suppliers in EESG practices and good business ethics
- Work closely with suppliers to ensure a clear understanding of the scope of work and timelines
- Request suppliers and contractors to declare Conflicts of Interest before they can participate in the procurement process
- Conduct progress meetings with suppliers

**GRI Standards**

- GRI 204 Procurement Practices
- GRI 301 Materials
- GRI 308 Supplier Environmental Risk Assessment
- GRI 414 Supplier Social Risk Assessment

**Local Communities**

Local communities represent the social elements surrounding the Group's operations. Positive engagements with them build trust and enhance MGB's license-to-operate.

**Engagement Platform & Frequency of Engagement**

- P** • Community Outreach & Development Programmes
- Corporate Website & Social Media
- AW** • Strategic Partnerships
- Charitable Contributions

**Issues of Concern**

- Local Communities

**MGB's Approach**

- Engage local communities on social issues
- Provide employment opportunities for young graduates (e.g. internships)
- Provision of sponsorships and volunteers through the CSR initiatives

**GRI Standards**

- GRI 413 Local Communities

## Sustainability Report



### Government & Regulators

The government and regulators establish the legal frameworks that govern the industry and influence the Group's operating guidelines. Engaging them is essential for maintaining a favourable operating landscape and securing necessary permits and approvals.



#### Engagement Platform & Frequency of Engagement

- Q** • Income Tax Filing
- A** • Annual Returns
- Audited Financial Statement
- AW** • Official Meetings & Site Visits
- Industry Events & Seminars

#### Issues of Concern

- Corporate Governance
- Anti-Corruption and Bribery

#### MGB's Approach

- Maintain a high level of integrity, corporate governance, transparency and best practices
- Support the government's climate ambition to achieve Net Zero Carbon Emissions by 2050
- Implement a Whistleblowing Policy, Anti-Bribery & Corruption Policy, Gift, Entertainment & Hospitality Policy, Donations & Sponsorships Policy and Sustainability Policy
- Risk and crisis management
- Authority Chart and Discretion Power

#### GRI Standards

- GRI 205 Anti-Corruption
- GRI 206 Anti-Competitive Behaviour



### Media

The media often serves as a communication channel, shaping the Group's image among its other stakeholders. Proactive engagements with them can enhance the visibility of MGB's best practices and latest initiatives, elevating its brand reputation and simultaneously providing a marketing platform.



#### Engagement Platform & Frequency of Engagement

- P** • Corporate Website & Social Media
- Community Outreach & Development Programmes
- AW** • Strategic Partnerships
- Charitable Contributions

#### Issues of Concern

- Corporate Governance
- Customer Health & Safety

#### MGB's Approach

- Ensure continuous clarification, communication and casual meetings with media to maintain a strong relationship
- Timely response to all media enquiries by relevant parties
- Intensify communication and engagement with media in their areas of interest, particularly progress in EESG, sustainability and other company-related information

#### GRI Standards

## ASSESSING MATERIALITY

### Identifying Material Topics

MGB had in FY2022 previously conducted a comprehensive Materiality Assessment Exercise (“MAE”) to identify and prioritise critical sustainability topics that significantly impact the Group’s business operations and long-term value creation. The assessment incorporated a double materiality approach, which evaluates the potential financial impact of sustainability topics on the Group’s performance alongside the broader environmental and social impacts of the Group’s business activities. This approach ensures that MGB’s EESG efforts are strategically aligned with both business imperatives and stakeholder expectations, allowing the Group to direct resources toward areas with the most significant influence on its operations and stakeholder relationships.

This MAE was conducted based on the following steps:

Step  
1

#### Identification



The first step involved identifying relevant EESG topics critical to MGB’s operations and business strategy. This was accomplished by examining various regulatory frameworks, industry best practices and emerging global trends. MGB also identified key stakeholders whose input would be essential in shaping the materiality matrix. This process ensured that the Group considered both internal and external perspectives when defining material sustainability topics.

Step  
2

#### Stakeholder Engagement



Once the relevant EESG topics were identified, MGB conducted a comprehensive stakeholder engagement exercise to gather meaningful insights. This involved launching an online materiality survey and holding an MAE workshop. Through these channels, MGB collected valuable feedback from internal and external stakeholders, including concerns about business operations, environmental impact and social responsibility. This two-way dialogue enabled the Group to better align its EESG priorities with the needs and expectations of its stakeholders, reinforcing its commitment to transparent and inclusive governance.

Step  
3

#### Prioritisation



Insights obtained through the survey and workshop were analysed and consolidated to identify the most critical EESG topics. MGB prioritised these topics based on the level of concern expressed by stakeholders, their potential impact on the Group’s business performance and alignment with the Group’s long-term strategic objectives. This step allowed the Group to focus its resources and efforts on the most strategically and operationally significant areas.



## Sustainability Report

### Step 4

#### Validation



The prioritised EESG topics were subsequently validated against the Group's existing business strategy, sustainability framework and industry benchmarks. This ensured that the material topics reflected both the Group's internal priorities and the broader expectations of the market, regulators and key stakeholders. The validation process also ensured that the material topics remained relevant and actionable, supporting MGB's ongoing EESG commitments and business growth objectives.

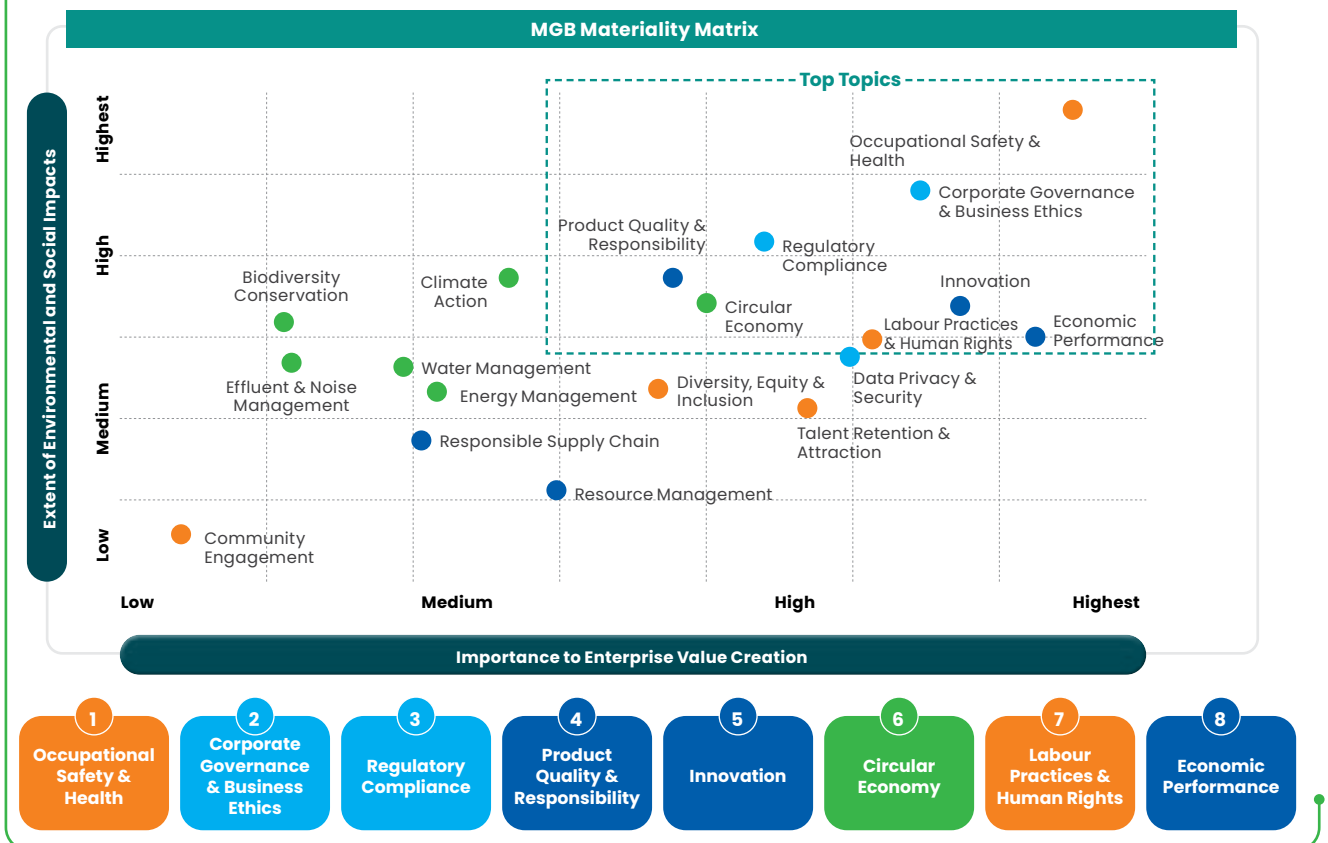
### Step 5

#### Endorsement



The finalised list of material topics was then submitted to the Board of Directors ("Board") for review and approval. The Board's endorsement reinforced the strategic importance of the material topics and underscored the Group's commitment to addressing these areas in its business operations and sustainability initiatives. The Board's involvement ensured that the materiality matrix reflected MGB's long-term vision and aligned with governance standards and stakeholder expectations.

In FY2023, MGB conducted a comprehensive review of its materiality matrix to ensure its continued relevance in the face of evolving business needs and sustainability challenges. This updated materiality matrix remains highly relevant for FY2024, guiding the Group's strategic decision-making and sustainability efforts.



## Sustainability Report

## SUSTAINABILITY TARGETS

MGB continues to align its operations with decarbonisation efforts, ensuring that the Group contributes to the country's **2050 Net Zero Carbon Emissions** vision. To this end, MGB has created targets and Key Performance Indicators ("KPIs") that contribute to each of the EESG pillars, using the UN SDGs as the foundation of their formulation. The Group's dedication towards formulating relevant sustainable targets has been enhanced by tying it with the remuneration of senior executives, ensuring their accountability and motivating the Group to take measures to achieve these KPIs.

**Legend:** ○ Achieved ○ On-track ○ Attention Required



## ECONOMIC PROSPERITY:

Pioneering sustainable innovation for cost-effective construction solutions and enhanced resource efficiency



| Our KPI  | FY2024 Performance  |
|--|---|
| To achieve 70 and above QCLASSIC score for all new projects.   | The QCLASSIC score were assessed for 3 projects in 2024, Ritma Perdana, Idaman BSP and KITA Mekar. The average score for the projects assessed exceed 70. <span style="color: orange;">○</span> |
| To achieve 20% Building Information Modelling ("BIM") utilisation in all property development projects | All property development projects achieved 55% BIM utilisation <span style="color: green;">○</span>   |



## CLIMATE RESILIENCE:

Building a sustainable future with next-gen climate-adaptive construction practices



| Our KPI  | FY2024 Performance   |
|--|--|
| To achieve a 5% reduction in energy intensity by revenue (Scope One & Two) (Baseline year: FY2022)                               | Achieved a 46.98% reduction against FY2022 levels <span style="color: green;">○</span>                       |
| To achieve a 5% reduction in carbon intensity by revenue (Scope One, Two, & Three) (Baseline year: FY2022)                       | Achieved a 6.62% reduction against FY2022 levels <span style="color: green;">○</span>                        |
| To achieve a 5% reduction in water intensity by revenue (Baseline year: FY2022)  | Water intensity increased by 26.47% against FY2022 levels <span style="color: red;">○</span>                 |
| To achieve 10% of waste diversion from landfills (own-managed properties) (Baseline year: FY2023)                                | Achieved a 28.07% reduction against FY2023 levels <span style="color: green;">○</span>                       |
| To achieve 10% of waste diversion from landfills (construction sites) (Baseline year: FY2023)                                    | Achieved a 3.36% reduction against FY2023 levels <span style="color: orange;">○</span>                       |
| Zero fines or penalties for non-compliance with environmental laws and project sites   | Zero fines or penalties <span style="color: green;">○</span>   |
| To provide more than 10% of the minimum regulatory green landscape requirement for all new projects launched from FY2023 onwards | Achieved 20.23% for the new project launched in FY2024 (Idaman Perdana) <span style="color: green;">○</span> |
| To achieve a 40% Industrialised Building System ("IBS") adoption rate  | 71% Adoption Rate <span style="color: green;">○</span>   |

## Sustainability Report



### SOCIAL ENRICHMENT:

Foster inclusive and thriving communities and workforce through technology-enabled skills development, workplace safety initiatives and accessible construction projects



| Our KPI  | FY2024 Performance  |
|--|---|
| Maintain zero fatalities at all sites  | Zero fatalities maintained <span>○</span>   |
| To achieve 100% employees trained in Occupational Safety and Health ("OSH")                                    | 100% of employees received OSH training <span>○</span>  |
| To achieve a Lost Time Injury ("LTI") of less than 0.7   | Achieved an LTI of 0.1 <span>○</span>   |
| Maintain zero incidents of human rights violations   | No incidents of human rights violations recorded <span>○</span>   |
| Suppliers and vendors are committed to full compliance with statutory employment regulations for worker hiring | Declaration of compliance has been incorporated into Vendor Registration Form and all suppliers/vendors have acknowledged it <span>○</span> |
| To achieve a total of 500 volunteering hours per annum   | Achieved 68 volunteering hours in total <span>○</span>  |



### GOOD GOVERNANCE:

Establishing robust governance and ethical standards in the integration and deployment of advanced technologies within construction processes, ensuring transparency and accountability



| Our KPI  | FY2024 Performance   |
|--|--|
| 100% of employees are training in the Group's ABAC, Gift, Entertainment, & Hospitality and Donation & Sponsorship Policies | 100% of employees have received training <span>○</span>          |
| Maintain zero corruption and bribery incidents   | Zero incidences recorded <span>○</span>                          |
| To reach a minimum of 30% female representation on the Board of Directors ("Board") by FY2027                              | Achieved 42.9% female representation on the Board <span>○</span> |



## GOOD GOVERNANCE

### MGB Goal

**Establishing robust governance and ethical standards in the integration and deployment of advanced technologies within the construction process, ensuring transparency and accountability.**

Focusing on governance ensures that MGB maintains adherence to the highest standards of integrity, accountability and transparency in all its operations.

MGB's governance framework is designed to align its sustainability objectives with the Group's overarching strategic goals, ensuring that sustainability remains a core priority. Robust governance structures and policies allow the Group to monitor sustainability performance

consistently, making proactive adjustments to address emerging challenges and opportunities.

The Group's dedication to corporate governance is underpinned by a zero-tolerance approach to unethical behaviour, including corruption and bribery as well as regulatory non-compliance. By embedding a culture of ethical conduct and operational transparency, MGB safeguards stakeholder trust while strengthening its resilience in an evolving business environment.



### Material Topics:

- Corporate Governance and Business Ethics
- Regulatory Compliance
- Data Privacy and Security

### UNSDGs Alignment:



## Sustainability Report

### SUSTAINABILITY GOVERNANCE

MGB considers sustainable governance a key aspect of ensuring the longevity of the Group's management and operations. The Board of Directors ("Board") and Management are responsible for the oversight of the Group's sustainability developments, ensuring that all initiatives can be disseminated and implemented in every aspect of the Group's operations. This helps align MGB with existing and future sustainable goals and targets.

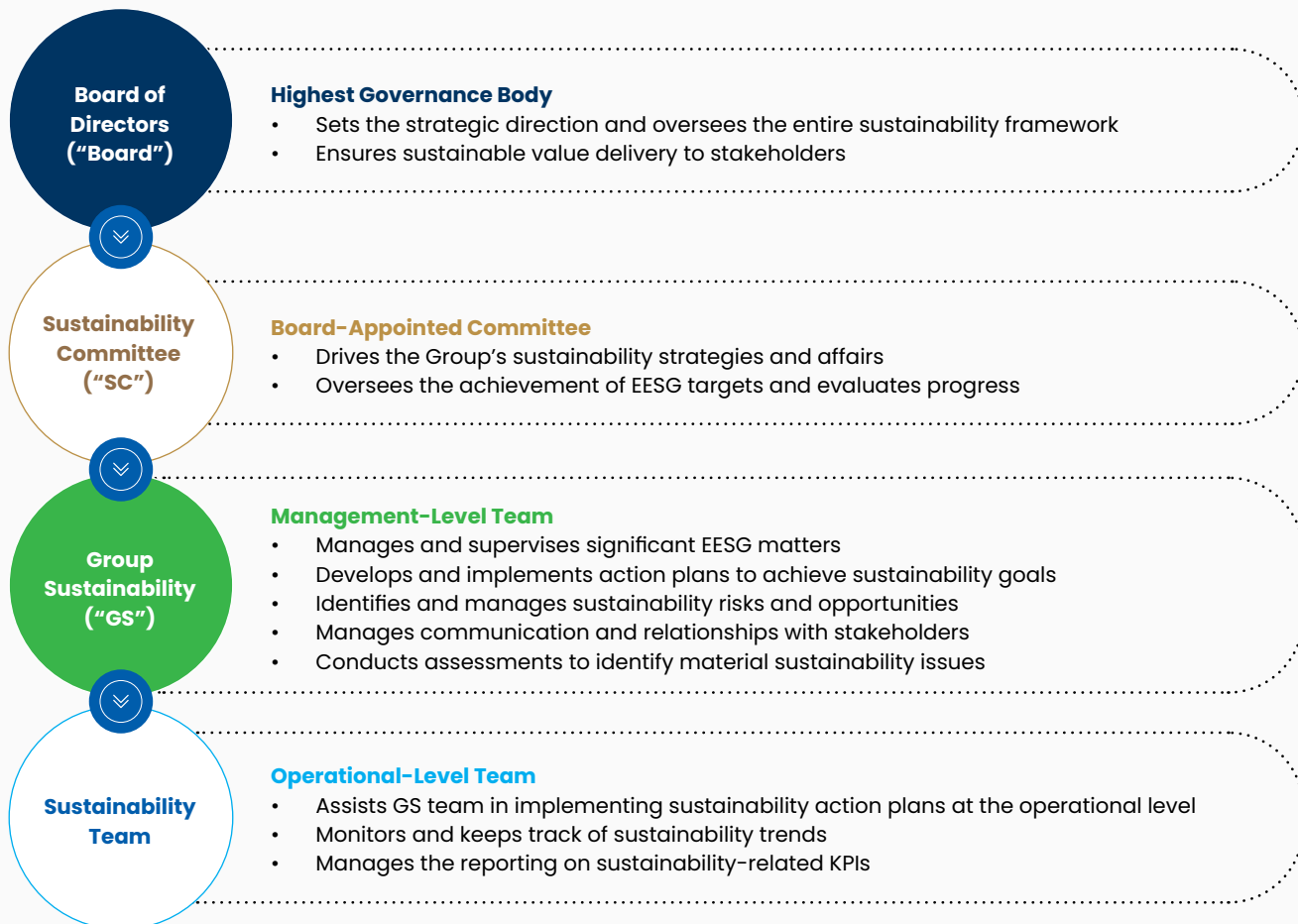
To ensure that all sustainability initiatives are relevant, Sustainability Committee meetings are held every quarter to act as a comprehensive platform for discussing significant EESG risks and opportunities. These meetings enable in-depth evaluations that consider both financial and non-financial factors across short-, medium- and long-term perspectives. By implementing this comprehensive governance strategy, MGB protects the interests of its stakeholders and strengthens its reputation as an innovative, sustainability-focused organisation.

### Sustainability Governance Structure

MGB takes a top-down approach in its governance structure, granting the Board oversight towards the Group's strategy and direction on EESG topics. This structure aligns with the Malaysian Code on Corporate Governance ("MCCG"), enhancing the credibility and transparency of the Group's governance while allowing MGB to effectively manage stakeholder expectations.

While the Board leads the Group's sustainability approach, the Sustainability Committee ("SC"), a Board-appointed committee, drives and oversees all EESG implementation and progress. The Group Sustainability ("GS") manages EESG matters, identifying and developing action plans and communicating EESG matters through the Group. The Sustainability Team ("ST") serves as the backbone of the GS, incorporating and monitoring the action plans in MGB's day-to-day operations. This linear approach ensures a clear line of communication, streamlining the dissemination of policies and consolidation of EESG performance back to the management and Board level.

The Group's sustainability structure and the roles of each level are as follows:





## Sustainability Report

## Board Diversity and Independence

MGB recognises the broad range of perspectives a diverse Board can provide in enhancing the Group's governance approach.

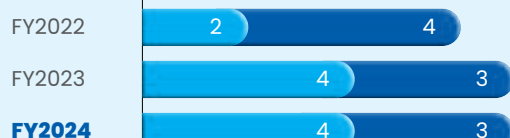
The individual profiles of each Board member can be found in the **Board of Directors Profile** section in the Group's Annual Report FY2024 ("AR2024").

## BOARD DIVERSITY BY GENDER



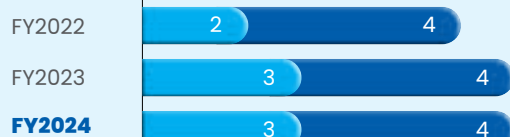
● Male ● Female

## BOARD DIVERSITY BY AGE GROUP



● 30-50 years old ● Over 50 years old

## BOARD DIVERSITY BY ETHNICITY



● Malay ● Chinese

## EESG Risk Management

Given the nature of MGB's industry, sustainability considerations are inherently integrated into the Group's risk management approach. EESG and climate-related risks have a direct impact on the Group's ability to operate sustainably and deliver long-term value, making them a core component of MGB's overall risk strategy.

While EESG and climate-related risks are not explicitly outlined in the Group's formal risk management framework, they are embedded within the broader risk management structure due to their significance to business continuity and strategic resilience. This proactive integration ensures that potential EESG and climate-related risks are anticipated and addressed early, preventing unexpected disruptions that could impact business performance.

In FY2024, MGB conducted a comprehensive Enterprise Risk Management ("ERM") exercise to strengthen its risk management framework and align it with the evolving business landscape. Although EESG and climate-related risks were not separately categorised, the enhanced ERM framework covered key elements of these risks, enabling the Group to respond more effectively to emerging challenges while identifying potential opportunities that support its strategic objectives.

## CORPORATE GOVERNANCE AND BUSINESS ETHICS

MGB places a strong emphasis on effective corporate governance as the foundation of its business activities, demonstrating an unwavering commitment to integrity and ethical behaviour. The Group consistently ensures that its practices are in accordance with local regulations, industry standards and the corporate governance guidelines established by Bursa Malaysia and the MCCG. These initiatives highlight a resolute dedication to fostering transparency, accountability and effective decision-making throughout all facets of its operations.

## Regulatory Compliance

MGB and its subsidiaries are committed to maintaining compliance with the laws and all relevant regulations. To date, the Group has faced 0 fines and penalties related to cases of non-compliance and is dedicated to maintaining this value throughout all future operations.

Outside of the Group and its subsidiaries, MGB requires all business associates throughout the supply chain to comply with government regulations in Malaysia and the respective regions where they operate. This safeguards the Group's image, ensuring that all operations are free from any breach of integrity involving human rights abuses, corruption and bribery, environmental contamination and other acts of non-compliance.

Throughout FY2024, there were 0 reported cases of regulatory non-compliance from the Group's supply chain.

## Sustainability Report

### Group Sustainability Policies

MGB's commitment to ethical and sustainable business conduct is showcased through the Group's Sustainability Policy, providing a framework for integrating EESG considerations throughout the Group's operations, strategic planning and risk management. This policy helps the Group and its subsidiaries provide sustainable value creation for its stakeholders, balancing EESG considerations with stakeholder interests to maximise profitability and sustainability collectively. Through this policy, the Group can better align its operations with sustainability targets, ensuring the continuity of MGB's operations long into the future.

All policies listed by MGB have been approved by MGB's Board and are communicated to its stakeholders through the Group's website. Internally, the policy is communicated to employees through training and is accessible at any point within the Group's server.

In addition to the Group's Sustainability Policy, the following are other policies that guide MGB's sustainability efforts are listed below.

All these policies are readily available on the Group's website and can be referred to at:  
<https://mgbgroup.com.my/sustainability/>

- » Human Rights Policy
- » Whistleblowing Policy
- » Anti-Bribery & Corruption Policy
- » Gift, Entertainment & Hospitality Policy
- » Donations and Sponsorships Policy
- » Succession Planning Policy
- » Remuneration Policy
- » Health, Safety & Environmental Policy
- » Workplace Harassment Policy
- » Human Resources Learning & Development Policy
- » Crisis Management Policy
- » Diversity and Inclusion Policy
- » Group Sustainable Procurement Policy

### Code of Ethics

MGB ensures that all employees and business associates uphold the highest standards of transparency, integrity and accountability. In light of this, the Group has developed the Code of Conduct and Business Ethics ("Code") that serves as an ethical guideline for how every member of the Group and its collaborators are expected to act.

The Code is communicated to new and existing employees as part of their onboarding process and is incorporated during the signing of business contracts with the supply chain. The Group takes issues relating to integrity with the utmost concern and any violations will lead to disciplinary measures, potentially leading to fines or termination of employment.

### Whistleblowing Channel

To safeguard the Group's integrity, MGB provides whistleblowing channels for employees to report suspected and actual actions of corruption and bribery, human rights abuses and other wrongdoing. The mechanism for the Group's whistleblowing procedures is outlined in the Whistleblowing Policy, in accordance with the Whistleblower Protection Act 2010, Companies Act 2016 and Capital and Market Services Act 2007. MGB ensures the highest importance in safeguarding the identity and confidentiality of whistleblowers to protect them from any acts of repercussion.

The report can be made by filing the Whistleblowing Form (available in the Group's Whistleblowing Policy) through the Group's dedicated whistleblowing channels as shown below and is applicable to both internal and external stakeholders:

#### Physical reports

The form can be sent to the following address:

**MGB BERHAD**  
The Whistleblowing Investigating Team  
H-G, Sunway PJ@51A, Jalan SS9A/19  
Seksyen 51A, 47300 Petaling Jaya  
Selangor Darul Ehsan, Malaysia.

#### Online reports

The form can be sent to the following email:  
[whistleblowing@mgbgroup.com.my](mailto:whistleblowing@mgbgroup.com.my)

The Whistleblowing Policy can be found at the following link: <https://mgbgroup.com.my/wp-content/uploads/2024/04/Whistle-Blowing-Policy-2024.pdf>

## Sustainability Report

The reports cannot be accessed by any entity barring the Investigating Committee, which consists of an Independent Non-Executive Director and the Heads of both Human Resources ("HR") and Group Legal Departments.

Upon receiving a report, the whistleblowing channel administrator will prepare a preliminary assessment based on the outcomes forwarded by the Investigating Committee within seven days, consisting of the Chairman of the Audit Committee and an Independent Non-Executive Director. The Investigating Committee will then conduct an exhaustive investigation, culminating in the Investigation Report that is sanitised to safeguard the identity of the whistleblower and forwarded to the Group Managing Director ("GMD") or the Board. Based on their decision, the matter is either considered resolved or forwarded to the relevant departments for further deliberation.

In FY2024, no whistleblowing reports were filed throughout the Group.

### Anti-Corruption and Bribery

MGB has a zero-tolerance policy on corruption and bribery, taking stringent measures to eliminate any corruption and bribery risks throughout its operations and supply chain. To prevent and manage any acts of corruption or bribery, the Group, aligned with Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and ISO 37001:2016 Anti-Bribery Management Systems ("ABS"), has created and implemented the Anti-Bribery and Corruption ("ABC") Policy since FY2020 that is enforced to both internal and external entities associated with the Group. The ABC policy is communicated through an anti-corruption and bribery training that is attended by all Board members and employees annually.

The Risk Management Working Group ("RMWG") spearheads the monitoring and review process before being reported to the Board for further deliberation. In FY2024, the Group reported zero cases of corruption or bribery throughout its operations.

### Risk Assessments and Strategies

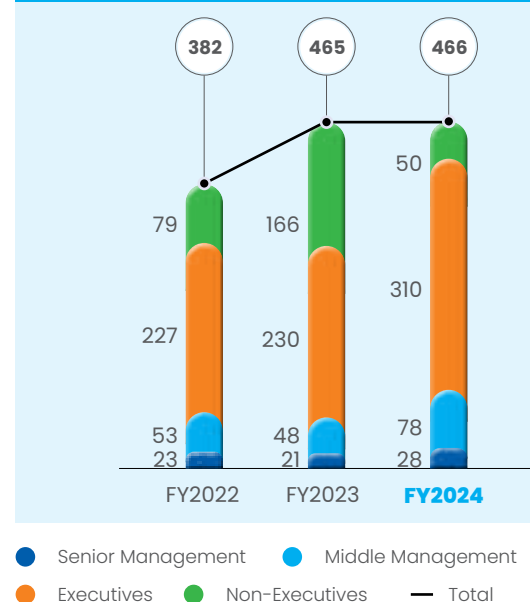
MGB takes incidents of corruption and bribery seriously and is committed to maintaining high standards of integrity across all operations. To achieve this, the Group conducts regular internal assessments to identify and manage areas of corruption and bribery risk. These assessments focus on parts of the operation where the potential for corruption or bribery risk to occur is higher, for instance, areas with increased interactions with external stakeholders or where money is involved. One area the Group focuses on is in the procurement process. Recognising the potential risks during contracting and subcontracting, MGB ensures that these areas are covered by annual assessments to maintain transparency and prevent corruption or bribery.

In addition to procurement, MGB also closely monitors Human Resources ("HR") processes, especially those related to recruitment and financial transactions, such as payroll and employee insurance. These areas are similarly subject to close scrutiny by the Group to minimise the risk of unethical practices. At the same time, MGB also evaluates its whistleblowing mechanisms as part of these assessments, ensuring the system remains robust and effective in preventing and addressing corruption and bribery cases.

### Internal Communication and Training

In FY2024, 100% of MGB's Board has been trained on ABC practices. This training has also been extended to new and selected employees for periodic refreshment on the Group's ABC practices on top of those who have already received some form of training. Through this approach, MGB ensures that 100% of its employees are constantly well-informed on any matters related to ABC at all times.

**TOTAL EMPLOYEES WHO RECEIVED ANTI-CORRUPTION AND BRIBERY TRAINING BY EMPLOYMENT CATEGORY**



### Anti-Corruption and Bribery in the Value Chain

In MGB's dedication to the total eradication of corruption and bribery, the Group extends its ABC practices outside to all associated business partners. By doing so, MGB aims to set a precedent that will lead to a cascade of businesses that implement ABC policies, reducing corruption or bribery risks further outside MGB's organisational boundaries. In this effort, The Group has ensured that 100% of the supply chain continued to acknowledge their commitment to MGB's ABC Policy throughout FY2024.

## Sustainability Report

### Conflict of Interest Prevention and Resolution

To ensure the proper enforcement of the Group's Code, MGB heavily discourages any actions that result in a Conflict of Interest between employees, partners and other stakeholders in the Group. In cases where a Conflict of Interest occurs, employees must report to management immediately and ensure that the activities they conduct do not result in any personal benefits or advantages. Employees are also prohibited from becoming a direct competitor to MGB or associating with organisations that compete and hinder the Group's development.

### Stance on Political Contributions

MGB is committed to maintaining a strict apolitical stance and operates without any political affiliation. The Group does not favour or support any particular political agenda, ensuring that it remains a neutral organisation focused solely on business objectives and stakeholder interests. This commitment to neutrality is a fundamental principle guiding MGB's operations and decision-making processes.

In line with this stance, MGB has not made any political contributions in FY2024. The Group remains dedicated to upholding its apolitical position, ensuring that all actions and decisions are free from political influence. This focus on neutrality allows MGB to concentrate on creating long-term value for its stakeholders.

### DATA PRIVACY AND SECURITY

MGB is dedicated to safeguarding the privacy and confidentiality of customers, aligning with the guidelines set by the Personal Data Protection Act ("PDPA") of 2010. All data from individuals is collected with the explicit consent of all individuals and used solely for engagement purposes. MGB forbids the sale or disclosure of collected information to any third party, except when requested by government agencies for law enforcement and other legal purposes.

In MGB's efforts to protect the data integrity of its operations and all associated individuals, the Group deploys advanced security measures by the internal IT department across all systems and platforms. These initiatives include the creation of robust firewall systems that are constantly updated to defend against cyberattacks, implementing credential systems that require passcodes across numerous devices and regular inspection of all activities in the cyberspace to ensure that all potential threats can be managed before any incidents occur. Through all of these measures, MGB successfully maintained its data integrity throughout FY2024 with no instances of data breaches or cyberattacks.





## ECONOMIC PROSPERITY

### MGB Goal

**Pioneering sustainable innovation for cost-effective construction solutions and enhanced resource efficiency.**

Economic performance serves as the foundation of MGB's sustainability ambition, providing the resources necessary to drive initiatives, ensure business continuity and uphold the Group's EESG commitments.

By maintaining a profitable business model, MGB generates the capital required to fund its sustainability strategies while delivering value to stakeholders. This approach supports wealth distribution, promotes community development opportunities and enhances community well-being.

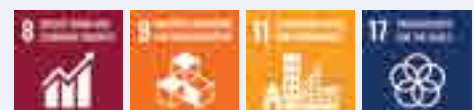
Integrating economic and sustainability priorities allows MGB to foster holistic progress and position itself as a responsible corporate entity dedicated to advancing sustainable development while securing long-term economic success.



### Material Topics:

- Economic Performance
- Product Quality and Customer Experience
- Innovation
- Responsible Supply Chain
- Resource Management

### UNSDGs Alignment:





Sustainability Report

CULTIVATING ECONOMIC RESILIENCE

Direct Economic Values

MGB considers maintaining a robust economic performance an essential part of its operations in maintaining profitability and supporting the Group’s growth initiatives. In addition to fulfilling financial obligations to the Group and its shareholders, the continued growth of MGB’s financial capacity remains a priority in order to ensure the advancement and implementation of the Group’s EESG initiatives.

Through this dedication, MGB experienced an improvement in economic performance in all indicators throughout FY2024. FY2024 marked a year of notable growth for MGB, driven by the recovery and expansion of the construction sector in Malaysia. Reflecting this upward trend, the Group achieved a substantial revenue increase of approximately 6.19% over the year. This positive performance underscores MGB’s resilience and ability to capitalise on industry momentum, reinforcing its commitment to sustainable and impactful growth.

| Direct Economic Value                               | FY2022<br>(RM’000) | FY2023<br>(RM’000) | FY2024<br>(RM’000) |
|---|--------------------|--------------------|--------------------|
| Revenue   | 612,801            | 971,828            | 1,031,970          |
| Profit/(Loss) After Tax & Non-controlling Interests | 14,212             | 50,462             | 61,912             |
| Total Assets  | 916,758            | 1,123,028          | 1,124,557          |

Indirect Economic Values

While MGB’s primary focus lies on the Group and its direct stakeholders, the Group seeks to provide value beyond the organisational boundary, extending the economic benefits of the Group to the larger community. This emphasis on indirect economic has far-reaching impacts such as creating employment opportunities throughout the Group’s supply chain, supporting local businesses, providing support to local communities and many other benefits.

As MGB primarily delves into construction work, the Group contributes significantly to indirect economic generation. The development or improvement of new and existing infrastructure opens opportunities for businesses and residents, providing a positive cascading impact on the economic advancement of the regions where we operate.

Value Creation through Affordable Housing

As a construction company, building homes is not just central to MGB’s business model but also an opportunity for the Group to contribute positively to society through affordable housing. By leveraging innovative technology and efficient construction methods, MGB is able to develop cost-effective housing projects that cater to segments of the population in need of affordable housing. This approach not only helps the Group maintain cost efficiency but also indirectly contributes to addressing Malaysia’s growing housing demands.

MGB’s commitment to affordable housing aligns with its vision of creating sustainable and inclusive communities. Through strategic planning and advanced construction solutions, the Group ensures that projects within this segment are accessible to a wider range of homebuyers, particularly first-time homeowners and lower-income families. By prioritising affordability without compromising on quality, MGB enhances community well-being while supporting national housing policies.

Central to this commitment to affordable housing is MGB’s involvement in the Rumah Selangorku Idaman MBI initiative. Established through an association to provide affordable housing that seamlessly integrates residential areas with commercial and essential infrastructure, this initiative underscores the non-financial benefits the Group provides to its stakeholders. This reflects the Group’s support for the Selangor state government’s target of delivering 30,000 affordable homes by 2025.

RESPONSIBLE SUPPLY CHAIN

MGB is dedicated to ethical procurement practices, ensuring that all products and services obtained comply with all relevant laws and with consideration to both the environment and people. The Group implements a responsible supply chain strategy that requires all suppliers, vendors and third-party contractors to be informed of MGB’s diverse policies. To strengthen this commitment, MGB requires written confirmation from these parties to acknowledge their understanding of these guidelines and policies. As of FY2024, all of MGB’s supply chain has confirmed and maintained compliance in accordance with the Group’s Sustainability Procurement Policy.

## Sustainability Report

The Group performs regular evaluations during the contract period to ensure all associates continue to comply with the relevant laws. In instances of policy breaches, a warning is issued, providing suppliers with a chance to address the identified issues. However, repeated violations may result in the termination of the contract and the supplier's disqualification from future partnerships. Additionally, instances of significant non-compliance may be reported to the appropriate authorities if necessary.

Given the increasing importance of EESG considerations, MGB is currently looking into plans to implement EESG consideration in the supplier assessment process, further solidifying its commitment to sustainability and ethical business practices.

### Group Sustainability Procurement Policy

MGB's Group Sustainability Procurement Policy was created in FY2023 to ensure that the Group's procurement division prioritises EESG considerations when sourcing for suppliers. This policy places business partners accountable for their environmental and social impacts, propagating sustainability to not just the Group's projects and nearby communities, but further out to other businesses MGB is associated with. This also helps reduce the risks to MGB's brand image and reputation by focusing on collaborations that are in full compliance with laws.



For more information on this policy, please visit  
<https://mgbgroup.com.my/sustainability/>

### Local Procurement

As part of MGB's commitment to improve the livelihoods of the communities where the Group operates, MGB takes steps to prioritise local procurement which provides a wide array of benefits to both internal and external stakeholders. For MGB, the prioritisation of local suppliers allows for greater control over its supply chain, reduces transportation costs and diversifies its supplier-base to improve the Group's overall resilience. Externally, sourcing supplies locally helps in creating demand for local businesses which creates job openings, stimulates local economic growth and indirectly contributes to the overall economic development of the country. This also reduces the supply chain's environmental impact by reducing the emissions from longer travel distances.

The Group's commitment to local procurement is highlighted in MGB's continuous sourcing of materials from local sources, covering 100% of the Group's procurement budget. This initiative has been long ongoing, where all subsidiaries explicitly source materials from their operating regions. The only exception is MGB International for Industry ("MGBI"), which is the only subsidiary that operates in multiple countries.

### PRODUCT QUALITY AND CUSTOMER EXPERIENCE

MGB values its customers and ensures that all products are provided with the highest quality. Through this, the Group aims to retain the loyalty of its customers and expand its market outreach, solidifying MGB's branding and reputation as the first choice for any construction and infrastructure work.

The Group utilises internal and external audits based on ISO 9001:2015 to ensure the quality of MGB's products. The quality is further enhanced by identifying areas of improvement in MGB's products through the incorporation of feedback or complaints from customers.

In FY2024, MGB launched only one new project, Idaman Perdana. However, the QLASSIC scores for three of MGB's older projects were released during the year. Notably, two of these projects, Ritma Perdana and BSP Idaman, achieved QLASSIC scores exceeding 70%, meeting the Group's internal quality targets.

In FY2024, MGB launched only one new project, Idaman Perdana. However the QLASSIC score for 3 of MGB's earlier projects, Ritma Perdana, Idaman BSP and KITA Mekar. Notably, the average score for the projects assessed exceeded 70%, meeting the Group's internal quality targets.

### DIGITALISATION AND INNOVATION

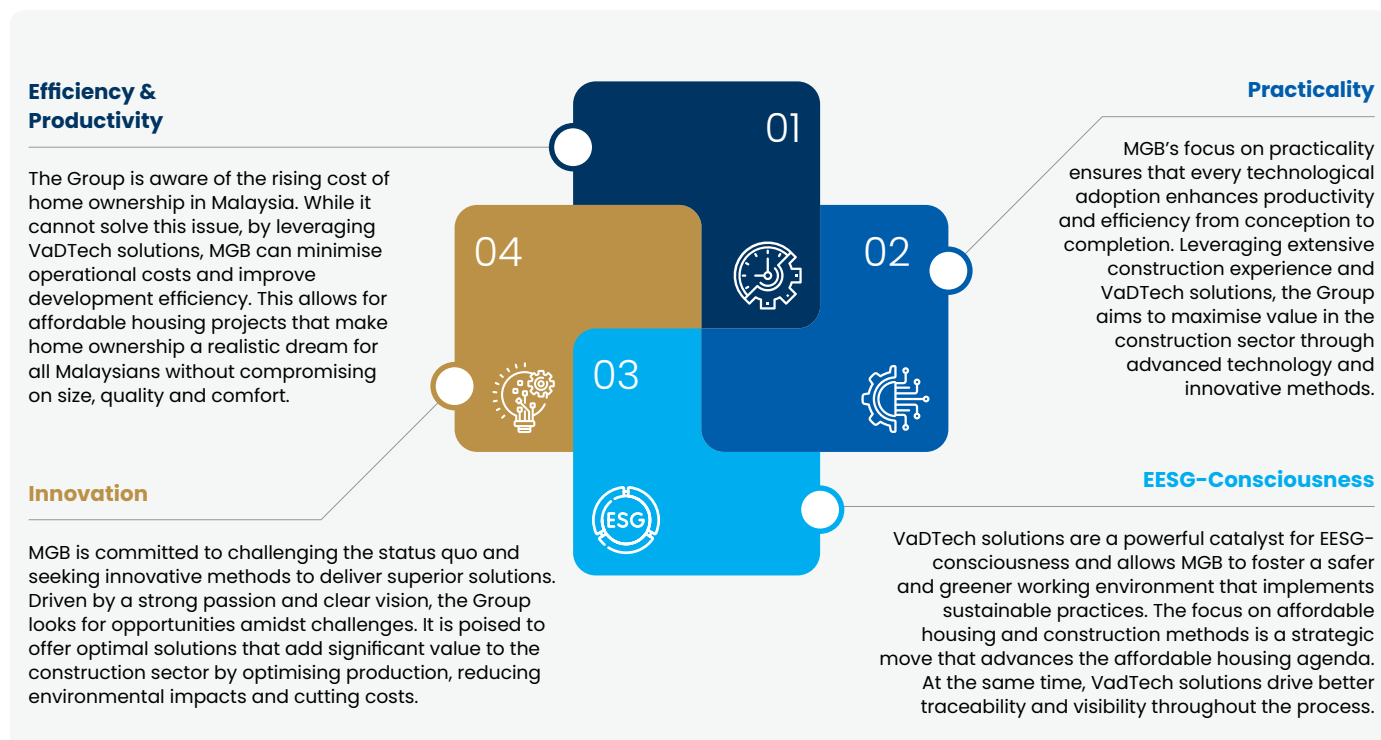
As the world continues to evolve and integrate digital technology into its operations, MGB takes measures to ensure that the Group develops alongside current trends and integrates innovative technology that helps streamline and optimise processes. To date, the Group has implemented several technologies through the proprietary VaDTech, which incorporates Building Information Modelling ("BIM") integration and IBS solutions among other innovations. Through these innovations, the Group has achieved significant cost savings and improved operational efficiency that sets a higher bar for construction operations throughout the industry.

#### VaDTech

The Group's dedication to digitalisation is demonstrated through the integration of VaDTech solutions in the construction process, enhancing productivity and providing the Group with a competitive advantage in the construction industry. VaDTech solutions is a set of innovative tools that allow the Group to enhance time management, value, quality, resources and operational processes throughout all activities, ultimately leading to improved productivity. This methodology has transformed MGB's operations, establishing a new benchmark for efficiency and excellence.

## Sustainability Report

The Group's VaDTech solution is founded upon the following four principles:



The VaDTech solution provides the following benefits that MGB's customers will benefit from:

### IBS Construction Solution

One of VaDTech's primary features is the introduction of IBS construction solutions. This technology transforms the construction sector, shifting it away from traditional construction work that is done on-site to a modular approach where buildings are built piece-by-piece from MGB's dedicated IBS factory in Alam Perdana, Nilai, capable of creating 6,000 new homes annually.

This solution improves the Group's resilience to labour shortages and fluctuations in material prices, as it standardises production in the area and allows for a more stable supply chain to be established while requiring minimal changes to the workforce in the production line. MGB, with its 15 years of experience in handling steel and aluminium frameworks through this technology, is one of the few leading players with the capability to deliver IBS products to the market. While MGB is testing the waters with the implementation of its Enterprise Risk Planning ("ERP") system, the Group's IBS solutions will become fully integrated with EESG considerations throughout and after the construction process.

| Project      | IBS Score |
|--------------|-----------|
| Idaman Melur | 56.7%     |
| Astella      | 71.3%     |

## Sustainability Report

**Investment Proposition Solution**

MGB's proficiency in innovating with VaDTech has established it as a provider of investment solutions. The Group possesses the necessary expertise in design and planning that are essential for the development of a new industrial complex. Instead of merely duplicating conventional designs, MGB collaborates with investors to realise their distinct visions, providing the flexibility of customised industrial hubs that cater to their specific requirements.

**Innovative Financing Solution**

The construction sector serves as an indicator of a country's development and MGB has been instrumental in addressing the financial requirements essential for various construction initiatives. Utilising MGB's strong credit history, the Group offers customised financing options to clients, facilitating loans that enable them to meet their development goals.

**Upcoming Water Technology Solution**

An additional opportunity for the innovative application of VaDTech solutions lies in sustainable water management. The Group is prepared to incorporate value-added technology in the development of a new water treatment facility, with the objective of significantly lowering the operational expenses related to delivering clean water to local communities. This project not only highlights MGB's dedication to sustainability but also showcases its capacity to utilise advanced technology to improve community services.

**Future Tech Solution Tracks**

MGB's implementation of VaDTech provides unlimited possibilities for further technological integrations. The Group is broadening its scope, investigating new technologies that value-add to the model such as renewable energy ("RE") and data management solutions. MGB has already initiated the integration of enhanced RE capacity into its operations by installing solar panels at its IBS Precast Factory located in Nilai.

With a strong commitment to innovation, MGB is dedicated to addressing the increasing demands of the industry, providing comprehensive solutions to emerging sectors in Malaysia and contributing to regional development.

**Digitalisation of Processes**

MGB has taken a strategic approach to digitalisation by integrating technological innovations to enhance business efficiency and streamline operations. A key initiative under this strategy is the adoption of Epicor, a leading provider of industry-specific enterprise software. MGB Sany has implemented Epicor's system to digitise and simplify the e-invoicing process in anticipation of new regulations established by the Malaysian government that require real-time reporting and greater transparency in invoicing processes.

The adoption of Epicor's system addresses several operational challenges faced by MGB, including manual traceability issues, slow data generation and limited data analytics capabilities. By leveraging Epicor's advanced cloud-based solutions, the Group aims to enhance its compliance with new requirements while improving overall operational efficiency and data accuracy.

This transition marks a significant step in MGB's broader digital transformation journey, reinforcing its position as an industry leader in construction and property development. The increased automation and data-driven insights provided by Epicor will enable MGB to make more informed decisions, optimise resource allocation and strengthen its competitive advantage in the market.

**Building Information Modelling**

In line with the Group's dedication to digitalising the construction sector, MGB has integrated Building Information Modelling ("BIM") into all construction projects since FY2022 with the formation of a dedicated BIM team to spearhead the transition to digitalisation in the construction sector. Through this technology, building plans are converted to 3D designs and allow the incorporation of air flows, electrical setups and other building-related informatics that provide project stakeholders with all the necessary information used in the long-term planning of a building's life cycle.

Exceeding the original intent of meeting MGB's stringent quality standards, BIM additionally benefits stakeholders by reducing errors and on-site corrections, reducing delays and expenditures.

## Sustainability Report



## CLIMATE RESILIENCE

## MGB Goal

**Building a sustainable future with next-gen climate-adaptive construction practices.**

Recognising the significance of the environment in the Group's operations, as MGB's services rely on various natural resources and climate stability to safeguard its projects and activities. Thus, MGB's Board and Management understand the importance of utilising resources efficiently, alongside minimising carbon emissions, waste and pollution, as an increasingly material concern that impacts both the Group and surrounding communities.

In MGB's commitment towards environmental stewardship and continuous innovation, the Group consistently evaluates the potential impact of its daily operations and adapts the environmental management strategy as needed.

These initiatives demonstrate MGB's dedication to surpassing regulatory compliance and spearheading strategic implementations that place the Group at the forefront of sustainable construction.



## Material Topics:

- Circular Economy
- Climate Action
- Energy Management
- Water Management
- Biodiversity Conservation
- Effluent and Noise Management

## UNSDGs Alignment:





## Sustainability Report

## TASK FORCE ON CLIMATE-RELATED DISCLOSURES

In MGB's commitment to enhancing the climate resilience of all its projects and operations, the Group has integrated the Taskforce for Climate-Related Financial Disclosures ("TCFD") to identify, strategise and mitigate all climate risks faced by the Group. The TCFD disclosures, deliberated during a Climate Risk Assessment ("CRA") workshop in FY2023, allow MGB to foresee potential physical and transition risks caused by climate change, which covers potential damage and disruptions from natural disasters and the growing regulatory compliance and market shift towards EESG-centred products.

While MGB takes measures to enhance its climate resilience, the Group is also dedicated to reducing its carbon footprint in line with the national Net Zero Carbon Emissions target, set to be achieved by 2050. The Group had created a detailed carbon roadmap in FY2023, with the aim of assisting MGB's transition into a Net Zero entity.

## Governance

MGB employs a top-down approach in its climate governance strategy to ensure that climate-related implementations remain feasible and are implemented thoroughly throughout the Group's operations. This approach is overseen by the Board through the Sustainability Committee ("SC"), responsible for creating climate-related strategies and integrating them with the Group's operations. Following this, the Group Sustainability ("GS") team oversees the day-to-day implementation and management of these climate plans and policies. The GS team also provides feedback on the progress and feasibility of the planned targets, ensuring that all drafted policies can be achieved throughout the Group's entire operations.

Further under management, the various Heads of Departments ("HODs") employed throughout the Group are responsible for implementing and monitoring the Group's climate strategies and targets in their respective departments. Each HOD will track the targets and report the performance to the GS and Board, providing circular feedback that allows for constant alignment between the operational and managerial levels.



Beach clean up 2024

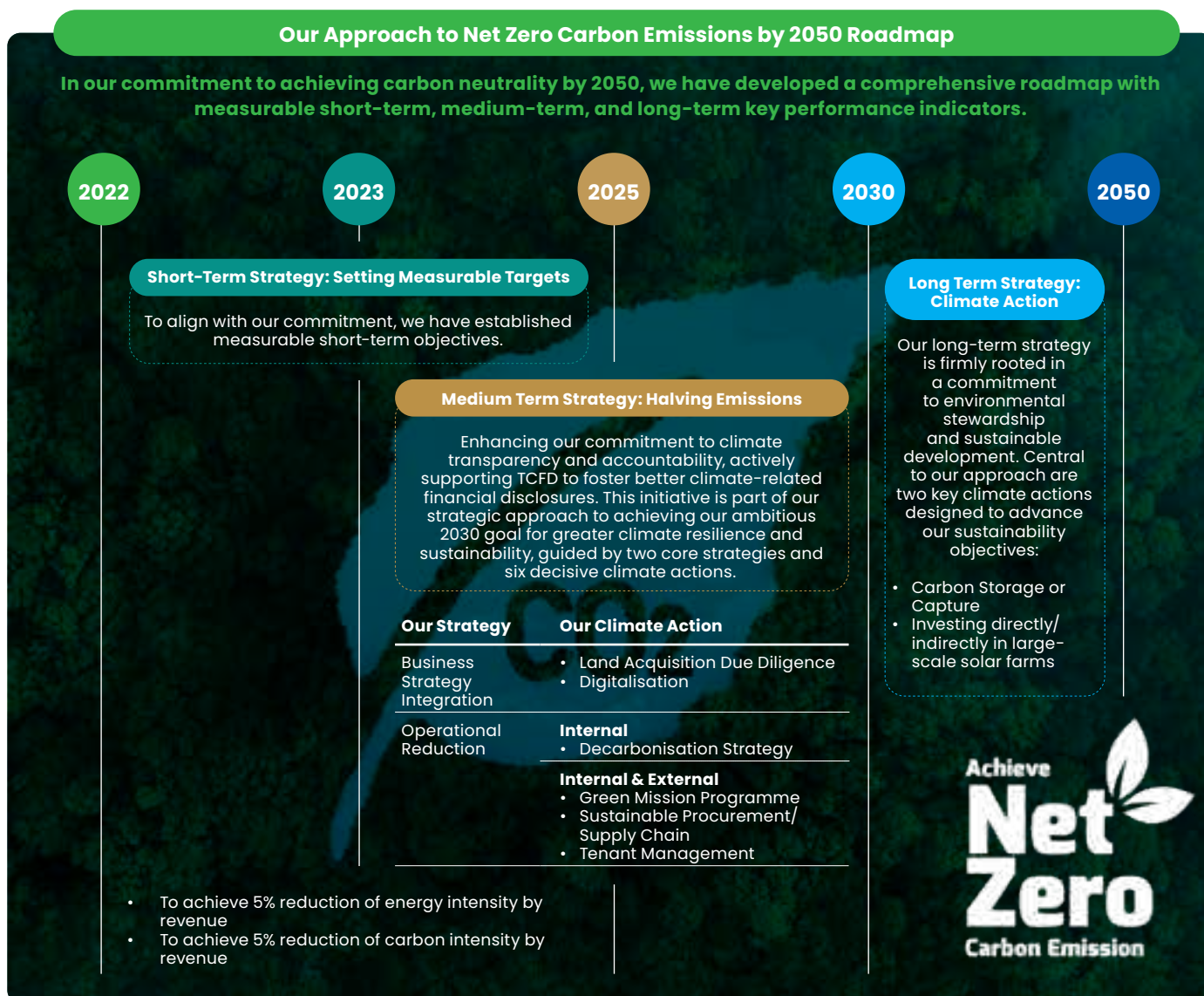


## Sustainability Report

### Strategies

#### Net Zero Carbon Emissions by 2050 Roadmap





In MGB's dedication towards achieving carbon neutrality, the Group created the Net Zero Carbon Emissions by 2050 Roadmap to ensure operations remain on track to meet MGB's climate commitments and strategising as needed.



Through the roadmap, the Group was able to identify and prioritise initiatives by short-, medium- and long-term objectives, each backed by KPIs and targets that are constantly monitored to ensure the Group remains on track towards achieving its overarching carbon neutrality goals. As an interim target, the Group is committed to reducing half of its operational emissions by 2030, alongside adopting two strategies and six climate actions to strengthen the Group's climate resilience.

The Group's climate objectives are tied to several EESG targets that contain various milestones. This assists MGB in monitoring its progress, allowing for a more adaptive approach to the Group's climate strategy.

## Sustainability Report

| Strategy                      | Climate Action  |   |
|-------------------------------|---|---|
| Business Strategy Integration |    | <b>Land Acquisition Due Diligence</b><br>Ensuring that land is acquired in regions with low climate risks, reducing the likelihood of damage and additional costs from external factors such as natural disasters.                                    |
|                               |    | <b>Digitalisation</b><br>Digitalising processes through VaDTech, creating additional value, improving efficiency and minimising the Group's environmental footprint. This technology is one of MGB's key drivers in maintaining its competitive edge. |
| Operational Reduction         | <b>Internal:</b>  |   |
|                               |    | <b>Decarbonisation Strategy</b><br>Minimising carbon footprint through the adoption of sustainable practices, primarily on energy consumption reduction.  |
|                               | <b>Internal and External:</b>   |   |
|                               |  | <b>Sustainable Procurement/Supply Chain</b><br>Integrating carbon reduction initiatives throughout the Group's supply chain, ensuring that all operations are contributing to the Group's overarching net-zero emissions goal.                        |

In the Group's long-term roadmap, spanning between 2030 and 2050, MGB plans to implement Carbon Capture and Storage ("CCS") measures and begin investing in wholly owned or external large-scale solar farms. This initiative aims to fully offset the Group's electricity consumption and significantly reduce Scope 1 emissions while re-absorbing the remaining emissions through the use of CCS technology to achieve carbon neutrality. Positioning these initiatives in the long-term allows MGB to allocate investments at a point in time when CCS and renewable technologies become sufficiently mature for widescale implementation.

### Internal Carbon Pricing

MGB is exploring the implementation of an internal carbon pricing mechanism as part of its commitment to reducing carbon emissions and aligning with global sustainability standards. The Group is assessing the feasibility of setting an internal price of RM20 per tonne of CO<sub>2</sub>, drawing on established frameworks such as Bursa Malaysia's Voluntary Carbon Market ("VCM") and the European Union's Carbon Border Adjustment Mechanism ("CBAM"). This initiative aims to embed carbon costs into decision-making processes across various levels of the organisation, encouraging more sustainable practices and improving operational efficiency.

By proactively exploring internal carbon pricing, MGB aligns with national initiatives and strengthens its position as an industry leader in sustainability. The Group's approach supports the development of an Emissions Trading System ("ETS") under Malaysia's environmental sustainability plan for 2020–2030, reinforcing its long-term commitment to reducing environmental impact and integrating climate considerations into its core business strategy.

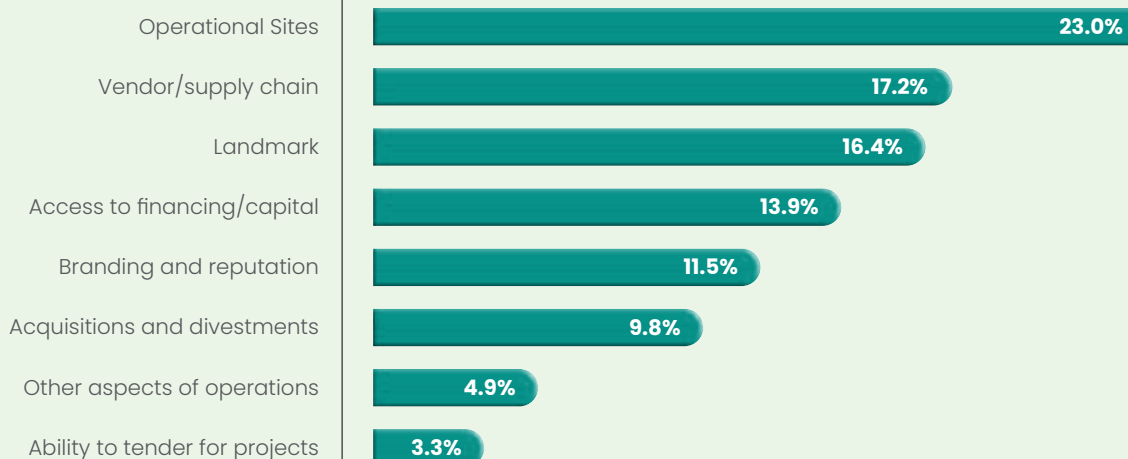
## Sustainability Report

### Risk Management

#### Climate Scenario Planning

In alignment with the Group's strategy to bolster long-term resilience to climate change risks, MGB continues to implement the identified climate change risk assessment and scenario planning strategies, established in FY2023. This assessment identifies areas of MGB's operations that are vulnerable to physical and transition risks, allowing the Group to prepare mitigation measures and capitalise on the opportunities presented with this transition to a more carbon-resilient future.

#### BUSINESS/OPERATIONAL EXPOSURE RANKINGS TO CLIMATE CHANGE RISKS AND IMPACTS



During the exercise, MGB performed a risk assessment that focused on various physical and transitional risks. For each identified risk, the Group outlined several possible impacts and estimated the duration before these impacts could influence business operations. The timeframes were categorised as short-term ("S") for impacts anticipated within two years, medium-term ("M") for those expected to occur in three to five years and long-term ("L") for impacts ranging up to 10 years.

| Potential Impacts  | Timeframe | Mitigation Measures   |
|--|-----------|---|
| <b>Physical Risk – Flash Floods</b>                                  |           |   |
| Increased damages and liabilities on ongoing projects                | S to L    | <ul style="list-style-type: none"> <li>Monitoring of rainfall at all construction sites via rainfall measurement devices</li> <li>Provisions for the development of large stormwater infrastructure including drains and retention ponds at all relevant sites if required</li> <li>Increasing training and awareness sessions on flash flooding as part of the overall OSH training for site workers at areas that may be prone to flash flooding</li> </ul> |
| Changes in planning and design, resulting in higher development cost | M to L    |   |
| Delay in construction time   | S to L    |   |
| Supply chain disruptions   | S to L    |   |
| Insufficient insurance coverage during construction                  | M to L    |   |
| Availability of suitable land bank for development                   | L         |   |
| Rise in vector-borne diseases  | S to L    |   |
| Increased OSH incidents  | S to L    |   |

## Sustainability Report

| Potential Impacts   | Timeframe | Mitigation Measures   |
|---|-----------|---|
| Physical Risk – Rising Temperature  |           |   |
| Changes in planning and design, resulting in higher development cost  | M to L    | <ul style="list-style-type: none"><li>• Continuous improvements in the defect management process, including incorporating the potential usage of automation and technology for swift and full rectification of defects</li><li>• Changes in design approach to maximise natural crosswind ventilation, more shaded areas and reduced exposure to direct sunlight</li><li>• Increased use of landscaping (selection of shady trees, inclusion of water features, etc.) to provide a cooling effect</li></ul> |
| Worker health issues and increased OSH incidents  | S to L    |   |
| Increased issues of defects and liabilities   | S to L    |   |
| Physical Risk – Drought   |           |   |
| Water scarcity  | M to L    | <ul style="list-style-type: none"><li>• Identify and tap alternate water sources</li></ul>  |
| Transitional Risk – Increased Green Regulations   |           |   |
| Increased green feature requirements within developments  | M to L    | <ul style="list-style-type: none"><li>• Continuous engagement with local, state and federal authorities, as well as industry bodies and professional associations on the changing requirements. These include CIDB, MBAM and other bodies</li></ul>   |
| Increased recycling of construction and other waste   | L         |   |
| Increased requirements for water- and energy-saving features in developments  | M to L    |   |
| CIDB initiatives (Green Building Index)   | S to L    |   |
| Transitional Risk – Access to Financing   |           |   |
| Likelihood of reduced margin of financing or higher interest rates due to low EESG scores or high environmental footprint | L         | <ul style="list-style-type: none"><li>• Continued engagements with bankers and financiers to understand their priorities for portfolio decarbonisation</li></ul>  |
| Transitional Risk – Adopting Energy-Efficient Solutions   |           |   |
| Increased costs to transition to RE/electricity use compared to fossil fuels  | S to L    | <ul style="list-style-type: none"><li>• Commence using a higher proportion of electricity at operation sites as opposed to fossil fuels</li><li>• Consideration for more “green features” in projects, i.e. provision of EV charging stations, increased use of LED lighting for common areas, etc.</li><li>• Implementation of Battery Energy Storage Systems as a means to reduce reliance on diesel-powered generators</li></ul>   |

The Group also identified several opportunities that can be capitalised on during the workshop:

| Potential Opportunity  | Timeframe |
|--|-----------|
| <b>Increased Demand for IBS Precast &amp; Formwork Systems</b>   |           |
| Growth in business opportunities   | S to L    |
| Strengthening of brand reputation as a leading IBS solutions provider  | S to L    |
| Reduced manpower costs   | S to L    |
| Improvements in addressing physical climate change risks (i.e. faster building times reduce workers' exposure to floods, increased temperatures, etc.) | L         |
| <b>Purchasing Carbon Credits</b>   |           |
| Offsetting carbon emissions  | L         |
| Opportunities for brand building and strengthening reputation as a responsible company   | L         |
| <b>Expansion into New Business Sectors &amp; Industries</b>  |           |
| Business diversification into new niche sectors (i.e. green buildings, thermal energy storage, cooling systems, data centres, etc.)                    | S to L    |

## Sustainability Report

Through the TCFD adoption, the Group also estimates the likelihood of these climate risks occurring through MGB's operations and its associated financial consequences. This is done through a comprehensive scenario analysis, utilising the Network for Greening the Financial System ("NGFS") Net Zero 2050 scenario and the IPCC Representative Concentration Pathway ("RCP") 3.4. The NGFS Net Zero 2050 scenario is driven by national or regional commitments to achieve net-zero emissions by 2050, while the IPCC RCP 3.4 scenario outlines the potential impacts of climate change, including changes in temperature, precipitation levels and sea level.

These scenarios also helped the Group plan strategic mitigation and management measure to reduce potential climate-related impacts. These mitigation measures are routinely reviewed as and when needed to ensure that they remain effective and relevant to MGB's operations. As of FY2024, these measures were found to be still relevant.

| Scenario                        | Impact   | Mitigation Measures  |
|---------------------------------|--|--|
| <b>Loss of Operational Days</b> |  |  |
| +5%                             | <b>Minimal</b><br><br>Near-negligible impacts on operations.   | <ul style="list-style-type: none"> <li>Optimise work schedule, providing additional manpower, work hours, or equipment as necessary.</li> </ul>  |
| +10%                            | <b>Moderate</b><br><br>Significant project delays and some financial impact.   | <ul style="list-style-type: none"> <li>Optimise work schedule, providing additional manpower, work hours, or equipment as necessary.</li> <li>Hold discussions with the supply chain to accelerate or advance the delivery of goods and services.</li> <li>Review project timelines and obtain extensions from relevant authorities.</li> </ul>  |
| +20%                            | <b>Significant</b><br><br>Material reduction in profits. EOD requests are potentially necessary.   | <ul style="list-style-type: none"> <li>Optimise work schedule, providing additional manpower, work hours, or equipment as necessary. Equipment from unaffected areas is to be reallocated to delayed projects.</li> <li>Hold discussions with the supply chain to accelerate or advance the delivery of goods and services.</li> <li>Acquire permission to extend working hours from authorities.</li> </ul>                                     |
| <b>Supply Chain Disruptions</b> |  |  |
| >1 month                        | <b>Moderate</b><br><br>Delays will occur within acceptable limits. Minimal financial impact.   | <ul style="list-style-type: none"> <li>Expand the procurement network with an emphasis on local suppliers.</li> </ul>  |
| >3 months                       | <b>Significant</b><br><br>Significant delays may begin to cause financial impacts.   | <ul style="list-style-type: none"> <li>Expand contracts to include provisions that highlight the accountability of subcontractors and compensate MGB in cases of emergency.</li> <li>Prepare alternative materials in cases where key components cannot be delivered in a timely manner.</li> </ul>  |
| >6 months                       | <b>Materially Significant</b><br><br>Significant delays that materially impact finances. Extension of Time requests and contract renegotiations with affected parties are potentially necessary. | <ul style="list-style-type: none"> <li>Expand contracts to include provisions that highlight the accountability of subcontractors and compensate MGB in cases of emergency.</li> <li>Prepare alternative materials in cases where key components cannot be delivered in a timely manner.</li> <li>Expand insurance policies as required.</li> <li>Reduce supply chain dependency by producing materials independently where possible.</li> </ul> |

## Sustainability Report

| Scenario  | Impact   | Mitigation Measures   |
|---|--|---|
| <b>Reduction in Worker Productivity due to Weather, Illness, etc.</b> |  |   |
| +5%   | <b>Minimal</b><br><br>Minor increase in productivity losses and medical expenses.  | <ul style="list-style-type: none"> <li>Adjust employee schedules to minimise the likelihood of illness among staff.</li> <li>Maintain roofing and hydration facilities to shield workers from heat exposure.</li> <li>Implement shorter work shifts during periods of elevated temperatures.</li> </ul> |
| +10%  | <b>Moderate</b><br><br>Noticeable decrease in productivity and higher medical claims.  | <ul style="list-style-type: none"> <li>Adjust employee schedules to minimise the likelihood of illness among staff.</li> <li>Maintain roofing and hydration facilities to shield workers from heat exposure.</li> <li>Implement shorter work shifts during periods of elevated temperatures.</li> </ul> |
| +20%  | <b>Significant</b><br><br>Significant productivity reduction and higher medical expenses.<br><br>Likely failure to meet several deadlines, causing further financial loss. | <ul style="list-style-type: none"> <li>Optimising work schedule by reallocating workers to cooler periods of the day.</li> <li>Secure approval from authorities to work beyond the stipulated hours.</li> <li>Provide more medical coverage for heat-related illnesses.</li> </ul>                      |
| <b>Increased Requirements for Green Building Features</b>             |  |   |
| +5%   | <b>Negligible</b><br><br>Minor financial impact. Costs can be recuperated.   | <ul style="list-style-type: none"> <li>Maintain operations. Risks at this stage fall within MGB's expectations.</li> </ul>  |
| +10%  | <b>Moderate</b><br><br>Moderately increased prices and increased likelihood of longer construction times.  | <ul style="list-style-type: none"> <li>Optimise and design innovative solutions to green building engineering methodologies.</li> <li>Potentially distribute costs further downstream to ensure financial targets can be met.</li> </ul>  |
| +20%  | <b>Significant</b>   | <ul style="list-style-type: none"> <li>Optimise and design innovative solutions to green building engineering methodologies.</li> </ul>   |

**Metrics and Targets**

In MGB's commitment to maintaining transparency and accountability in its climate performance, the Group reports its Scope One, Two and Three emissions since FY2021. The disclosed emissions are audited internally to ensure their accuracy.

The sources of MGB's emissions for FY2024 are:

- **Scope One (Direct Emissions):** Fossil fuel (diesel and petrol) consumption by company vehicles
- **Scope Two (Indirect Emissions):** Purchased electricity consumed by operational activities
- **Scope Three (Other Indirect Emissions):** Employee commuting, business travel and waste generated during operations

All reported emissions have been assessed following the methodologies set by the World Business Council for Sustainable Development and the World Resource Institute's ("WBCSD/WRI") Greenhouse Gas ("GHG") Protocol. Additionally, emission factors are sourced from the Intergovernmental Panel on Climate Change ("IPCC") Sixth Assessment Report ("AR6"), the Malaysian Green Technology and Climate Change Centre ("MTGC") and the United Kingdom's Department for Environment, Food and Rural Affairs ("DEFRA").



Sustainability Report

CLIMATE CHANGE AND EMISSIONS MITIGATION

Climate change is an ever-pressing issue experienced worldwide, causing natural disasters to increase in frequency and leading to increased costs and risks by organisations everywhere. While the construction sector is traditionally a significant contributor to climate change, MGB takes every measure to mitigate the impacts of climate change and reduce its carbon footprint, in line with Malaysia’s carbon mitigation aspirations. In preparation for the evolving climate developments, MGB has taken several measures to reduce its carbon footprint.

Carbon Emissions

MGB is committed to minimising its environmental impact mainly through proactive GHG emission management. In FY2024, the Group’s carbon emissions have been following the upwards trend over the past three years in line with MGB’s overall business growth.

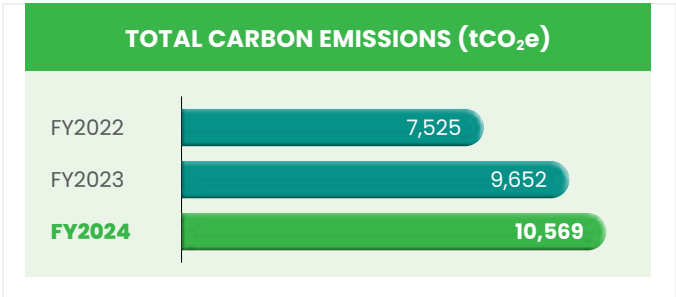
Scope One Emissions

Scope One emissions are direct GHG emissions from sources owned or controlled by MGB, such as fuel combustion in vehicles, machinery and equipment. These emissions primarily result from the daily operations of MGB’s extensive fleet of construction vehicles, on-site machinery and other energy-intensive equipment used across its various projects.

Overall, the Group’s Scope One emission in FY2024 has seen an improvement as MGB is beginning to reduce its reliance on conventional fossil fuel for energy generations. This has mainly been achieved by utilising Battery Energy Storage System (“BESS”) to replace diesel for power generation. This innovative approach allows the Group to power generators used at the project site with energy stored by the BESS instead of relying on diesel.



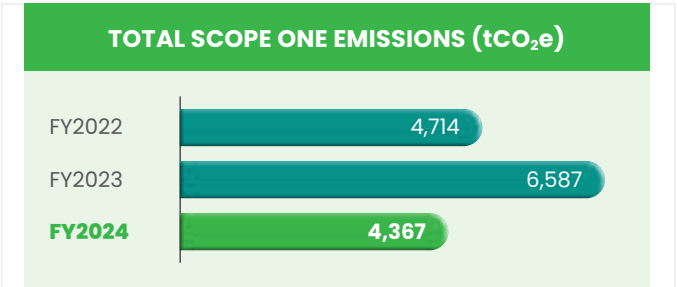
Battery Energy Storage System



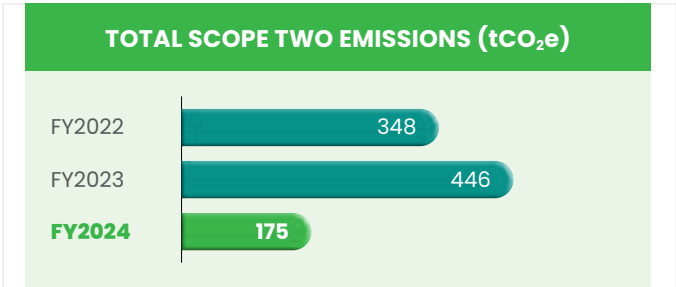
Scope 2 Emissions

Scope Two emissions are a result of indirect energy consumption, primarily electricity from the national grid, for powering MGB’s offices and operational facilities. This includes electricity needed for lighting, air conditioning and powering office equipment.

Despite the increase in overall projects, MGB has managed to significantly reduce Scope Two emissions in FY2024. This was achieved as most project sites utilise fossil fuel-powered generators instead of relying on the national grid. Additionally, MGB’s headquarters and Precast Factory increased their reliance on solar power, thereby reducing the demand for purchased electricity and lowering overall Scope Two emissions.



Note: Carbon emissions have been calculated based on conversion factors from IPCC AR6

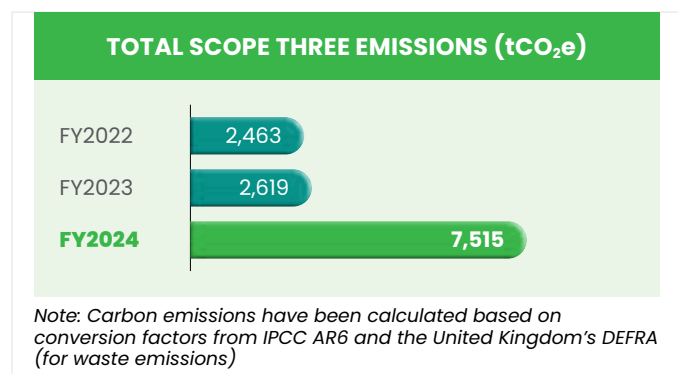


Note: Carbon emissions have been calculated based on conversion factors from IPCC AR6

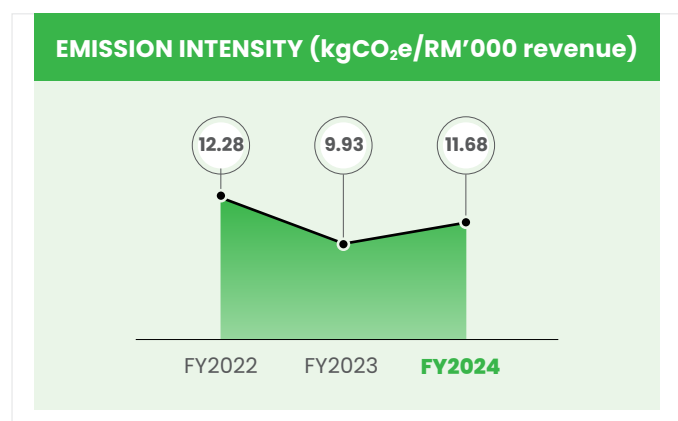
## Sustainability Report

## Scope 3 Emissions

Scope 3 emissions are generated indirectly by the Group's activities, which include business travel and employee commuting.



## Carbon Intensity



## Volatile Organic Compounds

Volatile organic compounds ("VOC's") are compounds contained within paints and emulsions that are released when used and during drying. Given the widespread use in the construction sector, MGB has consistently undertaken efforts to minimise these emissions throughout its operations. Recently, the Group has begun relying more on paints that have received the Singapore Environmental Council ("SEC") Green Label. Paints that have received this label typically have low or near-zero levels of VOC. As of FY2024, a significant portion of the paint the Group uses have received this certification. This will be expanded as MGB prioritises sourcing paints and emulsifiers with this certification in the future.



## UNLOCKING ENERGY EFFICIENCY

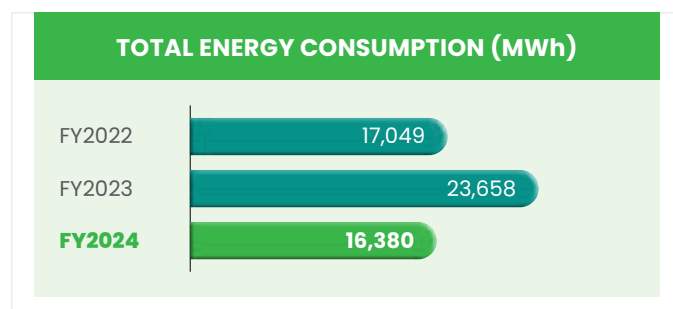
MGB recognises the complex relationship between its energy consumption and wider environmental and societal factors. Apart from the negative impacts associated with excessive energy use, inefficiencies lead to increased costs that can be reduced through the use of more energy-efficient appliances and renewable energy ("RE").

In an effort to mitigate climate issues caused by energy generation, the Group meticulously oversees and regulates its energy usage in accordance with its comprehensive HSE Policy and the EMS 14001:2015 certification. Furthermore, the Group ensures that the most recent energy conservation initiatives are regularly communicated to its employees through internal communications and training programmes.

MGB also employs solar panels throughout all its buildings, capitalising on renewable energy to drive down costs and reduce carbon emissions. In FY2023, the Group generated 19,195 kWh of electricity from its solar panel installations, offsetting 14.55 tonnes of CO<sub>2</sub>e. Furthermore, the Group established partnerships with various entities including the MGTC and Midwest Green Sdn Bhd ("MWG") to further propagate its RE development. The same has been maintained for FY2024.

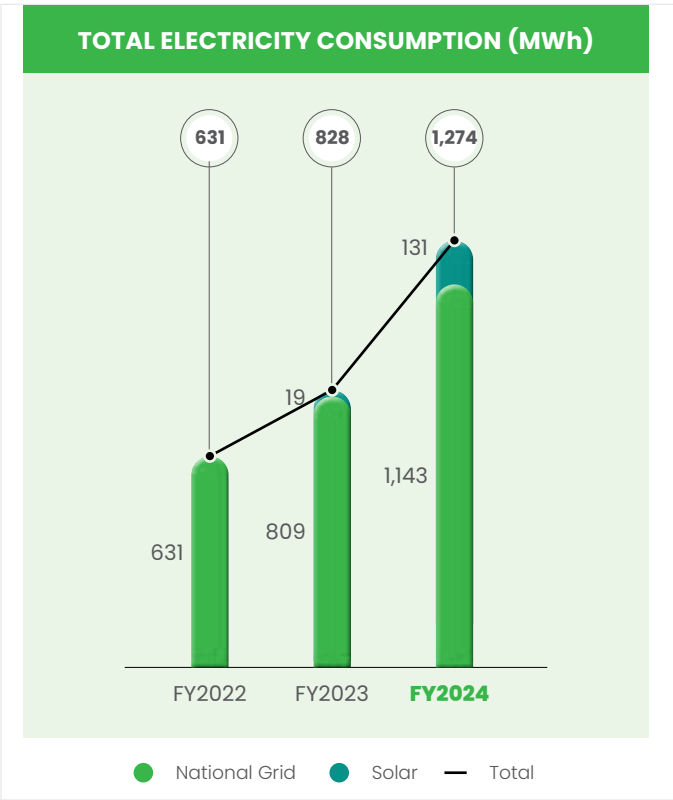
## Energy Consumption

MGB utilises a mixture of electricity and fuels to conduct activities throughout the year. Fuel is utilised in every aspect of the Group's operations, including managerial, administrative, construction and manufacturing operations. The use of each fuel also varies in nature, such as utilising diesel to power construction equipment and generators alongside petrol for facilitating employee transportation through the Group's fleet of vehicles. In FY2024, the Group utilised a total of 54,796.52 GJ of energy (or equivalent to 16,380 MWh).



Sustainability Report

Electricity is used in every facet of the Group’s operations, ranging from powering its offices to enabling the Group to produce its IBS precast concrete.



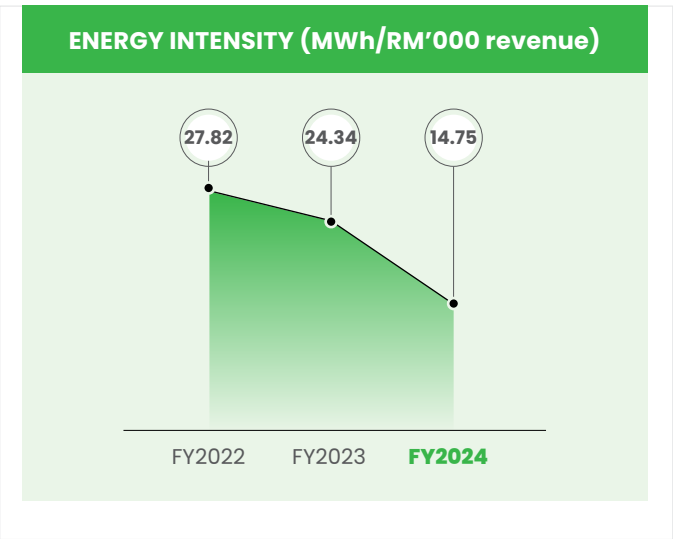
Energy Saving Initiatives

MGB adopts a dual approach to improving energy efficiency by combining technological upgrades with employee engagement to reduce overall energy consumption. On the technological front, the Group has implemented various measures to enhance energy efficiency, including replacing all office lighting with LED bulbs. LED lighting not only consumes less energy but also provides improved lighting output, contributing to a more comfortable and productive working environment. This transition reflects MGB’s commitment to leveraging modern technology to minimise its environmental footprint and reduce operational costs.

In addition to technological upgrades, MGB actively promotes a culture of energy consciousness among its employees. The Group has introduced initiatives such as installing strategic signage in key areas to remind employees to avoid unnecessary energy consumption. Employees are encouraged to turn off lights, air conditioning and other electrical equipment when leaving the office, particularly at the end of the day and during lunch breaks. These behavioural changes are designed to complement the Group’s structural improvements, reinforcing the importance of responsible energy use across all levels of the organisation.

To further enhance energy efficiency and reduce its carbon footprint, MGB is also working to reduce reliance on fossil fuels, particularly in transportation. The Group is in the process of transitioning its fleet to electric vehicles (“EV”), which will significantly lower emissions and operating costs over the long term. This strategic shift supports MGB’s broader sustainability goals by aligning its transportation practices with global efforts to reduce greenhouse gas emissions.

Energy Intensity



WATER MANAGEMENT

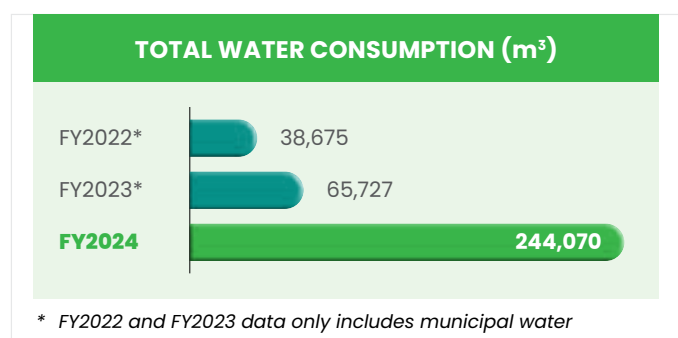
In the construction sector, water is an essential resource that significantly impacts the quality of both products and services. In addition to its use in landscaping, general cleaning and plumbing, water is crucial for cooling machinery and the concrete batching process. Recognising its significance, MGB has established a comprehensive internal HSE Policy to regulate water usage. This initiative is further strengthened by the Group’s ISO 45001 certification, implemented since 2018.

Water Consumption

MGB’s water consumption has increased in line with the growing number of development projects undertaken by the Group. Over the past three years, most of the Group’s water usage has been sourced from municipal supplies. However, beginning in FY2024, MGB introduced groundwater as an alternative water source to diversify its supply and enhance water security. This shift has contributed to a notable increase in reported water consumption, as previous years’ data only reflected municipal water usage, whereas groundwater tracking only commenced in FY2024.

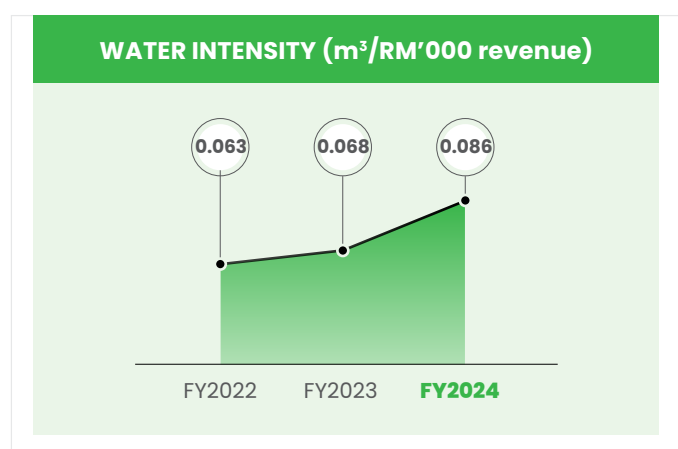
## Sustainability Report

Importantly, none of the water consumed by the Group is sourced from water-stressed regions. This ensures that MGB's water consumption practices do not add to local water scarcity issues, aligning with the Group's commitment to responsible resource management.



| Water Performance Data                                  | FY2024         |
|---|----------------|
| <b>Water Withdrawal by Source (m<sup>3</sup>):</b>      |                |
| Surface water withdrawal (lakes, rivers, natural ponds) | 3,147          |
| Groundwater withdrawal (wells, boreholes)               | 152,098        |
| Used quarry water withdrawal                            | -              |
| Municipal potable water withdrawal                      | 88,825         |
| External wastewater withdrawal                          | -              |
| Harvested rainwater withdrawal                          | -              |
| Ocean/Seawater withdrawal                               | -              |
| <b>Total Water Withdrawal (m<sup>3</sup>)</b>           | <b>244,070</b> |

## Water Intensity



Since groundwater and surface water consumption tracking was only conducted in FY2024, MGB's water intensity measurements will still be based on municipal water consumption. This is also because not all operational sites consume surface or groundwater, so using municipal water provides a consistent, Group-wide standardised metric for comparison.

## Water Saving Initiatives

MGB's approach to water management is further enhanced by the Group's approach to water management, which focuses on the monitoring of concrete usage to optimise and reduce excessive water consumption for its various projects. Beyond optimisation, the Group utilises water recycling procedures from nearby operations like silt traps, for non-critical works such as cleaning. This helps reduce the Group's reliance on municipal water sources and allows more water to be allocated to the community, contributing to local climate resilience.

In MGB's continued commitment towards water conservation, the Group has established plans that extend to the next 3 years. By FY2028, the Group intends to implement a thorough management plan that encompasses all project locations. This strategy aims to decrease the Group's reliance on municipal drinking water by identifying and utilising alternative water sources within these areas. Furthermore, MGB is continuing to look into additional sustainable water sources, including the potential use of groundwater at the Cybersouth site for daily non-potable applications.

A water footprint assessment is currently being developed for MGB's manufacturing division, which will enable the Group to monitor water consumption at the MGB SANY manufacturing facility and prepare additional water conservation strategies. The implementations may include upgrading existing water fixtures to more efficient variants and integrating smart technology in frequently visited areas to optimise water consumption and minimise wastage.

Throughout FY2024, the Group did not face any reports of non-compliance, showcasing the Group's commitment to safeguarding the environment and its surrounding water resources.

## EFFLUENT MANAGEMENT

The Group's established Health, Safety and Environmental ("HSE") Policy forms the basis of MGB's approach towards effective pollution prevention, including effluent management. This policy is closely aligned with the Environmental Quality Act ("EQA") 1974, ensuring seamless integration with the regulatory framework established by the Department of Environment ("DOE") Malaysia. In line with the HSE Policy, the Group guarantees that all water discharge is monitored and measured regularly to conform to the stringent limits set by the EQA.

This systematic approach, driven by the HSE Policy, has consistently enabled MGB to achieve full compliance with regulatory standards, with no recorded instances of non-compliance in FY2024. This commitment highlights MGB's dedication to upholding the highest environmental standards, safeguarding water quality and demonstrating leadership in environmental stewardship.

Sustainability Report

RESOURCE CONSUMPTION

MGB aligns its resource consumption and management strategies with its responsible waste management initiatives, in line with the Group’s principles of environmental stewardship and efficiency. The Group is dedicated to minimising its dependence on natural resources across its operations, utilising MGB’s innovative VaDTech solutions alongside the Group’s Sustainable Procurement Policies.

The Group’s hierarchical strategy, complemented by the use of advanced construction technologies, enables it to enhance its core business activities through the incorporation of recovered materials for a lower environmental footprint. In FY2024, 4.2% of the Group’s materials are derived from recycled materials. Furthermore, MGB’s implementation of the IBS Precast Construction System and the Aluminium Formwork System improves the accuracy of the construction process, minimising the use of materials such as timber and concrete and indirectly reducing waste generation. Parallel to this initiative, the Group’s British Reinforcement Concrete (“BRC”) wire mesh is pre-cut to precise dimensions at a fabrication facility to reduce waste at the construction site.

Material Consumption Data

As MGB’s operations are centred around construction projects, most of the material consumed includes concrete and steel components, which are also utilised for the production of MGB’s IBS precast concrete.

| Material                 | Unit | Year    |         |         |
|--------------------------|------|---------|---------|---------|
|                          |      | FY2022  | FY2023  | FY2024  |
| Cement                   | MT   | 7,997   | 16,585  | 15,437  |
| Concrete                 | MT   | 190,808 | 395,574 | 511,646 |
| Sand                     | MT   | 1,524   | 3,067   | 2,787   |
| Aggregate                | MT   | 128.72  | 371.85  | 23.91   |
| Reinforced Bar/Steel Bar | MT   | 3,999   | 11,127  | 10,639  |

Material-Related Initiatives

MGB’s VaDTech Solutions is an innovative technology that enhances resource efficiency throughout its operations. This, alongside the incorporation of IBS and BIM methodologies, demonstrates the Group’s forward-thinking approach to resource management.

The Group has begun adopting the Epicor Enterprise Resource Planning (“ERP”) system as a comprehensive digital tool to streamline and optimise business operations. The Epicor ERP system allows MGB to reduce material consumption by accurately monitoring inventory levels in real-time and making accurate demand forecasting that helps prevent overproduction and that leads to waste.

In addition to new systems, the Group is planning a transition to ECO Sand utilisation that is sourced with a significantly lower environmental footprint to further improve the environmental performance of the Group’s concrete batching. This assists the Group in moving closer towards its 2050 carbon neutrality goal.

Outside of the Group’s operations, MGB continues to prioritise suppliers that have commitments towards reducing their GHG footprint. This initiative aims to set a precedence that encourages producers to incorporate sustainable practices, contributing to a green supply chain and a cleaner environment wherever the Group operates.

## Sustainability Report

## WASTE MANAGEMENT

MGB demonstrates its dedication to responsible waste management through a comprehensive six-tier waste management hierarchy. This framework is designed to mitigate pollution and decrease the amount of waste sent to landfills. The implementation of this integrated waste management system has been practised by the Group at all project locations since FY2023. Furthermore, this system is designed to align effectively with MGB's other ongoing initiatives and policies, including its HSE Policy, EMS 14001:2015 certification and shift away from the use of single-use plastics at the Group's construction sites. This not only minimises waste but also promotes the adoption of environmentally friendly practices among employees.

MGB has been actively implementing a Zero Single-Use Plastic campaign throughout FY2024 as part of its commitment to reducing waste and promoting sustainable practices. Under this campaign, the use of single-use plastics is strictly prohibited across all operational sites and Group offices. To reinforce this commitment, MGB has even removed individual dustbins from its office spaces, encouraging employees to be more mindful of their waste disposal habits. This approach ensures that waste generated within specific parts of the Group's operations is sorted and directed toward recycling, supporting the Group's broader waste management strategy.

Through the Zero Single-Use Plastic campaign and other waste reduction initiatives, MGB has significantly minimised non-recyclable waste across its offices. As a result, the primary sources of waste now come from construction activities, where construction debris and scheduled waste that cannot be recycled are produced. Despite this, MGB remains focused on responsible waste management. Scheduled waste is carefully stored in designated zones within each operational site and collected by waste collectors licensed by the DOE for proper disposal. This ensures that hazardous and non-recyclable materials are managed in compliance with regulatory standards.

| Total Waste (kg)                           | FY2023   | FY2024    |
|--|----------|-----------|
| Recycled Waste<br>(Diverted from Disposal) | 254.04   | 424.83    |
| Disposed Waste<br>(Directed to Disposal)   | 4,105.05 | 12,203.05 |

In FY2024, the Group did not encounter any instances of non-compliance, demonstrating its dedication to proper waste management procedures and mitigating pollution in the environment.

## BIODIVERSITY CONSERVATION

MGB recognises the importance of biodiversity in sustaining the balance of the natural environment and its influence on communities that depend on the natural resources provided by ecosystems. Recognising this, the Group takes every possible measure to minimise the impact of its activities on the local flora and fauna.

The Group's objective regarding projects exceeds regulatory compliance with current green landscape regulations. MGB aims to exceed these standards by 10% by the end of FY2025. As of FY2024, MGB has made steady progress, attaining 20.23% green landscape coverage in Idaman Perdana, the Group's new project for the year.

As a responsible project developer, MGB adheres closely to all guidelines and regulations related to biodiversity management, especially when operating near sites with high conservation value ("HCV"). For projects located in ecologically sensitive areas, an Environmental Impact Assessment ("EIA") is typically required by the Department of Environment ("DOE"). These EIAs outline proper management and impact mitigation measures recommended by the relevant authorities and local agencies in charge of biodiversity management.

While MGB does not typically conduct these EIA studies directly, as they fall under the responsibility of the project owner, the Group remains committed to aligning its construction and development activities with the prescribed biodiversity management plans. Once an EIA has been conducted and biodiversity management measures have been outlined, MGB follows them closely to minimise any potential harm to the local ecosystem. This includes adopting site-specific mitigation strategies, such as controlling construction runoff and managing waste disposal to prevent environmental degradation.

As of FY2024, most of MGB's ongoing projects are not located near HCV sites and, therefore, do not require an EIA. However, even in the absence of an EIA, MGB takes proactive steps to minimise environmental and ecological harm. The Group ensures full compliance with all applicable regulatory requirements related to construction activities, including measures to prevent risks such as water and waste pollution. By maintaining strict environmental controls and adopting best practices in biodiversity management, MGB reinforces its commitment to sustainable development and environmental stewardship.



## Sustainability Report



## SOCIAL ENRICHMENT

## MGB Goal

**Foster inclusive and thriving communities and workforce through technology-enabled skills development, workplace safety initiatives and accessible construction projects.**

Social performance is an essential aspect of MGB's business activities, as it relates to the management and development of key personnel, which is crucial for the Group's operational continuity. Consequently, the Group places significant emphasis on talent and labour management. MGB aims to establish itself as a leader in employment practices, prioritising the welfare and professional growth of its employees.

Outside the Group, MGB is committed to fostering positive societal contributions within the surrounding communities by getting involved through both financial and non-financial means. This commitment also encompasses individuals who, while not directly employed by the Group, are integral to its broader supply chain.



## Material Topics:

- Talent Management
- Occupational Health and Safety
- Community Engagement
- Labour Practices and Human Rights
- Diversity, Equity and Inclusion

## UNSDGs Alignment:



## Sustainability Report

## HUMAN CAPITAL DEVELOPMENT

MGB recognises the significance of a capable and talented workforce in driving the Group's operations by providing employees with the means to advance their careers through targeted and innovative training. This dedication is tied to the Group's commitment to fostering the career progression of its workforce, which in turn, benefits MGB by providing a roster of competent and satisfied employees.



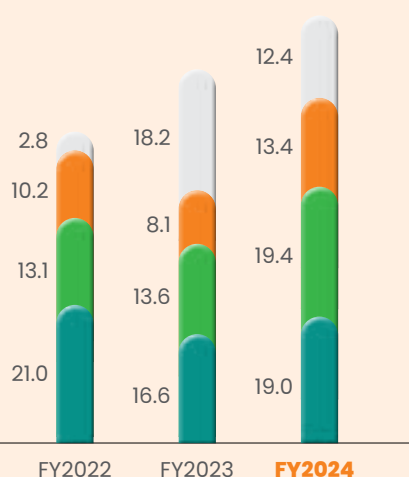
MGB's formalised Human Resource Learning and Development Policy can be viewed at: <https://mgbgroup.com.my/sustainability/>.

## Training Procedures

Training efforts conducted by the Group are coordinated by each HODs in conjunction with the HR Department. This approach optimises and streamlines training initiatives, providing employees who are ready to proceed with the next step with the means to advance their careers. MGB's approach to training has been established under the Training and Development Standard Operating Procedure ("SOP") which assists Management in identifying and providing tailored training opportunities according to the identified skill gaps of each employee.

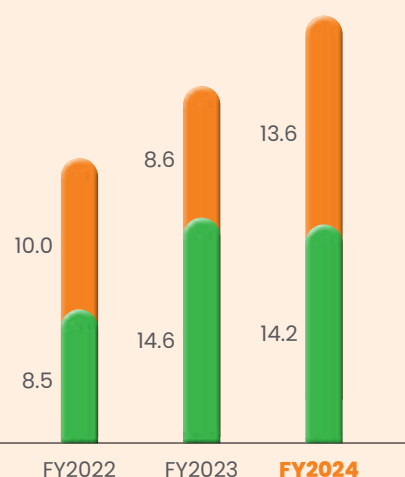
Employees can also request training through a Training Requisition Form, with each training course customised to meet the specific skill gaps of the employee. MGB also consults suitable experts concerning the Group's focus in regard to developing employee competency. This is especially important when developing new skills and capabilities required with the proliferation of digitalisation and technology. Feedback from employees is always collected after any training programme to assess its effectiveness and guide further programmes moving forward. Overall, in FY2024, MGB conducted a total of 10,492 hours of training for its employees across the Group.

AVERAGE TRAINING HOURS PER EMPLOYEE BY EMPLOYMENT CATEGORY



● Senior Management    ● Middle Management  
● Executive    ● Non-Executive

AVERAGE TRAINING HOURS PER EMPLOYEE BY GENDER



● Male    ● Female

## Sustainability Report

### Performance Appraisal

MGB conducts annual employee evaluations through the Group's holistic performance appraisal system. Through this process, every employee conducts a self-assessment of their performance and provides feedback to help measure individual performance against the Group's overall targets and performance. The Group's self-assessment procedure provides a collaborative platform between both the employee and their supervisors that provides a tailored analysis of each employee's skills that can be polished further. This feedback can be forwarded to the HR department to provide specific training that benefits every individual in accordance with their needs.

Apart from advancing the skills of MGB's talents, the Group's appraisal process contributes to higher employee satisfaction and retention rates. In FY2024, all Group employees had undergone the appraisal process.

## DIVERSITY, EQUITY AND ATTRACTION

### Diversity in Employment

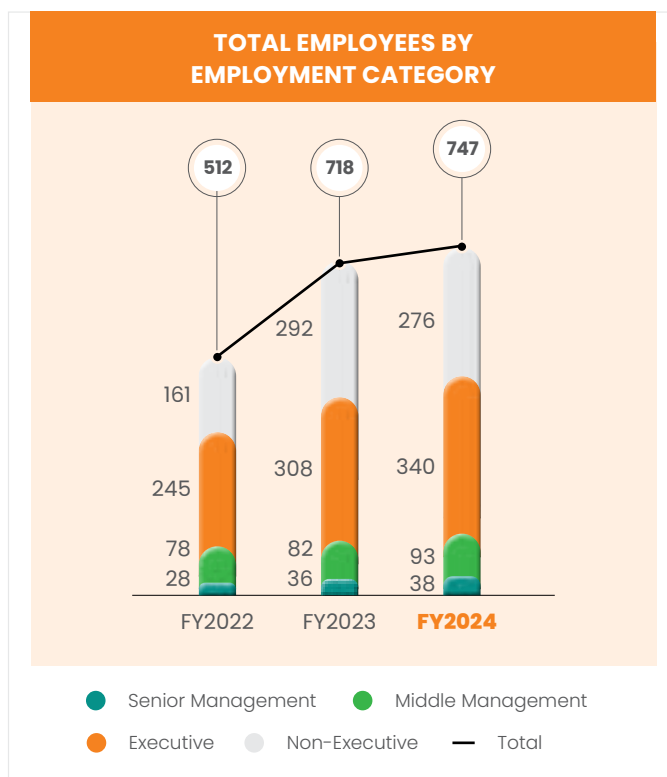
MGB recognises the wide array of perspectives that a diverse workforce can provide. Thus, the Group is committed to upholding non-discriminatory practices in its workforce management, ensuring that employees are evaluated solely on their skills and professional achievements, particularly in the areas of recruitment, promotion and performance evaluation for salary increments. To uphold this commitment, the Group implements a zero-tolerance stance towards any type of discrimination to provide a safe and productive workplace for everyone employed by MGB.

In the event of any incidents, MGB has established a confidential grievance mechanism for employees to submit reports as of October 2023. This mechanism follows the guidelines outlined in the Group's Whistleblowing Policy, ensuring that all reports are thoroughly investigated while protecting the anonymity and privacy of the reporting individual. This mechanism was communicated to all employees through email, orientation sessions and e-training. Throughout FY2024, no reports in regard to discrimination were made by any of its employees or other persons associated with the Group.

While the Group acknowledges that certain roles within the Group may have skewed gender ratios, such as construction work or other physically demanding tasks being dominated by male employees, MGB makes efforts to balance the overall composition employed in the Group by increasing the share of women in offices and other management-related positions.

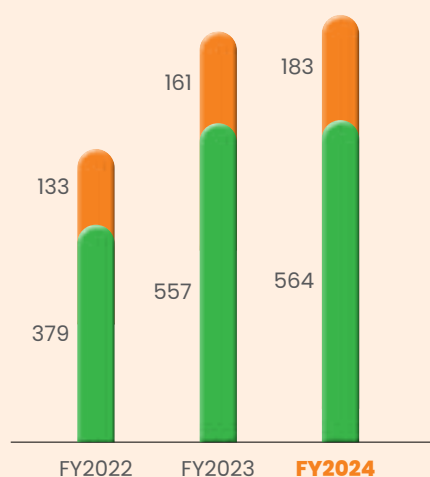
The Group also employs subcontractors, primarily for construction operations, which make up a small percentage of MGB's workforce. In FY2024, only eight contractors, or 1.07% of the Group's total workforce, was employed, all of whom were Malaysians.

Temporary employees are monitored by the safety personnel on each construction site through an attendance system that all workers must register before and after the workday before being compiled into total and average values at the end of the month.



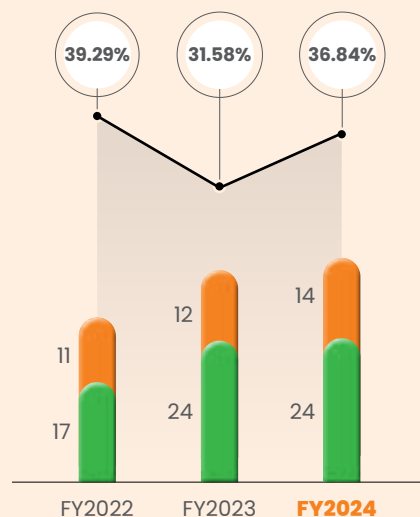
## Sustainability Report

## TOTAL EMPLOYEES BY GENDER



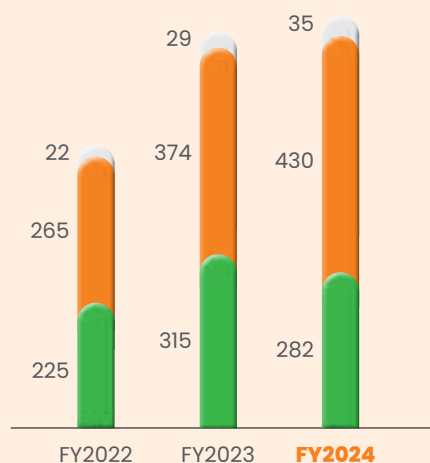
● Male ● Female

## WOMEN IN SENIOR MANAGEMENT ROLES



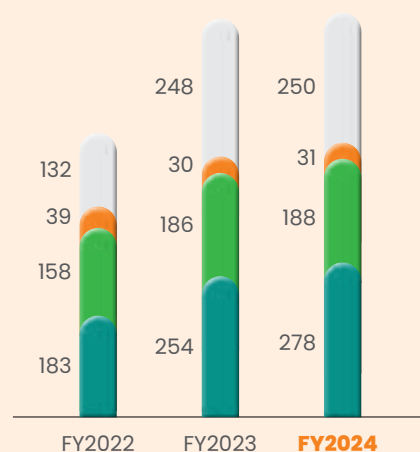
● Male ● Female — Percentage

## TOTAL EMPLOYEES BY AGE GROUP



● Under 30 ● 30-50 ● Over 50

## TOTAL EMPLOYEES BY ETHNICITY



● Malay ● Chinese ● Indian ● Others

## Recruitment

As organisations continue to evolve, MGB recognises the significance of attracting and retaining skilled professionals that can give the Group the edge to stay at the top of the industry. Here, the Group approaches employment through a meritocracy, prioritising prospective employees with exceptional talent and experience.

## Sustainability Report

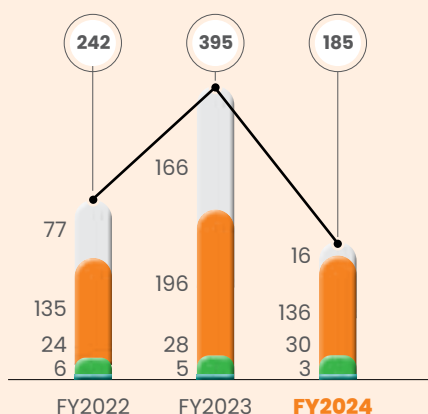
MGB's approach to recruitment is guided by the Recruitment Policy, whereas the employment process is managed by the Group HR department. This ensures that the recruitment process stays free of any form of discrimination, reinforcing the Group's sole focus on the merits of individuals and their professional potential over their backgrounds.

Upon being accepted under the employment of MGB, employees are provided with an orientation process as part of the Group's standard onboarding procedure. This process is undergone by all new recruits and incoming Board members, providing them with the necessary knowledge to ease their transition to MGB's work culture and internal workflows, reducing downtime for training.

Furthermore, the orientation process also serves as a communication platform that informs all new staff of the Group's commitments, policies and zero-tolerance stance on anti-corruption and bribery, OSH violations and other matters of ethics and regulatory compliance. Through this process, all employees are made aware of the consequences of breaching the Group's Code, policies and regulations by the relevant authorities.

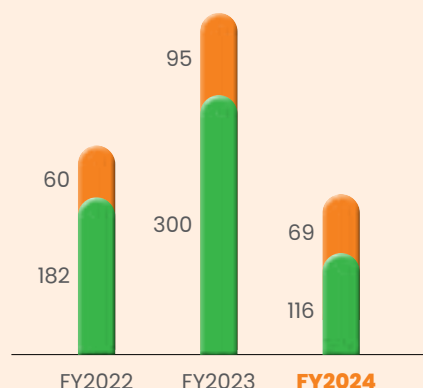
To further emphasise the significance of ethical behaviour during the employee orientation process, the Group's zero tolerance approach towards any form of bullying and harassment is communicated to all new hires.

**TOTAL NEW HIRES BY EMPLOYMENT CATEGORY**



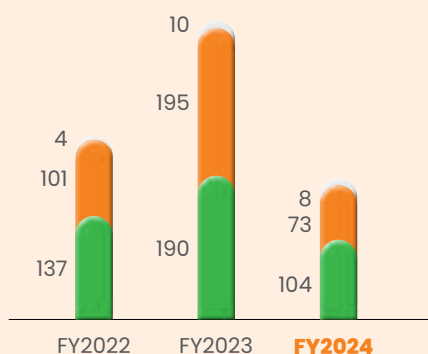
● Senior Management
 ● Middle Management
 ● Executive
 ● Non-Executive
 — Total

**TOTAL NEW HIRES BY GENDER**



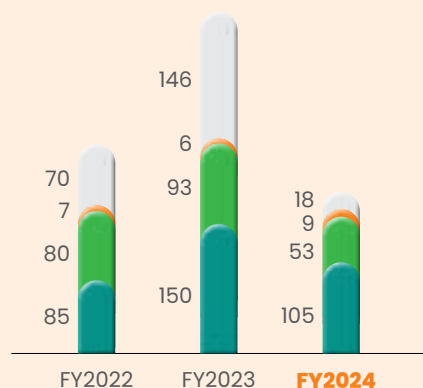
● Male
 ● Female

**TOTAL NEW HIRE BY AGE GROUP**



● Under 30
 ● 30-50
 ● Over 50

**TOTAL NEW HIRE BY ETHNICITY**



● Malay
 ● Chinese
 ● Indian
 ● Others

## Sustainability Report

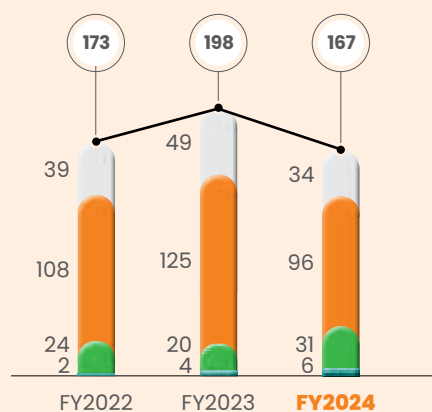
## TALENT MANAGEMENT

MGB recognises the importance of effective talent management practices in retaining key personnel. In line with the Group's value creation initiatives, MGB utilises a holistic approach that combines strategic recruitment practices while continuously developing the skillsets of its employees. As proper talent management plays a significant role in MGB's operations, the Group's Top Management directly oversees any employee-related initiatives and establishes employee management guidelines for the Group's HR department.

## Formal Employee Induction and Exit

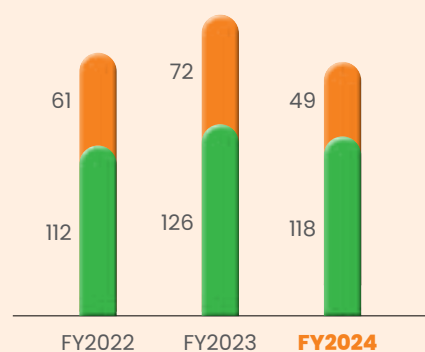
While MGB takes every measure to ensure the comfort and satisfaction of its employees, the Group understands that employee attrition is a normal part of business. Thus, MGB provides departing employees with a platform to provide feedback during the exit interview. The interview is conducted transparently by asking several questions that allow MGB to identify causes contributing to worker attrition and employ strategies to improve employee retention.

TOTAL TURNOVER BY EMPLOYMENT CATEGORY



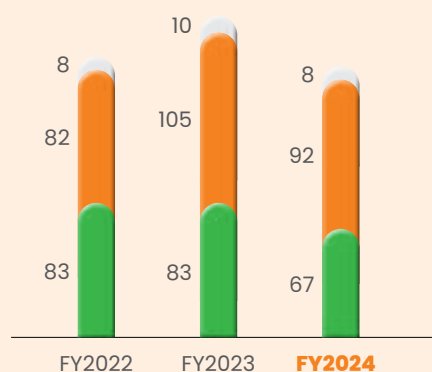
● Senior Management 
 ● Middle Management 
 ● Executive 
 ● Non-Executive 
 — Total

TOTAL TURNOVER BY GENDER



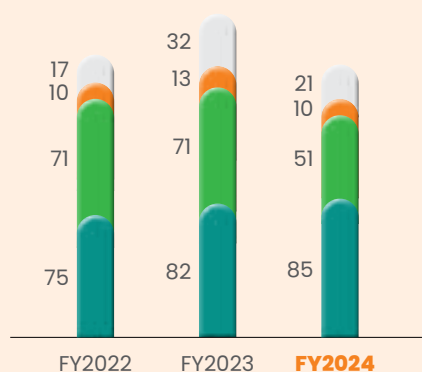
● Male 
 ● Female

TOTAL TURNOVER BY AGE GROUP



● Under 30 
 ● 30-50 
 ● Over 50

TOTAL TURNOVER BY ETHNICITY



● Malay 
 ● Chinese 
 ● Indian 
 ● Others



## Sustainability Report

### Succession Planning

MGB has a dedicated Succession Planning Policy that allows its employees to transition to positions of leadership and maintain the continuity of the Group with minimal delays. This policy streamlines handover processes when an employee from a management position steps down, minimising the risks associated with vacancies in key positions. This policy identifies promising employees throughout the Group and provides these individuals with mentoring, coaching and training, creating a pool of highly qualified and motivated employees to transition to roles of higher responsibility and become the next set of leaders in the Group.

The policy places the Board responsible for the succession planning of key management positions, including the GMD, Chief Executive Officer ("CEO") and other Executive Directors. The Executive Directors are also responsible for overseeing the succession planning for other essential roles, such as the Deputy CEO, Chief Operating Officer ("COO") and HODs. This process utilises a methodical approach that includes identifying talent requirements, assessing the skills of the current workforce and creating strategic plans to equip selected employees for their prospective positions.

Succession planning within the Group is also extended to its newcomers. MGB routinely hires interns to supplement its workforce. These are usually fresh graduates or university

students who are given the opportunity to gain firsthand industry exposure. Once their internship period is over, promising candidates are absorbed into MGB's workforce on a permanent basis. This not only ensures job security for the candidates but also provides MGB with a steady pool of qualified and highly talented employees. In FY2024, four interns were offered permanent employment with MGB.

### Remuneration and Wellbeing

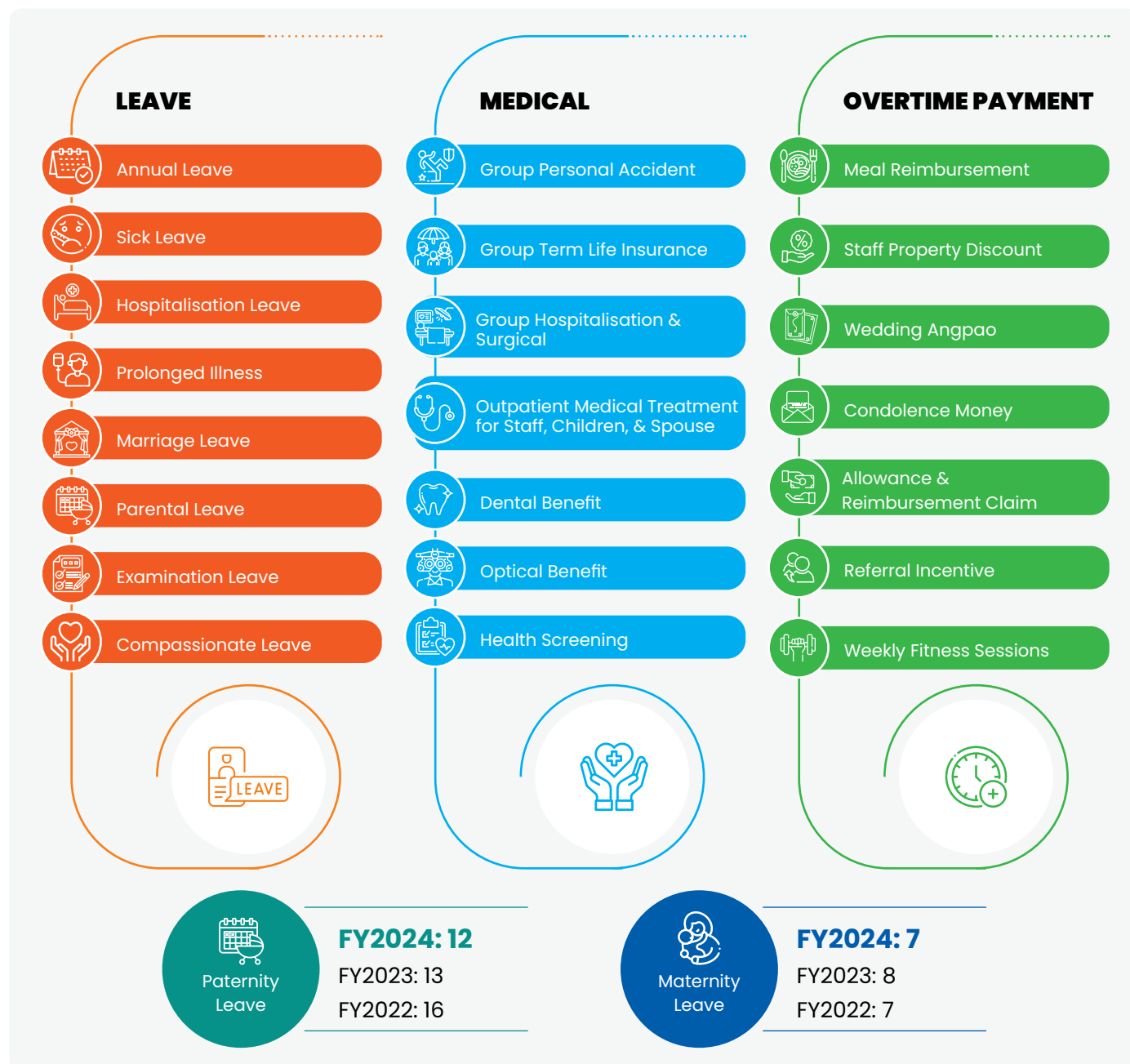
In MGB's commitment to improving employee satisfaction, the Group provides a wide array of benefits and remuneration to show appreciation for the hard work and dedication put forth by employees to MGB. This commitment is solidified by the Group's Remuneration Policy, acting as a framework for providing rewards equal to the work contributed by each employee. The policy is overseen by the Board and reviewed periodically to ensure that rewards and evaluation standards remain relevant to current industry practices.

The remuneration provided to employees varies, providing bonuses, salary increases, allowances and other employee benefits in accordance with the Employment Act. The Group utilises a bell curve to benchmark the performance of employees and provide benefits equal to their contributions, accordingly, providing a more dynamic approach to equitable rewarding.

|   | FY2022    | FY2023    | FY2024           |
|---|-----------|-----------|------------------|
| Employee Benefits   | RM'000    |           |                  |
| Total payments made to employees in terms of salaries, bonuses and benefits | 34,092.80 | 45,529.12 | <b>52,090.04</b> |
| Total statutory payments made for employees' retirement benefits ("EPF")    | 3,465.83  | 4,401.35  | <b>5,075.26</b>  |
| Total payments in medical insurance (SOC SO) for employees                  | 295.38    | 416.30    | <b>465.48</b>    |

## Sustainability Report

Additional benefits provided to full-time employees are as such:



## Return to Work

|  |        | FY2022 | FY2023 | FY2024 |
|--|--------|--------|--------|--------|
| Return to Work Rates (return to work after parental leave period)                        | Male   | 100%   | 100%   | 100%   |
|  | Female | 100%   | 100%   | 100%   |
| Retention Rates (remain with the organisation for 12 months or more post parental leave) | Male   | 100%   | 100%   | 83.33% |
|  | Female | 100%   | 88%    | 100%   |

## Sustainability Report

### Employee Engagement Programmes

MGB is committed to exploring opportunities to improve the morale of its employees. During the FY2024, a variety of employee engagement initiatives were implemented, which included:

| FESTIVALS  | HEALTH & WELLNESS  | LEISURE/SUSTAINABILITY   |
|--|--|--|
| <p>Townhall Feast<br/>Chinese New Year ("CNY")<br/>Dancing Video<br/>(MGBS Video Recordings)</p> <hr/> <p>CNY Celebration<br/>(Dragon Dance, Lucky Draws, Games,<br/>Lou Sang, Group Photos)</p> <hr/> <p>Hari Raya Aidilfitri Celebration<br/>(Celebration video, <i>Kenduri Hari Raya</i>)</p> <hr/> <p>Mothers' Day Celebration</p> <hr/> <p>Fathers' Day Celebration (every father<br/>in MGBS get a thermos cup)</p> <hr/> <p>Merdeka Celebration</p> | <p>Futsal Competition</p> <hr/> <p>Badminton Competition</p> | <p>Women's Day (photos sessions)</p> <hr/> <p>Earth's Day (Lights' Off Session)</p> <hr/> <p>Distribution of individual MGB Badges<br/>to all (Mondays to be worn).</p> <hr/> <p>MGB Movie Day (PADU)</p> <hr/> <p>Bowling Competition</p> |



Deepavali Celebration



Movie Night



Health Talk



MGB Fitness Training Session



Earth Hour



Step-Up Friday



MGB Construction &  
Engineering Staff Team  
Building Session

## Sustainability Report

**Employee Satisfaction**

MGB conducted its first Employee Satisfaction Survey in Jan 2024, with the participation of 354 employees. Based on the survey results, 47% of employees find the company's compensation and benefits satisfactory, while 33% have a neutral opinion. Among the respondents that participated in the survey, 20% of employees desired better Compensation & Benefits, which have been incorporated under the Group's employee engagement initiative.

The second Employee Satisfaction Survey was conducted in July 2024 with a total of 321 participating employees. This survey showed an increase from 8% to 55% of employees who are satisfied with the company's compensation and benefits, while 33% opted for neutrality. And there is a reduction of 8% to 12% of employees suggesting improvements under Compensation & Benefits. This highlights the Group's effective approach to employee satisfaction and improving their retention.

Recognising the voice of the employees, the Group has conducted salary benchmarking and has aligned their existing salaries with current market rates. Furthermore, MGB is reviewing its current benefits and making recommendations to Management for new benefits that will match its operational needs whilst increasing employee satisfaction.

**LABOUR PRACTICES AND HUMAN RIGHTS****Compliance with Labour Laws**

As an ethical and fair employer, MGB takes every measure to ensure compliance throughout its operations with all relevant employment and human rights laws. In Malaysia, MGB ensures compliance with the Malaysian Employment Act 1955, which forbids the use of child labour and forced labour in every facet of its business activities. To enhance its dedication to human rights, the Group also observes international legislation, including the Children and Young Persons (Employment) Act 1966.

Furthermore, the Group reinforces its dedication by furnishing the Recruitment Procedure with a statement of compliance with the Malaysian Minimum Wage Order, effective December 2023. Although hired staff are entitled to wages beyond the stipulated quantity by the government, this ensures that all onboarded employees are informed of their rights to a guaranteed wage.

**Advocating Human Rights**

MGB actively promotes human rights within the organisation through its comprehensive Human Rights Policy, which highlights the Group's dedication to fostering a secure and inclusive workplace that encourages growth and cooperation. This policy further emphasises the rights of employees to engage in freedom of association and collective bargaining, guaranteeing equitable representation. Employees are regularly briefed on an on-the-job training basis as well as undergo periodic spontaneous audits to assess compliance.

These principles extend beyond the organisational limits of MGB, encompassing third-party workers as well. These workers receive healthcare, fair compensation and decent accommodation. Furthermore, the Group is strongly against unethical labour practices, including the illegal seizure of passports belonging to foreign workers. This principle aligns with the UN Guiding Principles on Business and Human Rights as well as the UN Concept.

The Group's stance on human rights applies to its subcontractors, who are consistently reminded of MGB's policies against forced and illegal labour. Subcontractors found violating these principles will have any existing contracts nullified and reported to the relevant authorities. Third-party labour contractors are expected to provide a document with evidence of compliance with labour laws.

In FY2024, the Group did not face any instances of human or labour rights abuse, which includes the employment of children or forced labour in the workforce.

**Grievance Mechanism**

The Group's grievance mechanism follows the procedures outlined under the Whistleblowing Policy. In any case of grievances, all employees are to submit the Whistleblowing form to the dedicated channels as provided under the **Whistleblowing Channel** section.

## Sustainability Report

### OCCUPATIONAL SAFETY AND HEALTH

MGB is committed to ensuring the Occupational Safety and Health (“OSH”) of its employees and all external entities associated with the Group. The Board and Management take OSH matters to the utmost importance, taking every necessary precaution to safeguard the wellbeing of every staff member and stakeholder involved in the Group’s operations. In doing so, MGB seeks to protect all individuals from potential harm and fatalities.

#### OSH Management

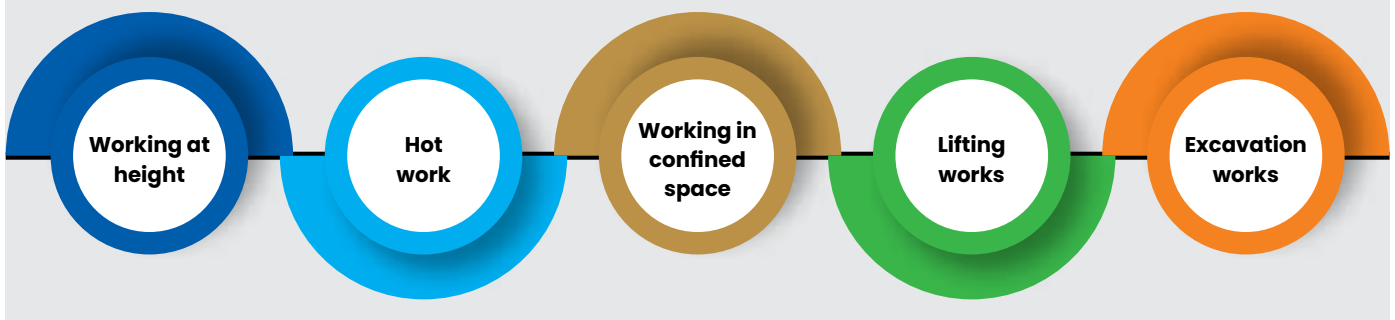
In MGB’s efforts to safeguard the health and safety of employees, the Group has developed the Health, Safety and Environment (“HSE”) Policy that serves to prioritise the wellbeing of employees while providing the safest working conditions in accordance with regulations. This Policy is aligned with Malaysia’s Occupational Safety and Health Act 1994 and other relevant regulations, applicable to both operations within and outside the Group’s premises.

To ensure the effectiveness of the OSH Policy, a select OSH Committee is employed to ensure the effective implementation of OSH initiatives. This committee consists of a Safety Officer, Site Safety Supervisor and Project Manager and is responsible for ensuring all operations remain incident-free. Another responsibility of this committee is to conduct regular OSH Committee meetings, weekly toolbox meetings, inspections and investigations, implement Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) programmes and facilitate sharing sessions across operational sites. To ensure that the contents of these meetings and communication facilities remain relevant, the Group ensures to employ four in every 100 employees as representatives during discussions.

Each new trade of work would have an OSH protocol developed for its risks and nature of work. This protocol will be shared with employees or responsible personnel through a safety briefing and training, adapted to their scope of work and risk activities.

Continuous monitoring and evaluation is a vital component of MGB’s OSH management strategy. This approach allows for the regular assessment of control measures and related risks, supporting the formulation of effective action plans. By following the Plan-Do-Check-Act (“PDCA”) system, MGB guarantees that its OSH management practices are both dynamic and adaptable.

The Group recognises that certain tasks are at a higher risk of OSH incidents, including:



To mitigate these risks, MGB utilises a Permit-to-Work system for tasks that have a high likelihood of generating OSH incidents. In this system,

To mitigate the risks associated with these activities, MGB implements a Permit-to-Work system tasks that have a high likelihood of generating OSH incidents. In this system, a site Safety Officer performs a thorough evaluation of the physical environment and work procedures in accordance

with established safety standards prior to granting a Permit-to-Work for Hazardous Work to a site employee. This permit is part of the internal controls designed to prevent incidents or accidents at job sites. Additionally, individual workers are responsible for maintaining appropriate workplace health and safety in alignment with the Group’s ISO 45001 Occupational Health and Safety Policy and the Occupational Safety and Health Act (“OSHA”) 1994.



## Sustainability Report

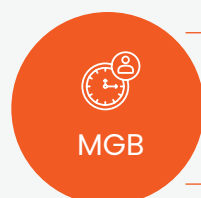
### Integrated Safety and Health Risk Management

The Group's Management reviews OSH matters on a quarterly basis, monitoring OSH performance and updating control measures as necessary. Any updates to MGB's OSH protocol will be made in the Group's HIRARC programme to ensure that all safety measures are in place to prevent potential health and safety risks.

In addition to protecting the wellbeing of individuals, the prevention of OSH incidents also prevents disruptions in project implementations, leading to lower delays and mitigation costs. Robust safety procedures also have a positive impact on the Group's image, as ensuring MGB's ability to guarantee the health and safety of its employees highlights the Group's reliability and dedication to not only profits but also the wellbeing of the people.

As construction projects increased year-on-year, MGB recorded a total of over 9 million manhours worked with in FY2024. All OSH data have been verified by an internal audit committee and external ISO-certified auditors.

#### Total Manhours Worked


**FY2024: 9,753,910**

FY2023: 9,999,857

FY2022: 6,150,549

### Incident Management and Control Measures

MGB takes OSH incidents very seriously and takes every measure to ensure these issues are resolved immediately. Upon receiving a report of an OSH incident, the affected area or the entire operating site is closed and an investigation is launched. Additionally, the Department of Occupational Safety and Health ("DOSH") will be notified immediately.

### OSH Training

To prevent OSH incidents and provide a safer work environment, MGB provides continuous OSH training. The training also trains staff for emergency responses during an OSH emergency, ensuring that injuries and accidents can be mitigated as much as possible before professional medical assistance can be provided. Employees are sent to routine OSH-related training and refresher sessions, which include weekly housekeeping and toolbox meetings, alongside CIDB Green Card training for MGB's general workers. In FY2024, 100% of the Group's total workforce, underwent at least one OSH training that is relevant to their operations.

MGB has made significant investments in creating formal training rooms that are equipped with projectors, enhancing the learning experience for large groups. Furthermore, specific funds have been designated for both internal and external training programmes aimed at the Group's Safety and Health Officers.

Additionally, the Group consistently provides updates regarding the latest OSH initiatives and reminders through an OSH newsletter, featured on HSE notice boards and various sites. This information is also shared via the company Intranet to ensure that staff are regularly reminded and informed.

All site personnel are inducted on the Group's site procedures before they can start work. If required, additional training is also provided to enhance their understanding of MGB's OSH processes. These include training on working at heights, awareness of scaffold erection, lifting activity and HIRARC briefings.



Fire extinguisher training



Safety briefing



## Sustainability Report

### OSH Performance

As most of the Group's activities are centred around construction work, OSH incidents are likely to occur. MGB's OSH performance data, which includes work-related fatalities, injuries and lost days, are as follows:

| OSH Data                | FY2022 | FY2023 | FY2024 |
|-------------------------|--------|--------|--------|
| Fatality                | 0      | 0      | 0      |
| Work-related Injuries   | 1      | 2      | 1      |
| Lost Time Accidents     | 0      | 2      | 1      |
| Total Days Lost/Charged | 80     | 30     | 63     |
| Total Days Worked       | 243    | 203    | 320    |
| Average Workers Per Day | 26,858 | 28,706 | 37,684 |
| Accident Frequency Rate | 0.16   | 0.20   | 0.10   |
| Severity Rate           | 13     | 3      | 6.46   |

### COMMUNITY ENRICHMENT

Beyond generating profits and maintaining the wellbeing of MGB's workforce, the Group is dedicated to providing additional value to its surrounding communities through Corporate Social Responsibility ("CSR") initiatives. MGB's CSR initiatives vary, providing both financial and non-financial support in order to enrich local communities and advance their development.

As a subsidiary, MGB's approach to CSR is aligned with the principles set by the parent company, LBS Foundation ("LBSF"). Through this, MGB sets out to contribute to a variety of societal causes and provides full support to all community initiatives undertaken by LBSF. The basis of these contributions lies in LBSF's four pillars: Education, Health, Community and the Environment.

#### Empowering MGB's Volunteers

In addition to MGB's social contributions as a company, individuals employed by MGB are also encouraged to participate in CSR activities created by MGB, LBSF, or any other organisation.

LBSF has provided a platform that assists employees seeking to participate in charity work, through financial support or by contributing directly to events. Individuals may also approach LBSF to suggest charities for the foundation to support. Employees who participate in CSR activities are provided with paid leave to compensate for their contributions to the greater society.

| Employee Volunteerism | FY2024 |
|-----------------------|--------|
| Volunteering (hours)  | 68     |
| Employees (pax)       | 17     |



Be an Angel volunteer training campaign

## APPENDICES

## ENVIRONMENTAL PERFORMANCE

|                        |                       |                          | Performance Data |        |          |
|------------------------|-----------------------|--------------------------|------------------|--------|----------|
| GRI Standards          | Topic                 | Unit                     | FY2022           | FY2023 | FY2024   |
| Scope One Emissions    |                       |                          |                  |        |          |
| GRI 305<br>(Emissions) | Company Vehicle       | tonnes CO <sub>2</sub> e | 3,755            | 7,380  | 86.70    |
|                        |                       | tonnes CO <sub>2</sub>   | 213              | 7,288  | 84.44    |
|                        |                       | tonnes CH <sub>4</sub>   | 0.72             | 3.82   | 1.20     |
|                        |                       | tonnes N <sub>2</sub> O  | 0.65             | 87.94  | 1.06     |
|                        | Company Facilities    | tonnes CO <sub>2</sub> e | 372.27           | 372.27 | 4,280.04 |
|                        |                       | tonnes CO <sub>2</sub>   | 370.09           | 370.09 | 4,197.11 |
|                        |                       | tonnes CH <sub>4</sub>   | 0.10             | 0.10   | 3.47     |
|                        |                       | tonnes N <sub>2</sub> O  | 2.08             | 2.08   | 79.46    |
|                        | Total Scope One       | tonnes CO <sub>2</sub> e | 4,127            | 7,752  | 4,366.74 |
|                        |                       | tonnes CO <sub>2</sub>   | 584              | 7,658  | 4,281.55 |
|                        |                       | tonnes CH <sub>4</sub>   | 1                | 4      | 4.67     |
|                        |                       | tonnes N <sub>2</sub> O  | 3                | 90     | 80.53    |
| Scope Two Emissions    |                       |                          |                  |        |          |
| GRI 305<br>(Emissions) | Purchased Electricity | tonnes CO <sub>2</sub> e | 122              | 147    | 174.87   |
|                        |                       | tonnes CO <sub>2</sub>   | 121              | 136    | 174.24   |
|                        |                       | tonnes CH <sub>4</sub>   | 0.51             | 0.57   | 0.08     |
|                        |                       | tonnes N <sub>2</sub> O  | 0.86             | 0.97   | 0.55     |
|                        | Total Scope Two       | tonnes CO <sub>2</sub> e | 122              | 147    | 174.87   |
|                        |                       | tonnes CO <sub>2</sub>   | 121              | 136    | 174.24   |
|                        |                       | tonnes CH <sub>4</sub>   | 0.51             | 0.57   | 0.08     |
|                        |                       | tonnes N <sub>2</sub> O  | 0.86             | 0.97   | 0.55     |
| Scope Three Emissions  |                       |                          |                  |        |          |
| GRI 305<br>(Emissions) | Business Travel       | tonnes CO <sub>2</sub> e | 170              | 144    | 109.88   |
|                        |                       | tonnes CO <sub>2</sub>   | 169              | 143    | 109.19   |
|                        |                       | tonnes CH <sub>4</sub>   | 0.21             | 0.22   | 0.05     |
|                        |                       | tonnes N <sub>2</sub> O  | 0.57             | 0.48   | 0.63     |
|                        | Employee Commuting    | tonnes CO <sub>2</sub> e | 159              | 17,644 | 1,055.22 |
|                        |                       | tonnes CO <sub>2</sub>   | 158              | 28,209 | 1,046.74 |
|                        |                       | tonnes CH <sub>4</sub>   | 2.07             | 62.81  | 1.78     |
|                        |                       | tonnes N <sub>2</sub> O  | 0.71             | 55.68  | 6.70     |
|                        | Disposed Waste        | tonnes CO <sub>2</sub> e | 0                | 11.41  | 6,349.62 |
|                        | Total Scope Three     | tonnes CO <sub>2</sub> e | 329              | 17,799 | 7,514.71 |
|                        |                       | tonnes CO <sub>2</sub>   | 327              | 28,352 | 1,155.92 |
|                        |                       | tonnes CH <sub>4</sub>   | 2.28             | 63.04  | 1.84     |
|                        |                       | tonnes N <sub>2</sub> O  | 1.28             | 56.16  | 7.33     |

## Sustainability Report

|                                |                                |                          | Performance Data |            |            |
|--------------------------------|--------------------------------|--------------------------|------------------|------------|------------|
| GRI Standards                  | Topic                          | Unit                     | FY2022           | FY2023     | FY2024     |
| Total Emissions                |                                |                          |                  |            |            |
| GRI 305<br>(Emissions)         | Total Scope One and Two        | tonnes CO <sub>2</sub> e | 4,249            | 7,899      | 4,541.61   |
|                                |                                | tonnes CO <sub>2</sub>   | 704              | 7,794      | 4,455.79   |
|                                |                                | tonnes CH <sub>4</sub>   | 1.32             | 4.50       | 4.75       |
|                                |                                | tonnes N <sub>2</sub> O  | 3.60             | 91.00      | 81.08      |
|                                | Total Scope One, Two and Three | tonnes CO <sub>2</sub> e | 4,578            | 25,698     | 12,056.32  |
|                                |                                | tonnes CO <sub>2</sub>   | 1,031            | 36,146     | 5,611.71   |
|                                |                                | tonnes CH <sub>4</sub>   | 3.60             | 67.53      | 6.58       |
|                                |                                | tonnes N <sub>2</sub> O  | 4.88             | 147.16     | 88.41      |
| Energy Consumption             |                                |                          |                  |            |            |
| GRI 305<br>(Emissions)         | Petrol                         | kWh                      | 896,655          | 3,297,558  | 338,469    |
|                                | Diesel                         | kWh                      | 13,810,140       | 26,007,472 | 16,170,539 |
|                                | Purchased Electricity          | kWh                      | 631,314          | 710,180    | 230,700    |
|                                | Total Energy Consumption       | kWh                      | 15,338,109       | 30,015,210 | 16,739,708 |
| Water Consumption              |                                |                          |                  |            |            |
| GRI 303<br>(Water & Effluents) | Municipal Water Supply         | m <sup>3</sup>           | 38,675           | 53,415     | 88,825     |
|                                | Rainwater Harvesting           | m <sup>3</sup>           | 0                | 0          | 0          |
|                                | Groundwater                    | m <sup>3</sup>           | 0                | 0          | 152,098    |
|                                | Surface Water                  | m <sup>3</sup>           | 0                | 0          | 3,147      |
|                                | Total Water Consumption        | m <sup>3</sup>           | 38,675           | 53,415     | 244,070    |
| Waste Management               |                                |                          |                  |            |            |
| GRI 306<br>(Waste)             | Disposed Waste                 | kg                       | 0                | 21,923     | 12,203     |
|                                | Diverted Waste                 | kg                       | 0                | 398        | 425        |
|                                | Total Waste                    | kg                       | 0                | 22,321     | 12,628     |
|                                | Waste Diverted from Landfill   | %                        | –                | 2%         | 3%         |

## Sustainability Report

## SOCIAL PERFORMANCE

## Employment Data

|  |                          | Performance Data |        |        |        |
|--|--------------------------|------------------|--------|--------|--------|
| GRI Standards                              | Topic                    | Unit             | FY2022 | FY2023 | FY2024 |
| Board of Directors Diversity               |                          |                  |        |        |        |
| GRI 405<br>(Diversity & Equal Opportunity) | Total Members            | pax              | 6      | 7      | 7      |
|  |                          | %                | 100    | 100    | 100    |
|  | Diversity by Gender:     |                  |        |        |        |
|  | Male                     | pax              | 5      | 4      | 4      |
|  |                          | %                | 83.30  | 57.14  | 57.14  |
|  | Female                   | pax              | 1      | 3      | 3      |
|  |                          | %                | 16.70  | 42.86  | 42.86  |
|  | Diversity by Age Group:  |                  |        |        |        |
|  | Under 30 years old       | pax              | 0      | 0      | 0      |
|  |                          | %                | 0      | 0      | 0      |
|  | 30 – 50 years old        | pax              | 2      | 3      | 4      |
|  |                          | %                | 33.30  | 42.86  | 57.14  |
|  | Over 50 years old        | pax              | 4      | 4      | 3      |
|  |                          | %                | 66.70  | 57.14  | 42.86  |
|  | Diversity by Ethnicity:  |                  |        |        |        |
|  | Malay                    | pax              | 2      | 3      | 3      |
|  |                          | %                | 33.30  | 42.86  | 42.86  |
|  | Chinese                  | pax              | 4      | 4      | 4      |
|  |                          | %                | 66.70  | 57.14  | 57.14  |
|  | Indian                   | pax              | 0      | 0      | 0      |
|  |                          | %                | 0      | 0      | 0      |
|  | Others                   | pax              | 0      | 0      | 0      |
|  |                          | %                | 0      | 0      | 0      |
|  | Diversity by Disability: |                  |        |        |        |
|  | Disabled                 | pax              | 0      | 0      | 0      |
|  |                          | %                | 0      | 0      | 0      |
|  | Non-Disabled             | pax              | 6      | 7      | 7      |
|  |                          | %                | 100    | 100    | 100    |

## Sustainability Report

| GRI Standards                               |   | Topic | Unit  | Performance Data |        |        |
|---|---|-------|-------|------------------|--------|--------|
|   |   |       |       | FY2022           | FY2023 | FY2024 |
| Employee Diversity                          |   |       |       |                  |        |        |
| GRI 2-7<br>(General Disclosures: Employees) | Total Employees                         | pax   | 512   | 718              | 747    |        |
|   |   | %     | 100   | 100              | 100    |        |
|   |   |       |       |                  |        |        |
| GRI 405<br>(Diversity & Equal Opportunity)  | Diversity by Employment Category:       |       |       |                  |        |        |
|   | Senior Management                       | pax   | 28    | 36               | 38     |        |
|   |   | %     | 5.50  | 5.00             | 5.09   |        |
|   | Middle Management                       | pax   | 78    | 82               | 93     |        |
|   |   | %     | 15.20 | 11.40            | 12.45  |        |
|   | Executives                              | pax   | 245   | 308              | 340    |        |
|   |   | %     | 47.90 | 42.90            | 45.52  |        |
|   | Non-Executives                          | pax   | 161   | 292              | 276    |        |
|   |   | %     | 31.40 | 40.70            | 36.95  |        |
|   | Employee Gender by Employment Category: |       |       |                  |        |        |
|   | Senior Management:                      |       |       |                  |        |        |
|   | Male                                    | %     | 3.32  | 3.34             | 3.21   |        |
|   |   | pax   | 17    | 24               | 24     |        |
|   | Female                                  | %     | 2.15  | 1.67             | 1.87   |        |
|   |   | pax   | 11    | 12               | 14     |        |
|   | Middle Management:                      |       |       |                  |        |        |
|   | Male                                    | %     | 10.16 | 7.38             | 7.76   |        |
|   |   | pax   | 52    | 53               | 58     |        |
|   | Female                                  | %     | 5.08  | 4.04             | 4.69   |        |
|   |   | pax   | 26    | 29               | 35     |        |
|   | Executive:                              |       |       |                  |        |        |
|   | Male                                    | %     | 29.88 | 27.58            | 28.92  |        |
|   |   | pax   | 153   | 198              | 216    |        |
|   | Female                                  | %     | 17.97 | 15.32            | 16.60  |        |
|   |   | pax   | 92    | 110              | 124    |        |
|   | Non-Executive:                          |       |       |                  |        |        |
|   | Male                                    | %     | 30.66 | 39.28            | 35.61  |        |
|   |   | pax   | 157   | 282              | 266    |        |
|   | Female                                  | %     | 0.78  | 1.39             | 1.34   |        |
|   |   | pax   | 4     | 10               | 10     |        |

## Sustainability Report

|  |  | Performance Data |        |        |        |
|--|--|------------------|--------|--------|--------|
| GRI Standards                              | Topic                                      | Unit             | FY2022 | FY2023 | FY2024 |
| Employee Diversity                         |  |                  |        |        |        |
| GRI 405<br>(Diversity & Equal Opportunity) | Employee Age Group by Employment Category: |                  |        |        |        |
|  | Senior Management:                         |                  |        |        |        |
|  | Under 30 years old                         | %                | 0.00   | 0.00   | 0.00   |
|  |  | pax              | 0      | 0      | 0      |
|  | 30 – 50 years                              | %                | 4.10   | 3.34   | 3.35   |
|  |  | pax              | 21     | 24     | 25     |
|  | Over 50 years old                          | %                | 1.37   | 1.67   | 1.74   |
|  |  | pax              | 7      | 12     | 13     |
|  | Middle Management:                         |                  |        |        |        |
|  | Under 30 years old                         | %                | 1.37   | 1.39   | 0.94   |
|  |  | pax              | 7      | 10     | 7      |
|  | 30 – 50 years                              | %                | 12.70  | 9.33   | 10.58  |
|  |  | pax              | 65     | 67     | 79     |
|  | Over 50 years old                          | %                | 1.17   | 0.70   | 0.94   |
|  |  | pax              | 6      | 5      | 7      |
|  | Executive:                                 |                  |        |        |        |
|  | Under 30 years old                         | %                | 28.32  | 25.21  | 24.77  |
|  |  | pax              | 145    | 181    | 185    |
|  | 30 – 50 years                              | %                | 18.36  | 17.00  | 19.54  |
|  |  | pax              | 94     | 122    | 146    |
|  | Over 50 years old                          | %                | 1.17   | 0.70   | 1.20   |
|  |  | pax              | 6      | 5      | 9      |
|  | Non-Executive:                             |                  |        |        |        |
|  | Under 30 years old                         | %                | 14.25  | 17.27  | 12.05  |
|  |  | pax              | 73     | 124    | 90     |
|  | 30 – 50 years                              | %                | 16.60  | 22.42  | 24.10  |
|  |  | pax              | 85     | 161    | 180    |
|  | Over 50 years old                          | %                | 1.17   | 0.97   | 0.80   |
|  |  | pax              | 6      | 7      | 6      |



## Sustainability Report

| GRI Standards                              | Topic                            | Unit | Performance Data |        |        |
|--|----------------------------------|------|------------------|--------|--------|
|  |                                  |      | FY2022           | FY2023 | FY2024 |
| Employee Diversity                         |                                  |      |                  |        |        |
| GRI 405<br>(Diversity & Equal Opportunity) | Employee Diversity by Ethnicity: |      |                  |        |        |
|  | Malay                            | pax  | 35.70            | 35.40  | 37.22  |
|  |                                  | %    | 183              | 254    | 278    |
|  | Chinese                          | pax  | 30.90            | 25.90  | 25.17  |
|  |                                  | %    | 158              | 186    | 188    |
|  | Indian                           | pax  | 7.60             | 4.20   | 4.15   |
|  |                                  | %    | 39               | 30     | 31     |
|  | Others                           | pax  | 25.80            | 34.50  | 33.47  |
|  |                                  | %    | 132              | 248    | 250    |
|  | Diversity by Employment Type:    |      |                  |        |        |
|  | Full-time                        | pax  | 506              | 710    | 739    |
|  |                                  | %    | 98.80            | 98.90  | 98.93  |
|  | Contract                         | pax  | 6                | 8      | 8      |
|  |                                  | %    | 1.20             | 1.10   | 1.07   |
|  | Part-time                        | pax  | 0                | 0      | 0      |
|  |                                  | %    | 0                | 0      | 0      |
|  | Diversity by Disability:         |      |                  |        |        |
|  | Disabled                         | pax  | 1                | 1      | 1      |
|  |                                  | %    | 0.20             | 0.10   | 0.13   |
|  | Non-Disabled                     | pax  | 511              | 717    | 746    |
|  |                                  | %    | 99.80            | 99.90  | 99.87  |
| Permanent & Temporary Employees            |                                  |      |                  |        |        |
| GRI 2-7 (General Disclosures: Employees)   | Diversity by Gender:             |      |                  |        |        |
|  | Permanent Male Employee          | pax  | 379              | 557    | 564    |
|  |                                  | %    | 74.00            | 77.60  | 75.50  |
|  | Permanent Female Employee        | pax  | 133              | 161    | 183    |
|  |                                  | %    | 26.00            | 22.40  | 24.50  |
|  | Temporary Male Employee          | pax  | 0                | 0      | 0      |
|  |                                  | %    | 0                | 0      | 0      |
|  | Temporary Female Employee        | pax  | 0                | 0      | 0      |
|  |                                  | %    | 0                | 0      | 0      |
|  | Diversity by Region:             |      |                  |        |        |
|  | Permanent Malaysian Employee     | pax  | 381              | 472    | 499    |
|  |                                  | %    | 74.40            | 65.70  | 66.80  |
|  | Permanent Non-Malaysian Employee | pax  | 131              | 246    | 248    |
|  |                                  | %    | 25.60            | 34.40  | 33.20  |
|  | Temporary Malaysian Employee     | pax  | 0                | 0      | 0      |
|  |                                  | %    | 0                | 0      | 0      |
|  | Temporary Non-Malaysian Employee | pax  | 0                | 0      | 0      |
|  |                                  | %    | 0                | 0      | 0      |

## Sustainability Report

| GRI Standards                               | Topic                                       | Unit | Performance Data |        |        |
|---|---|------|------------------|--------|--------|
|   |   |      | FY2022           | FY2023 | FY2024 |
| Non-Guaranteed Hours                        |   |      |                  |        |        |
| GRI 2-7<br>(General Disclosures: Employees) | Diversity by Gender:                        |      |                  |        |        |
|   | Male  | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
|   | Female                                      | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
|   | Diversity by Region:                        |      |                  |        |        |
|   | Malaysian Non-Guaranteed Hours Employee     | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
|   | Non-Malaysian Non-Guaranteed Hours Employee | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
| Full-Time Employees                         |   |      |                  |        |        |
| GRI 2-7<br>(General Disclosures: Employees) | Diversity by Gender:                        |      |                  |        |        |
|   | Male Full-Time Employee                     | pax  | 374              | 551    | 558    |
|   |   | %    | 73.00            | 76.70  | 74.70  |
|   | Female Full-Time Employee                   | pax  | 132              | 159    | 181    |
|   |   | %    | 25.80            | 22.10  | 24.23  |
|   | Diversity by Region:                        |      |                  |        |        |
|   | Malaysian Full-Time Employee                | pax  | 375              | 464    | 491    |
|   |   | %    | 73.24            | 64.62  | 66.44  |
|   | Non-Malaysian Full-Time Employee            | pax  | 131              | 246    | 248    |
|   |   | %    | 25.59            | 34.26  | 33.56  |
| Part-Time Employees                         |   |      |                  |        |        |
| GRI 2-7<br>(General Disclosures: Employees) | Diversity by Gender:                        |      |                  |        |        |
|   | Male  | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
|   | Female                                      | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
|   | Diversity by Region:                        |      |                  |        |        |
|   | Malaysian Part-Time Employee                | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |
|   | Non-Malaysian Part-Time Employee            | pax  | 0                | 0      | 0      |
|   |   | %    | 0                | 0      | 0      |

## Sustainability Report

| GRI Standards                              |                                   | Topic | Unit  | Performance Data |        |        |
|--|-----------------------------------|-------|-------|------------------|--------|--------|
|  |                                   |       |       | FY2022           | FY2023 | FY2024 |
| New Hire                                   |                                   |       |       |                  |        |        |
| GRI 405<br>(Diversity & Equal Opportunity) | Total New Hire                    | pax   | 242   | 395              | 185    |        |
|  | Diversity by Gender:              |       |       |                  |        |        |
|  | Male                              | pax   | 182   | 300              | 116    |        |
|  |                                   | %     | 75.20 | 75.90            | 62.70  |        |
|  | Female                            | pax   | 60    | 95               | 69     |        |
|  |                                   | %     | 24.80 | 24.10            | 37.30  |        |
|  | Diversity by Age Group:           |       |       |                  |        |        |
|  | Under 30 years old                | pax   | 137   | 190              | 104    |        |
|  |                                   | %     | 56.60 | 48.10            | 56.22  |        |
|  | 30 – 50 years old                 | pax   | 101   | 195              | 73     |        |
|  |                                   | %     | 41.70 | 49.40            | 39.46  |        |
|  | Over 50 years old                 | pax   | 4     | 10               | 8      |        |
|  |                                   | %     | 1.70  | 2.50             | 4.32   |        |
|  | Diversity by Ethnicity:           |       |       |                  |        |        |
|  | Malay                             | pax   | 85    | 150              | 105    |        |
|  |                                   | %     | 35.10 | 38.00            | 56.76  |        |
|  | Chinese                           | pax   | 80    | 93               | 53     |        |
|  |                                   | %     | 33.10 | 23.50            | 28.65  |        |
|  | Indian                            | pax   | 7     | 6                | 9      |        |
|  |                                   | %     | 2.90  | 1.50             | 4.86   |        |
|  | Others                            | pax   | 70    | 146              | 18     |        |
|  |                                   | %     | 28.90 | 37.00            | 9.73   |        |
|  | Diversity by Employment Category: |       |       |                  |        |        |
|  | Senior Management                 | pax   | 6     | 5                | 3      |        |
|  |                                   | %     | 2.50  | 1.30             | 1.62   |        |
|  | Middle Management                 | pax   | 24    | 28               | 30     |        |
|  |                                   | %     | 9.90  | 7.10             | 16.22  |        |
|  | Executive                         | pax   | 135   | 196              | 136    |        |
|  |                                   | %     | 55.80 | 49.60            | 73.51  |        |
|  | Non-Executive                     | pax   | 77    | 166              | 18     |        |
|  |                                   | %     | 31.80 | 42.00            | 9.73   |        |
|  | Diversity by Region:              |       |       |                  |        |        |
|  | Malaysian                         | pax   | 174   | 250              | 168    |        |
|  |                                   | %     | 100   | 100              | 90.81  |        |
|  | Non-Malaysian                     | pax   | 0     | 0                | 17     |        |
|  |                                   | %     | 0     | 0                | 9.19   |        |

## Sustainability Report

|  |                                   | Performance Data |        |        |        |
|--|-----------------------------------|------------------|--------|--------|--------|
| GRI Standards                              | Topic                             | Unit             | FY2022 | FY2023 | FY2024 |
| Employee Turnover                          |                                   |                  |        |        |        |
| GRI 405<br>(Diversity & Equal Opportunity) | Total Turnover                    | pax              | 173    | 198    | 167    |
|  | Diversity by Gender:              |                  |        |        |        |
|  | Male                              | pax              | 112    | 126    | 118    |
|  |                                   | %                | 64.70  | 63.60  | 70.66  |
|  | Female                            | pax              | 61     | 72     | 49     |
|  |                                   | %                | 35.30  | 36.40  | 29.34  |
|  | Diversity by Age Group:           |                  |        |        |        |
|  | Under 30 years old                | pax              | 83     | 83     | 67     |
|  |                                   | %                | 48.00  | 41.90  | 40.12  |
|  | 30 – 50 years old                 | pax              | 82     | 105    | 92     |
|  |                                   | %                | 47.40  | 53.00  | 55.09  |
|  | Over 50 years old                 | pax              | 8      | 10     | 8      |
|  |                                   | %                | 4.60   | 5.10   | 4.79   |
|  | Diversity by Ethnicity:           |                  |        |        |        |
|  | Malay                             | pax              | 75     | 82     | 85     |
|  |                                   | %                | 43.40  | 41.40  | 50.90  |
|  | Chinese                           | pax              | 71     | 71     | 51     |
|  |                                   | %                | 41.00  | 35.90  | 30.54  |
|  | Indian                            | pax              | 10     | 13     | 10     |
|  |                                   | %                | 5.80   | 6.60   | 5.99   |
|  | Others                            | pax              | 17     | 32     | 21     |
|  |                                   | %                | 9.80   | 16.20  | 12.57  |
|  | Diversity by Employment Category: |                  |        |        |        |
|  | Senior Management                 | pax              | 2      | 4      | 6      |
|  |                                   | %                | 1.20   | 2.00   | 3.59   |
|  | Middle Management                 | pax              | 24     | 20     | 31     |
|  |                                   | %                | 13.90  | 10.10  | 18.56  |
|  | Executive                         | pax              | 108    | 125    | 96     |
|  |                                   | %                | 62.40  | 63.10  | 57.49  |
|  | Non-Executive                     | pax              | 39     | 49     | 34     |
|  |                                   | %                | 22.50  | 24.70  | 20.36  |

## Sustainability Report

|                                   |   | Performance Data   |          |          |          |
|-----------------------------------|---|--------------------|----------|----------|----------|
| GRI Standards                     | Topic   | Unit               | FY2022   | FY2023   | FY2024   |
| Training & Development            |   |                    |          |          |          |
| GRI 404<br>(Training & Education) | Total Hours   | hours              | 4,556    | 9,499    | 10,492   |
|                                   | Total Training Hours per Employee by Employment Category: |                    |          |          |          |
|                                   | Senior Management   | hours              | 588.00   | 597.00   | 721.50   |
|                                   | Middle Management   | hours              | 1,019.50 | 1,113.50 | 1,806.50 |
|                                   | Executive   | hours              | 2,498.50 | 2,480.50 | 4,550.50 |
|                                   | Non-Executive   | hours              | 450.00   | 5,308.00 | 3,413.50 |
|                                   | Average Hours per Employee                                | hours per employee | 8.90     | 13.20    | 14.00    |
|                                   | Average Training & Development by Gender:                 |                    |          |          |          |
|                                   | Male  | hours per employee | 8.50     | 14.60    | 14.20    |
|                                   | Female  | hours per employee | 10.00    | 8.60     | 13.60    |
|                                   | Average Training & Development by Employment Group:       |                    |          |          |          |
|                                   | Senior Management   | hours per employee | 21.00    | 16.60    | 19.00    |
|                                   | Middle Management   | hours per employee | 13.10    | 13.60    | 19.40    |
|                                   | Executive   | hours per employee | 10.20    | 8.10     | 13.40    |
|                                   | Non-Executive   | hours per employee | 2.80     | 18.20    | 12.40    |
| Anti-Corruption Training          |   |                    |          |          |          |
| GRI 404<br>(Training & Education) | Total Employees Trained                                   | pax                | 382      | 465      | 466      |
|                                   | Employees Trained by Employment Category:                 |                    |          |          |          |
|                                   | Senior Management   | pax                | 23       | 21       | 28       |
|                                   |   | %                  | 6.00     | 4.50     | 3.75     |
|                                   | Middle Management   | pax                | 53       | 48       | 78       |
|                                   |   | %                  | 13.90    | 10.30    | 10.46    |
|                                   | Executive   | pax                | 227      | 230      | 310      |
|                                   |   | %                  | 59.40    | 49.50    | 41.53    |
|                                   | Non-Executive   | pax                | 79       | 166      | 50       |
|                                   |   | %                  | 20.70    | 35.70    | 6.69     |

## Sustainability Report

|  |  | Performance Data |        |        |        |
|--|--|------------------|--------|--------|--------|
| GRI Standards                                    | Topic  | Unit             | FY2022 | FY2023 | FY2024 |
| Regular Performance & Career Development Reviews |  |                  |        |        |        |
| GRI 404<br>(Training & Education)                | Review Completion by Gender:   |                  |        |        |        |
|  | Male   | %                | 100    | 100    | 100    |
|  | Female   | %                | 100    | 100    | 100    |
|  | Review Completion by Employment Category:                            |                  |        |        |        |
|  | Senior Management  | %                | 100    | 100    | 100    |
|  | Middle Management  | %                | 100    | 100    | 100    |
|  | Executives   | %                | 100    | 100    | 100    |
|  | Non-Executives   | %                | 100    | 100    | 100    |
| Parental Leave                                   |  |                  |        |        |        |
| GRI 401<br>(Employment)                          | Paternity Leave:   |                  |        |        |        |
|  | Employees Entitled to Paternity Leave                                | pax              | 183    | 201    | 210    |
|  | Employees Who Took Paternity Leave                                   | pax              | 16     | 13     | 12     |
|  | Employees Who Returned to Work After Paternity Leave                 | pax              | 16     | 13     | 12     |
|  | Return to Work Rate  | %                | 100    | 100    | 100    |
|  | Retention Rate   | %                | 100    | 100    | 83.33  |
|  | Maternity Leave:   |                  |        |        |        |
|  | Employees Entitled to Maternity Leave                                | pax              | 133    | 161    | 79     |
|  | Employees Who Took Maternity Leave                                   | pax              | 7      | 8      | 7      |
|  | Employees Who Returned to Work After Maternity Leave                 | pax              | 7      | 8      | 7      |
|  | Return to Work Rate  | %                | 100    | 100    | 100    |
|  | Retention Rate   | %                | 100    | 87.50  | 100    |
| Others   |  |                  |        |        |        |
| GRI 401<br>(Employment)                          | Senior Management Hired from Local Community                         | %                | 5.50   | 4.50   | 5.09   |
|  | Global Staff with Disability   | %                | 0.20   | 0.10   | 0.13   |
|  | Women in Global Workforce  | %                | 26.00  | 21.30  | 24.50  |
|  | Ratio of Foreign to Local Hire of Low-Skilled Workers (only for MGB) | -                | 0.14   | 0.43   | 0.33   |



## Sustainability Report

### OSHE Data

|   |   |       | Performance Data |           |           |
|---|---|-------|------------------|-----------|-----------|
| GRI Standards                             | Topic   | Unit  | FY2022           | FY2023    | FY2024    |
| Work-Related Injury                       |   |       |                  |           |           |
| GRI 403<br>(Occupational Health & Safety) | Total Hours Worked  | hours | 6,150,549        | 9,999,857 | 9,753,910 |
|   | Fatalities  | no.   | 0                | 0         | 0         |
|   | High-Consequence Work-Related Injuries                      | no.   | 0.16             | 0.2       | 0.1       |
|   | Lost-Time Injuries  | no.   | 1                | 2         | 1         |
|   | Recordable Work-Related Injuries                            | no.   | 1                | 2         | 1         |
|   | Main Types of Work-Related Injury                           | no.   | 1                | 2         | 1         |
| Health and Safety Training                |   |       |                  |           |           |
| GRI 403<br>(Occupational Health & Safety) | Number of employees trained on health and safety standards  | pax   | 333              | 501       | 531       |
| Work-Related Ill Health                   |   |       |                  |           |           |
| GRI 403<br>(Occupational Health & Safety) | Fatalities  | no.   | 0                | 0         | 0         |
|   | Recordable Work-Related Ill Health                          | no.   | 0                | 0         | 0         |
|   | Main Type of Work-Related Ill Health                        | no.   | 0                | 0         | 0         |
| Others                                    |   |       |                  |           |           |
| GRI 403<br>(Occupational Health & Safety) | Work-Related Fatalities (including employees & contractors) | no.   | 0                | 0         | 0         |
|   | Accident Frequency Rate                                     | no.   | 0.16             | 0.2       | 0.1       |
|   | Severity Rate   | no.   | 13               | 3         | 7         |
|   | Workers Undergoing Health Surveillance                      | pax   | 0                | 0         | 0         |
|   |   | %     | 0                | 0         | 0         |

## Sustainability Report

## BURSA SUSTAINABILITY DISCLOSURE INDEX

| Indicator   | Measurement Unit | 2022      | 2023      | 2024       |
|---|------------------|-----------|-----------|------------|
| <b>Bursa (Anti-corruption)</b>  |                  |           |           |            |
| Bursa C1(a) Percentage of employees who have received training on anti- corruption by employee category                               |                  |           |           |            |
| Senior Management   | Percentage       | 4.49      | 2.92      | 3.75       |
| Middle Management   | Percentage       | 10.35     | 6.69      | 10.46      |
| Executives  | Percentage       | 44.34     | 32.03     | 41.53      |
| Non-Executives  | Percentage       | 15.43     | 23.12     | 6.69       |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks  | Percentage       | 0.00      | 0.00      | 100.00     |
| Bursa C1(c) Confirmed incidents of corruption and action taken  | Number           | 0         | 0         | 0          |
| <b>Bursa (Data privacy and security)</b>  |                  |           |           |            |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data                    | Number           | 0         | 0         | 0          |
| <b>Bursa (Supply chain management)</b>  |                  |           |           |            |
| Bursa C7(a) Proportion of spending on local suppliers   | Percentage       | 100.00    | 100.00    | 100.00     |
| <b>Bursa (Emissions management)</b>   |                  |           |           |            |
| Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e   | Metric tonnes    | -         | -         | 4,366.74   |
| Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e   | Metric tonnes    | -         | -         | 174.87     |
| Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting) | Metric tonnes    | -         | -         | 7,514.71   |
| <b>Bursa (Energy management)</b>  |                  |           |           |            |
| Bursa C4(a) Total energy consumption  | Megawatt         | 17,049.00 | 23,658.00 | 16,379.71  |
| <b>Bursa (Water)</b>  |                  |           |           |            |
| Bursa C9(a) Total volume of water used  | Megalitres       | 38.680000 | 65.730000 | 244.070000 |
| <b>Bursa (Waste management)</b>   |                  |           |           |            |
| Bursa C10(a) Total waste generated  | Metric tonnes    | -         | -         | 12.63      |
| Bursa C10(a)(i) Total waste diverted from disposal  | Metric tonnes    | -         | -         | 0.43       |
| Bursa C10(a)(ii) Total waste directed to disposal   | Metric tonnes    | -         | -         | 12.20      |
| <b>Bursa (Diversity)</b>  |                  |           |           |            |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category   |                  |           |           |            |
| Age Group by Employee Category  |                  |           |           |            |
| Senior Management Under 30 years old  | Percentage       | 0.00      | 0.00      | 0.00       |
| Senior Management 30 - 50 years old   | Percentage       | 4.10      | 3.34      | 3.35       |
| Senior Management Over 50 years old   | Percentage       | 1.37      | 1.67      | 1.74       |
| Middle Management Under 30 years old  | Percentage       | 1.37      | 1.39      | 0.94       |
| Middle Management 30 - 50 years old   | Percentage       | 12.70     | 9.33      | 10.58      |
| Middle Management Over 50 years old   | Percentage       | 1.17      | 0.70      | 0.94       |
| Executives Under 30 years old   | Percentage       | 28.32     | 25.21     | 24.77      |
| Executives 30 - 50 years old  | Percentage       | 18.36     | 17.00     | 19.54      |
| Executives Over 50 years old  | Percentage       | 1.17      | 0.70      | 1.20       |
| Non-Executives Under 30 years old   | Percentage       | 14.25     | 17.27     | 12.05      |
| Non-Executives 30 - 50 years old  | Percentage       | 16.60     | 22.42     | 24.10      |
| Non-Executives Over 50 years old  | Percentage       | 0.59      | 0.97      | 0.80       |
| Gender Group by Employee Category   |                  |           |           |            |
| Senior Management Male  | Percentage       | 3.32      | 3.34      | 3.21       |
| Senior Management Female  | Percentage       | 2.15      | 1.67      | 1.87       |
| Middle Management Male  | Percentage       | 10.16     | 7.38      | 7.78       |
| Middle Management Female  | Percentage       | 5.08      | 4.04      | 4.69       |
| Executives Male   | Percentage       | 29.88     | 27.58     | 28.92      |
| Executives Female   | Percentage       | 17.97     | 15.32     | 16.60      |
| Non-Executives Male   | Percentage       | 30.66     | 39.28     | 35.61      |
| Non-Executives Female   | Percentage       | 0.78      | 1.39      | 1.34       |

|                    |                    |              |              |
|--------------------|--------------------|--------------|--------------|
| Internal assurance | External assurance | No assurance | (*) Restated |
|--------------------|--------------------|--------------|--------------|

## Sustainability Report

| Indicator   | Measurement Unit | 2022  | 2023       | 2024       |
|---|------------------|-------|------------|------------|
| Bursa C3(b) Percentage of directors by gender and age group   |                  |       |            |            |
| Male  | Percentage       | 83.30 | 57.14      | 57.14      |
| Female  | Percentage       | 16.70 | 42.86      | 42.86      |
| Under 30 years old  | Percentage       | 0.00  | 0.00       | 0.00       |
| 30 – 50 years old   | Percentage       | 33.30 | 57.14      | 57.14      |
| Over 50 years old   | Percentage       | 66.70 | 42.86      | 42.86      |
| <b>Bursa (Labour practices and standards)</b>   |                  |       |            |            |
| Bursa C6(a) Total hours of training by employee category  |                  |       |            |            |
| Senior Management   | Hours            | 588   | 597        | 722        |
| Middle Management   | Hours            | 1,020 | 1,114      | 1,807      |
| Executives  | Hours            | 2,499 | 2,481      | 4,551      |
| Non-Executives  | Hours            | 450   | 5,308      | 3,414      |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff   | Percentage       | 0.00  | 0.00       | 0.00       |
| Bursa C6(c) Total number of employee turnover by employee category  |                  |       |            |            |
| Senior Management   | Number           | 2     | 4          | 6          |
| Middle Management   | Number           | 24    | 20         | 31         |
| Executives  | Number           | 108   | 125        | 96         |
| Non-Executives  | Number           | 39    | 49         | 34         |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations                                   | Number           | 0     | 0          | 0          |
| <b>Bursa (Health and safety)</b>  |                  |       |            |            |
| Bursa C5(a) Number of work-related fatalities   | Number           | 0     | 0          | 0          |
| Bursa C5(b) Lost time incident rate ("LTIR")  | Rate             | 1.00  | 2.00       | 0.10       |
| Bursa C5(c) Number of employees trained on health and safety standards  | Number           | 333   | 501        | 531        |
| <b>Bursa (Community/Society)</b>  |                  |       |            |            |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR              | 0.00  | 550,000.00 | 223,071.20 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities  | Number           | 0     | 0          | 0          |

Internal assurance

External assurance

No assurance

(\*)Restated

## SASB CONTENT REFERENCE INDEX

## Engineering and Construction

| CODE   | DESCRIPTION  | PERFORMANCE   |        |        |
|--|--|---|--------|--------|
|  |  | FY2022  | FY2023 | FY2024 |
| Environmental Impacts of Project Development |  |   |        |        |
| IF-EN-160a.1                                 | Number of incidents of non-compliance with environmental permits, standards, and regulations   | 0   | 0      | 0      |
| IF-EN-160a.2                                 | Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction                                | Refer to Digitalisation and Innovation (pages 65 – 67)            |        |        |
| Workforce Health and Safety                  |  |   |        |        |
| IF-EN-320a.1                                 | 1. Total recordable incident rate (“TRIR”) and   | 1   | 2      | 1      |
|  | 2. Fatality rate for (a) direct employees and (b) contract employees   | 0   | 0      | 0      |
| Business Ethics                              |  |   |        |        |
| IF-EN-510a.2                                 | Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anti-competitive practices | 0   | 0      | 0      |
| IF-EN-510a.3                                 | Description of policies and practices for prevention of (1) bribery and corruption and (2) anti-competitive behaviour in the project bidding process     | Refer to Corporate Governance and Business Ethics (pages 59 – 60) |        |        |

## Home Builders

|                                 |   | PERFORMANCE  |        |        |
|---------------------------------|---|--|--------|--------|
| CODE                            | DESCRIPTION   | FY2022   | FY2023 | FY2024 |
| Land Use and Ecological Impacts |   |  |        |        |
| IF-HB-160a.2                    | Number of (1) lots and (2) homes delivered in regions with High or Extremely High Baseline Water Stress                                   | 0  | 0      | 0      |
| IF-HB-160a.3                    | Total amount of monetary losses as a result of legal proceedings associated with environmental regulations                                | 0  | 0      | 0      |
| IF-HB-160a.4                    | Discussions of processes to integrate environmental considerations into site selection, site design and site development and construction | Refer to Biodiversity Conservation (page 81)                       |        |        |
| Climate Change Adaptation       |   |  |        |        |
| IF-HB-420a.2                    | Description of climate change risk exposure analysis, degree of systematic portfolio exposure and strategies for mitigating risks         | Refer to Task Force on Climate-Related Disclosures (pages 71 – 75) |        |        |

## Sustainability Report

## GRI CONTENT INDEX

| GRI STANDARD                           | DISCLOSURE   | PAGE REFERENCE/<br>REASONS FOR OMISSION                         |
|--|--|---|
| <b>GRI 2: General Disclosures 2021</b> | 2-1 Organisational details   | 41  |
|  | 2-2 Entities included in the organisation's sustainability reporting             | 41 – 42   |
|  | 2-3 Reporting period, frequency and contact point                                |   |
|  | 2-4 Restatements of information  | No restatement of information was made                          |
|  | 2-5 External assurance   | 42  |
|  | 2-6 Activities, value chain and other business relationships                     | 43  |
|  | 2-7 Employees  | 84 – 85   |
|  | 2-8 Workers who are not employees  | NA  |
|  | 2-9 Governance structure and composition   | 58  |
|  | 2-10 Nomination and selection of the highest governance body                     | Refer to the Corporate Governance section of this Annual Report |
|  | 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   | 62  |
|  | 2-16 Communication of critical concerns  | 21 – 22   |
|  | 2-17 Collective knowledge of the highest governance body                         | Refer to the Corporate Governance section of this Annual Report |
|  | 2-18 Evaluation of the performance of the highest governance body                |   |
|  | 2-19 Remuneration policies   |   |
|  | 2-20 Process to determine remuneration   |   |
|  | 2-21 Annual total compensation ratio   |   |
|  | 2-22 Statement on sustainable development strategy                               | 49  |
|  | 2-23 Policy commitments  | 60  |
|  | 2-24 Embedding policy commitments  |   |
|  | 2-25 Processes to remediate negative impacts                                     | 60 – 61   |
|  | 2-26 Mechanisms for seeking advice and raising concerns                          |   |
|  | 2-27 Compliance with laws and regulations  | 59  |
|  | 2-28 Membership associations   | 42  |
|  | 2-29 Approach to stakeholder engagement  | 49 – 52   |
|  | 2-30 Collective bargaining agreements  | NA  |

## Sustainability Report

| GRI STANDARD                            |       | DISCLOSURE   | PAGE REFERENCE/<br>REASONS FOR OMISSION |
|---|-------|--|---|
| GRI 3: Material Topics 2021             | 3-1   | Process to determine material topics   | 53 – 54                                 |
|   | 3-2   | List of material topics  |   |
|   | 3-3   | Management of material topics  |   |
| ECONOMIC PERFORMANCE                    |       |  |   |
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics  | 63 – 67                                 |
| GRI 201: Economic Performance 2016      | 201-1 | Direct economic value generated and distributed  | 64                                      |
|   | 201-2 | Financial implications and other risks and opportunities due to climate change               | 72 – 75                                 |
|   | 201-3 | Defined benefit plan obligations and other retirement plans                                  | 88                                      |
| INDIRECT ECONOMIC IMPACTS               |       |  |   |
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics  | 63 – 67                                 |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 | Infrastructure investments and services supported  | 64                                      |
|   | 203-2 | Significant indirect economic impacts  |   |
| PROCUREMENT PRACTICES                   |       |  |   |
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics  | 64 – 65                                 |
| GRI 204: Procurement Practices 2016     | 204-1 | Proportion of spending on local suppliers  | 65                                      |
| ANTI-CORRUPTION                         |       |  |   |
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics  | 61 – 62                                 |
| GRI 205: Anti-corruption 2016           | 205-1 | Operations assessed for risks related to corruption  | 61                                      |
|   | 205-2 | Communication and training about anti-corruption policies and procedures                     |   |
|   | 205-3 | Confirmed incidents of corruption and actions taken  |   |
| CUSTOMER PRIVACY                        |       |  |   |
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics  | 62                                      |
| GRI 418: Customer Privacy 2016          | 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data |   |
| MATERIALS                               |       |  |   |
| GRI 3: Material Topics 2021             | 3-3   | Management of material topics  | 80                                      |
| GRI 301: Materials 2016                 | 301-1 | Materials used by weight or volume   |   |



## Sustainability Report

| GRI STANDARD                      |       | DISCLOSURE  | PAGE REFERENCE/<br>REASONS FOR OMISSION |
|-----------------------------------|-------|---|---|
| ENERGY                            |       |   |   |
| GRI 3: Material Topics 2021       | 3-3   | Management of material topics   | 77 – 78                                 |
| GRI 302: Energy 2016              | 302-1 | Energy consumption within the organisation  |   |
|                                   | 302-3 | Energy intensity  | 78                                      |
|                                   | 302-4 | Reduction of energy consumption   |   |
|                                   | 302-5 | Reductions in energy requirements of products and services  |   |
| WATER AND EFFLUENTS               |       |   |   |
| GRI 3: Material Topics 2021       | 3-3   | Management of material topics   | 78 – 79                                 |
| GRI 303: Water and Effluents 2018 | 303-1 | Interactions with water as a shared resource  | 79                                      |
|                                   | 303-2 | Management of water discharge-related impacts   |   |
|                                   | 303-3 | Water withdrawal  |   |
|                                   | 303-4 | Water discharge   |   |
|                                   | 303-5 | Water consumption   |   |
| BIODIVERSITY                      |       |   |   |
| GRI 3: Material Topics 2021       | 3-3   | Management of material topics   | 81                                      |
| 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 |   |
|                                   | 304-2 | Significant impacts of activities, products and services on biodiversity  |   |
| EMISSIONS                         |       |   |   |
| GRI 3: Material Topics 2021       | 3-3   | Management of material topics   | 69 – 77                                 |
| GRI 305: Emissions 2016           | 305-1 | Direct (Scope 1) GHG emissions  | 76                                      |
|                                   | 305-2 | Energy indirect (Scope 2) GHG emissions   |   |
|                                   | 305-3 | Other indirect (Scope 3) GHG emissions  | 77                                      |
|                                   | 305-4 | GHG emissions intensity   |   |
|                                   | 305-5 | Reduction of GHG emissions  | 72 – 75                                 |
|                                   | 305-7 | Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions  | 77                                      |

## Sustainability Report

| GRI STANDARD                                 |        | DISCLOSURE  | PAGE REFERENCE/<br>REASONS FOR OMISSION |
|--|--------|---|---|
| WASTE  |        |   |   |
| GRI 3: Material Topics 2021                  | 3-3    | Management of material topics   | 80 – 81                                 |
| GRI 306: Waste 2020                          | 306-1  | Waste generation and significant waste-related impacts  |   |
|  | 306-2  | Management of significant waste-related impacts   |   |
|  | 306-3  | Waste generated   | 81                                      |
|  | 306-4  | Waste diverted from disposal  |   |
|  | 306-5  | Waste directed to disposal  |   |
| EMPLOYMENT                                   |        |   |   |
| GRI 3: Material Topics 2021                  | 3-3    | Management of material topics   | 84 – 87                                 |
| GRI 401: Employment 2016                     | 401-1  | New employee hires and employee turnover  | 86 – 87                                 |
|  | 401-2  | Benefits provided to full-time employees that are not provided to temporary or part-time employees            | 89                                      |
|  | 401-3  | Parental leave  |   |
| OCCUPATIONAL HEALTH AND SAFETY               |        |   |   |
| GRI 3: Material Topics 2021                  | 3-3    | Management of material topics   | 92 – 94                                 |
| GRI 403: Occupational Health and Safety 2018 | 403-1  | Occupational health and safety management system  | 92 – 93                                 |
|  | 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   |   |
|  | 403-6  | Promotion of worker health  |   |
|  | 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   | 94                                      |
|  | 403-10 | Work-related ill health   |   |
| TRAINING AND EDUCATION                       |        |   |   |
| GRI 3: Material Topics 2021                  | 3-3    | Management of material topics   | 83 – 84                                 |
| GRI 404: Training and Education 2016         | 404-1  | Average hours of training per year per employee   | 83                                      |
|  | 404-2  | Programmes for upgrading employee skills and transition assistance programmes                                 |   |
|  | 404-3  | Percentage of employees receiving regular performance and career development reviews                          |   |

## Sustainability Report

| GRI STANDARD                                  |       | DISCLOSURE  | PAGE REFERENCE/<br>REASONS FOR OMISSION |
|---|-------|---|---|
| DIVERSITY AND EQUAL OPPORTUNITY               |       |   |   |
| GRI 3: Material Topics 2021                   | 3-3   | Management of material topics   | 84 – 85                                 |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 | Diversity of governance bodies and employees  |   |
| NON-DISCRIMINATION                            |       |   |   |
| GRI 3: Material Topics 2021                   | 3-3   | Management of material topics   | 84 – 85                                 |
| GRI 406: Non-discrimination 2016              | 406-1 | Incidents of discrimination and corrective actions taken                                  |   |
| CHILD LABOUR                                  |       |   |   |
| GRI 3: Material Topics 2021                   | 3-3   | Management of material topics   | 91                                      |
| GRI 408: Child Labour 2016                    | 408-1 | Operations and suppliers at significant risk for incidents of child labour                |   |
| FORCED OR COMPULSORY LABOUR                   |       |   |   |
| GRI 3: Material Topics 2021                   | 3-3   | Management of material topics   | 91                                      |
| GRI 409: Forced or Compulsory Labour 2016     | 409-1 | Operations and suppliers at significant risk for incidents of forced or compulsory labour |   |
| LOCAL COMMUNITIES                             |       |   |   |
| GRI 3: Material Topics 2021                   | 3-3   | Management of material topics   | 94                                      |
| GRI 413: Local Communities 2016               | 413-1 | Operations with local community engagement, impact assessments and development programmes |   |
|   | 413-2 | Operations with significant actual and potential negative impacts on local communities    |   |
| SUPPLIER SOCIAL ASSESSMENT                    |       |   |   |
| GRI 3: Material Topics 2021                   | 3-3   | Management of material topics   | 91                                      |
| GRI 414: Supplier Social Assessment 2016      | 414-1 | New suppliers that were screened using social criteria                                    | 91                                      |
|   | 414-2 | Negative social impacts in the supply chain and actions taken                             |   |

## TCFD STATEMENT

| TCFD Disclosures  |  |
|---|--|
| Governance  |  |
| Describe the Board’s oversight of climate-related risks and opportunities.  | Refer to Sustainability Governance Structure (page 58) and Task Force on Climate-Related Disclosures (page 69) |
| Describe the management’s role in assessing and managing climate-related risks and opportunities.   |  |
| Strategy  |  |
| Describe the climate-related risks and opportunities the organisation has identified over the short-, medium-, and long-term.                             | Refer to Task Force on Climate-Related Disclosures (pages 70 - 71)   |
| Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.                        |  |
| Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. |  |
| Risk Management   |  |
| Describe the organisation’s processes for identifying and assessing climate-related risks.  | Refer to Task Force on Climate-Related Disclosures (pages 72 - 75)   |
| Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation’s overall risk management.     |  |
| Metrics and Targets   |  |
| Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.    | Refer to Task Force on Climate-Related Disclosures (page 76)   |
| Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (“GHG”) emissions, and the related risks.  |  |

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