



# 2025

SUSTAINABILITY REPORT

## MFCB

MEGA FIRST CORPORATION BERHAD  
Reg. No . 196601000210 (6682-V)

## TABLE OF CONTENTS

|           |                                                       |    |
|-----------|-------------------------------------------------------|----|
| <b>03</b> | <b>OUR SUSTAINABILITY STRATEGY</b>                    |    |
|           | Our Progress                                          | 4  |
|           | Material Matters                                      | 6  |
| <b>07</b> | <b>PROMOTING ENVIRONMENTAL SUSTAINABILITY</b>         |    |
|           | Our Approach                                          | 7  |
|           | Our Road to Net Zero                                  | 7  |
|           | Circular Economy                                      | 11 |
|           | Water Management                                      | 12 |
|           | Biodiversity Conservation                             | 14 |
|           | Certifications and Compliance                         | 18 |
| <b>20</b> | <b>ENHANCING LIVELIHOODS AND INSPIRING OUR PEOPLE</b> |    |
|           | Our Approach                                          | 20 |
|           | Prioritising our People                               | 20 |
|           | Employee Wellness and Engagement                      | 22 |
|           | Fair Labour and Human Rights                          | 25 |
|           | Occupational Health and Safety                        | 26 |
|           | Empowering Communities                                | 27 |
| <b>30</b> | <b>BUILDING A SUSTAINABLE AND ETHICAL BUSINESS</b>    |    |
|           | Our Approach                                          | 30 |
|           | Sustainable Procurement                               | 30 |
|           | An Ethically Responsible Business                     | 31 |
| <b>32</b> | <b>OTHER INFORMATION</b>                              |    |
|           | Industry and Membership Associations                  | 32 |
|           | Group Performance Data                                | 33 |
|           | GRI Index                                             | 42 |

## OUR SUSTAINABILITY STRATEGY

At MFCB, we are committed to pursuing a sustainable future and ensuring we create long-term value for our stakeholders. Since the launch of our Sustainability Strategy in 2021, the landscape we operate in both locally and globally has evolved. Global trade agreements, policies and regulations continue to evolve, reinforcing the need for clarity and resilience. In parallel, sustainability reporting expectations have accelerated where new frameworks and standards have emerged, and many countries, including Malaysia, are moving towards mandatory alignment with the ISSB Standards.

Taking these into consideration, the Group reflected on our Sustainability Strategy and decided it was the right time to revise our strategy to better align with current reporting requirements and focus our efforts in areas that are financially-material (i.e. our three core divisions - Renewable Energy, Resources and Packaging). As such, we would like to take this opportunity to present our revised strategy, which highlights our continued commitment to building a sustainable future. While the three key themes of our strategy remain the same, we have revised our targets and sub-targets to ensure we are able to achieve what we set out to do and allocate more resources into other focus areas.

| SUSTAINABILITY THEMES                                                                                                                                                  | PREVIOUS SUSTAINABILITY TARGETS                                                                                                                                                                   | REVISED SUSTAINABILITY TARGETS & SUB-TARGETS                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Promoting Environmental Sustainability</b><br><br>To promote resource efficiency and biodiversity conservation to minimise environmental impacts.                   | <b>Net Zero emissions by 2050</b><br><br>MFCB to achieve net zero emissions by pursuing operational GHG reduction and working with stakeholders on their carbon neutrality commitments.           | <b>Net Zero emissions by 2050</b> <ul style="list-style-type: none"> <li>• Reduce waste to landfill by 35% by 2030*</li> <li>• Conduct Scope 3 screening (across 15 categories) and refine the Group's Scope 3 baseline for material categories where relevant and applicable</li> </ul> <i>*From a 2022 baseline.</i> |
| <b>Enhancing Livelihoods and Inspiring our People</b><br><br>To safeguard, inspire and invest in the development of our people and communities and create real change. | <b>Enhancing livelihoods of 300,000 people in nearby communities by 2030</b><br><br>To be the voice in empowering and uplifting communities through corporate social responsibility and advocacy. | <b>Bring positive impacts to 300,000 people by 2035*</b><br><br><i>*From a 2021 baseline.</i>                                                                                                                                                                                                                          |
| <b>Building a Sustainable and Ethical Business</b><br><br>To enhance the sustainability of our business and uphold high ethical and governance standards.              | <b>100% of Tier 1 suppliers to comply with our Responsible Sourcing Policy by 2030</b><br><br>To practice fair, transparent, ethical and sustainable procurement throughout the organisation.     | <b>All Tier 1 suppliers provided training and acknowledge Responsible Sourcing Policy by 2030*</b><br><br><i>*Covering 3 core divisions.</i>                                                                                                                                                                           |

With respect to our targets, we remain committed to achieving Net Zero emissions by 2050 with a revised sub-target to reduce our waste to landfill intensity by 35% by 2030. We have also added a new sub-target, which aims to assess our contribution to all the other nine (9) Scope 3 categories that we currently do not report yet. Our previous sub-targets to achieve carbon neutrality and reduction in supply chain emissions have been subsumed into the overall net zero goal.

Our People target timeline has been extended for this target from 2030 to 2035 to enable our Group more time to be able to plan and execute more strategic community initiatives that will provide positive impacts to the lives of our nearby communities.

Our revised Governance target acknowledges the importance of building a sustainable supply chain and we remain committed to ensuring our Tier 1 suppliers are provided appropriate information and knowledge to conduct their business in a sustainable and ethical manner.

The revisions were made based on several key considerations:

#### Better Data and Clearer Understanding

Our original goals were set based on the information available at the time. Since then, we have improved our data and gained a better understanding of our operations, as well as the cost, effort and time needed to achieve our targets.

#### Operational Realities

Reviews at Division level showed that some targets would benefit from adjustment so that they better reflect actual operating conditions and the Group's capacity to deliver them.

#### Changing Reporting Requirements

The revisions also help us keep pace with changing sustainability reporting requirements, including Malaysia's move towards IFRS S1 and IFRS S2. They also support the use of industry-based guidance, where relevant, to improve the quality and relevance of our disclosures.

#### External Developments and Feasibility

Global trade, policies and market conditions continue to change and progress in some areas depend on external factors. The revisions therefore allow our Group to remain practical and flexible as these developments continue.

#### More Credible Targets

The revised goals support a more focused and evidence-based approach to target-setting, with greater emphasis on goals that are measurable, practical and meaningful to the business.

We must also acknowledge that we have achieved a significant amount – doing what we said we would do – developing our GHG inventory baseline, establishing Group guidelines for community engagement as well as scholarship and management trainee programmes. As such, the revised strategy is merely another step forward towards a more sustainable future for the Group. As a Group we remain as committed as before to ensuring we conduct our business as sustainably and ethically as possible.

## OUR PROGRESS

In 2025, we began transitioning to the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (ISSB) in line with the National Sustainability Reporting Framework (NSRF) requirements applicable to Group 1 listed companies. As part of this process, we conducted a group-wide Climate Risk Assessment to identify and evaluate potential climate-related risks and opportunities. Further details, including confirmation of compliance with the minimum NSRF requirements, are presented in the ISSB Sustainability Statement (pages 28–63) of MFCB's 2025 Integrated Annual Report.

#### MSCI



We maintained our 'AA' rating in the MSCI ESG Ratings as of January 2026, a 'Leader' status we have proudly held since 2023. This puts the Group in the top tier of utility companies assessed globally, reflecting our deep-rooted commitment to sustainable development. Our performance is anchored by a robust Environmental pillar, where we continue to lead in Carbon Emissions management and Renewable Energy opportunities, most notably through our Don Sahong Hydropower operations. By effectively managing biodiversity and land use, we are demonstrating that MFCB is not only following global standards, we are helping set them.

**“AA” RATING**  
maintained since 2023



#### FTSE4Good

FTSE4Good

MFCB achieved a significant breakthrough in its FTSE Russell ESG rating, scoring 3.7 as of December 2025, compared to 2.9 in 2024. The rating was supported by strong performance in Corporate Governance and Anti-Corruption, both of which achieved the highest possible scores. Our performance in Labour Standards, Health and Safety, and Biodiversity also contributed to the overall score increase. While we continue to maintain our position in the FTSE4Good Bursa Malaysia and FTSE4Good Bursa Malaysia Shariah Indices, we have identified Water Security as a priority area for improvement in future reporting cycles

Improved FTSE4Good  
Index Score

**2.9** → **3.7**

## SUSTAINABILITY SCORECARD

### Legend: Progress Tracking



Early-stage



On-going



Target achieved



Not applicable

### TARGET 1: NET ZERO EMISSIONS BY 2050



#### SUB-TARGETS

#### Reduce waste to landfill by 35% by 2030\*

This was driven mainly by the Packaging Division through waste prevention and higher diversion, with 7,787 tonnes diverted from landfill (93% of total waste generated) via reuse, recycling and back-processing of rejected products.

#### Conduct Scope 3 screening (across 15 categories) and refine the Group's Scope 3 baseline for material categories where relevant and applicable

#### 2025 PERFORMANCE



Waste-to-landfill decreased by 22.3% from 2022 baseline.



Scope 3 reporting is at an early stage. We are planning to refine screening and baseline development for material categories to improve data quality and support mitigation plans towards our Net Zero ambition.

\*Baseline year for environmental targets is 2022.

### TARGET 2: BRING POSITIVE IMPACTS TO 300,000 PEOPLE BY 2035\*



#### SUB-TARGETS

#### Conduct Social Impact Assessment for 100% of community initiatives by 2025

#### 2025 PERFORMANCE



A formal social impact assessment has been completed for DSPC and we have completed a basic social impact assessment for our community initiatives. Further information can be found in the Community Section (page 27).

\*From a 2021 baseline.

### TARGET 3: ALL TIER 1 SUPPLIERS PROVIDED TRAINING AND ACKNOWLEDGE RESPONSIBLE SOURCING POLICY BY 2030\*

#### SUB-TARGETS

#### Conduct internal audits of all higher risk suppliers by 2025

#### 2025 PERFORMANCE



Following the review of our Sustainability Strategy, this sub-target is no longer applicable.

\*Covering 3 core divisions.

## MATERIAL MATTERS

The Group's material matters have been refreshed this year to reflect our alignment with the IFRS Sustainability Disclosure Standards (IFRS SDS). The IFRS SDS requires companies to consider climate-related risks and opportunities (CROs) and sustainability-related risks and opportunities (SROs) that are financially-material to the business and these have been identified through extensive discussions with executive and senior management from all our Divisions. These CROs and SROs are tagged below (\*) as part of our wider list of material matters that are relevant to our range of stakeholders and industry partners. These material matters have been updated this year through careful observations from peer research, industry standards and global reporting frameworks and sustainability ratings.

Note: Topics marked with an (\*) signifies financially-material CROs and SROs identified as part of the IFRS SDS and are reported on accordingly in the ISSB Sustainability Statement. Innovation and Product Responsibility (from previous reports) has been merged with relevant topics on Emissions and Waste.

### ENVIRONMENT

| MATERIAL ISSUES                   | RELEVANT UN SDGs                                                                                                                                                    |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Biodiversity*                     |   |
| Energy Consumption*               |   |
| GHG Emissions and Climate Change* |                                                                                    |
| Circular Economy                  |                                                                                  |
| Water                             |                                                                                  |

### GOVERNANCE

| MATERIAL ISSUES          | RELEVANT UN SDGs                                                                    |
|--------------------------|-------------------------------------------------------------------------------------|
| Ethics and Compliance    |  |
| Sustainable Supply Chain |  |

### SOCIAL

| MATERIAL ISSUES                        | RELEVANT UN SDGs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Diversity and Equal Opportunity        |                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Employee Training and Development      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Employee Wellness and Engagement       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Fair Labour Practices and Human Rights |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Occupational Health and Safety*        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Local Communities                      |         |

## PROMOTING ENVIRONMENTAL SUSTAINABILITY

*We prioritise active commitment to environmental sustainability, focusing on proactively reducing our operational footprint and protecting the natural capital essential to our operations and communities.*

### OUR APPROACH

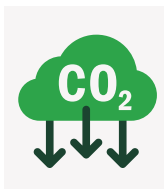
Our environmental approach is guided by our long-term climate ambition to achieve Net Zero emissions by 2050, supported by interim targets and key implementation actions across the Group. To support delivery, we are guided by a comprehensive set of relevant policies, including our Group Sustainability Policy, Waste Policy, Water Management Policy and Biodiversity Policy. These policies establish clear commitments to reduce and minimise our environmental impacts, improve resource efficiency and uphold the highest standards of environmental stewardship across our value chain.

### OUR TARGETS

#### Net Zero emissions by 2050

- 01** Reduce waste to landfill by 35% by 2030\*
- 02** Conduct Scope 3 screening (across 15 categories) and refine the Group's Scope 3 baseline for material categories where relevant and applicable

*\*From a 2022 baseline.*



### OUR ROAD TO NET ZERO

Our progression toward net-zero emissions is driven by a strong sense of purpose and corporate responsibility. MFCB is dedicated to generating meaningful, long-lasting positive change. To honour our shared obligation to safeguard the planet for future generations, we are determined to minimise our carbon footprint through a holistic set of initiatives to reduce fuel and energy consumption as well as looking at measures across our supply chain.

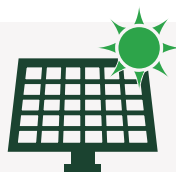
### GHG EMISSIONS AND CLIMATE CHANGE

Climate change is poised to be the single defining threat of current times. No country or company can tackle climate change alone, but collective action is required to ensure steady progress towards the world's climate goals. The average global temperature rise exceeded the 1.5°C limit for the first time in 2024, which puts the Paris Agreement goal of 2°C at risk of failing. In addition, increasing symptoms of a changing climate system continues to become more apparent every year, with more intense extreme weather events globally, which have had far-reaching impacts on the global supply chain.

The Group is acutely aware of the need to adapt to the impacts that climate change poses. Already we are seeing the impact of increasing energy prices and the potential for more regulations around energy efficiency and emissions. We remain vigilant and committed to supporting global climate change goals such as the Paris Agreement and are ever more cognisant of Malaysia's national goals to achieve net-zero emissions by 2050 and reduce GHG intensity by 45% by 2030. We are also supportive of the National Energy Transition Roadmap (NETR) to accelerate Malaysia's energy transition and the Energy Efficiency and Conservation Act (EECA) that was implemented in January 2025. We believe that effective public policy and regulation is a step in the right direction to act on mitigating climate change. The National Climate Change Policy 2.0 (NCCP 2.0), which was launched in 2024, also provides guidance to the Group on our journey towards a low-carbon economy.

Over the past few years, the Group has proactively taken steps to address climate change, addressing both adaptation by safeguarding existing operations and mitigation by reducing our environmental footprint. This response is anchored by continued investment in our Renewable Energy Division to secure future growth opportunities, while simultaneously taking decisive action across all business units.

Our approach to creating a climate-resilient and low-carbon business involves:



Adopting solar energy across multiple business divisions to significantly reduce dependence on coal-based electricity grids and lower Scope 2 emissions.



Implementing targeted efficiency improvements and technological upgrades to continuously lower energy consumption and emissions (Scope 1 and 2).



Conducting climate risk assessments and developing mitigation strategies to address both physical risks and transition risks related to climate change.



Procuring low-carbon materials, particularly within our Packaging Division, to support our circular economy goals and reduce Scope 3 Category 1 (Purchased Goods and Services) emissions.

A key initiative undertaken in 2025 was a formal Climate Risk Assessment for the Group to help us navigate the future of climate change and meet compliance with the NSRF. The comprehensive assessment helped us identify financially material physical risks and transition risks. This assessment utilised a climate scenario analysis method, consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), to model the resilience of our business under different warming pathways. The findings of this report are included in the ISSB Sustainability Statement that can be found in MFCB's 2025 Integrated Annual Report (IAR).

To achieve data completeness and accuracy, we have disclosed Scope 1 and 2 emissions and six (6) of the 15 categories of Scope 3 emissions that are relevant to our business. In 2025, the Group expanded its GHG emissions reporting scope to include the Food Security Division in Malaysia (CSC Group), in accordance with the operational control approach. We will continue to expand our disclosures in the near future.

We calculate our carbon emissions with reference to the GHG Protocol, a globally recognised corporate accounting and reporting standard that is currently deemed best practice for corporate or organisational emissions reporting. The inventory adopts an operational control approach, accounting emissions from entities and facilities where the Group has the full authority to introduce and implement operating policies. This scope covers our key operations in Malaysia, Lao PDR, and Cambodia. By focusing on areas under our direct operational control, the completed inventory provides a precise baseline for establishing impactful reduction targets.

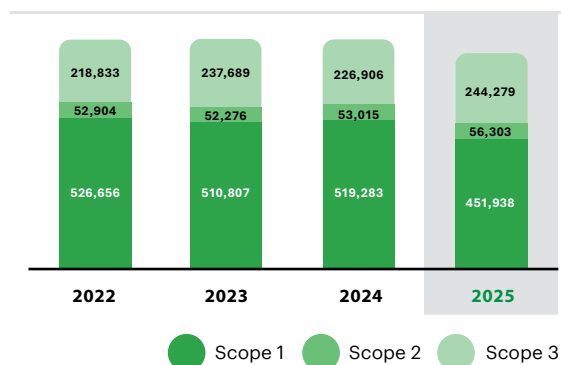
Our Scope 1 and Scope 2 profiles are defined by internal energy use. Because of the high-temperature requirements and the use of petroleum coke in our Resources Division, Scope 1 emissions are higher than our Scope 2 emissions and comprises 60% of our total emissions. Of this, about two-thirds of our total Scope 1 emissions originated from the calcination process used to produce quicklime. This method requires heating limestone to extreme temperatures, which inherently releases CO<sub>2</sub>. While this process releases substantial carbon, the material remains strategically essential, playing a crucial role across the global economy and society. Quicklime is key to critical environmental management initiatives such as wastewater treatment, flue gas desulfurisation and sludge sanitation. These wide-ranging applications underscore quicklime's strategic importance for industrial processes, environmental protection, food security and infrastructure development.

Our Scope 2 emissions are largely driven by the Packaging and Resources Divisions. Within the Packaging Division, electricity consumption is mainly attributable to operating production equipment, cooling systems and lighting. Within the Resources Division, electricity demand is mainly attributable to the operation of our kilns and associated process equipment. In 2025, our Scope 2 emissions intensity increased by 4% compared to the 2022 baseline due to expansion of reporting boundary, i.e. inclusion of Food Security Division in Malaysia. Despite the increase, we have improved our electricity consumption efficiency within our existing operations. With this comprehensive inventory now established, we are positioned to focus on targeted strategies for managing and reducing electricity-related emissions across all divisions.

We proactively account for six (6) out of the 15 Scope 3 categories, which include:

|                                                                                     |                                                                                                                                             |
|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>Category 1: Purchase goods and services</b><br><i>All upstream (gate-to-gate) emissions of purchased goods and services.</i>             |
|  | <b>Category 4: Upstream transportation and distribution</b><br><i>Third-party inbound and outbound logistics paid for by MFCB.</i>          |
|  | <b>Category 5: Waste generated in operations</b><br><i>Disposal and treatment of waste generated in the reporting company's operations.</i> |
|  | <b>Category 6: Business travel</b><br><i>Emissions from employees travelling for business purposes.</i>                                     |
|  | <b>Category 7: Employee commuting</b><br><i>Travel by employees between their homes and worksites.</i>                                      |
|  | <b>Category 9: Downstream transportation and distribution</b><br><i>Third-party inbound and outbound logistics not paid for by MFCB.</i>    |

## GHG EMISSIONS (tCO<sub>2</sub>e)



*Note: The GHG inventory for 2022 and 2023 was developed by an external consultant, establishing 2022 as the baseline year.*

In 2025, our calculated Scope 3 emissions intensity increased by 8.4%. This increase may continue as we progressively expand the coverage of categories and enhance data quality and calculation methodologies. The most significant categories driving our Scope 3 emissions are Category 1, 4 and 9, with our Packaging (40%) and Resources (58%) Divisions accounting for 98% of our total Scope 3 footprint. Category 1 emissions are mainly driven by the essential procurement of goods with high emission factors, such as resin for raw materials and packaging materials for our quicklime products, a necessary activity to meet growing customer demand. The figures for Categories 4 and 9 reflect improved data visibility and more comprehensive reporting from our subsidiaries. While market demand was softer this year, the increase in reported emissions is due to a more complete capture of logistics activities that were not fully detailed in previous reporting cycles.

We recognise that Scope 3 emissions management is complex and that our data requires further refinement. In line with our revised goal, we will screen our Scope 3 emissions across all 15 categories and refine our baseline for material categories, where relevant and applicable, to improve data quality and consistency across our value chain and inform future mitigation planning. Alongside this effort, we are focusing on practical actions within our control. For Categories 4 and 9, we are improving transport efficiency through route optimisation and higher shipment density where feasible.

Within our Packaging Division, we are actively seeking raw materials with lower emission factors. This is driven by the growing market demand for low-carbon products, such as sustainable films and packaging. Working closely with both our suppliers and customers is essential to successfully drive down these Category 1 emissions.

Overall, our GHG emissions intensity in 2025 decreased by 7.8% compared to the 2022 baseline, due to lower non-mechanical emissions, specifically process emissions from lime production.

## ENERGY CONSUMPTION

Energy consumption is the primary driver of our carbon footprint. As we align with global climate action and Malaysia's national ambition for carbon neutrality as outlined in the NETR and NCCP 2.0, managing our emissions is a strategic imperative. This commitment ensures our resilience against transition risks, such as potential carbon taxes and stringent regulatory requirements like the EECA, while seizing opportunities for long-term operational efficiency and sustainable growth. Responsible energy management protects shareholder value and strengthens our license to operate in a rapidly decarbonising global economy.

In 2025, our internal energy consumption intensity decreased by 0.7% compared to the 2022 baseline. During the year, we also expanded our reporting scope and improved data collection, providing a more complete view of our energy use, while maintaining a slight reduction in intensity. This provides a more accurate representation of our energy profile and supports better decision-making as we continue to strengthen the management of our operational footprint. Our reported figures include current renewable energy usage.

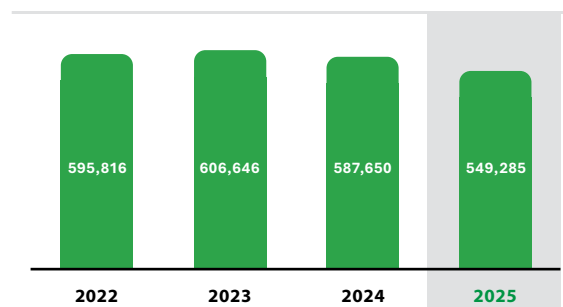
With a better understanding of our energy sources, we can focus on potential methods for further energy optimisation through technical improvements in production efficiency and process engineering. For example, in our Resources Division, we are improving energy performance through targeted process equipment upgrades at one of our kilns. This included right-sizing a blower motor (160 kW to 132 kW), with an estimated electricity saving of 245,280 kWh per year based on continuous operation assumptions, and installing soft starters to reduce peak demand during motor start-up, supported by power logging to better understand operating loads.

Our Packaging Division (Stenta) has implemented several key engineering solutions to reduce electricity dependency and optimise cooling. Specifically, Stenta replaced the existing three (3) 100 RT chillers with a single, highly efficient 600 RT chiller at the Stenta Multifilms building. Additionally, the Division utilised an existing chiller to cool down machinery, effectively replacing the previous cooling tower. These measures have successfully resulted in substantial cost savings of approximately RM600,000 a year and the avoidance of approximately 1,812 MWh of electricity a year.

Following the completion of the inventory, our divisions are taking the opportunity to further refine their data collection processes to ensure maximum accuracy and completeness. This continuous improvement effort is essential for high-quality reporting and effective carbon management. These efforts will reinforce our commitment to sustainability, ensuring we are well-positioned to contribute meaningfully to global decarbonisation goals.

Moving forward, we are committed to formalising a structured roadmap to further reduce energy and emissions intensity. This plan will focus on integrating energy efficient technologies and optimising manufacturing workflows, ensuring that business growth is progressively decoupled from our energy footprint in the years ahead.

## GHG EMISSIONS INTENSITY (tCO<sub>2</sub>e/RM billion)



### DSPC Transition to Hybrid Vehicles

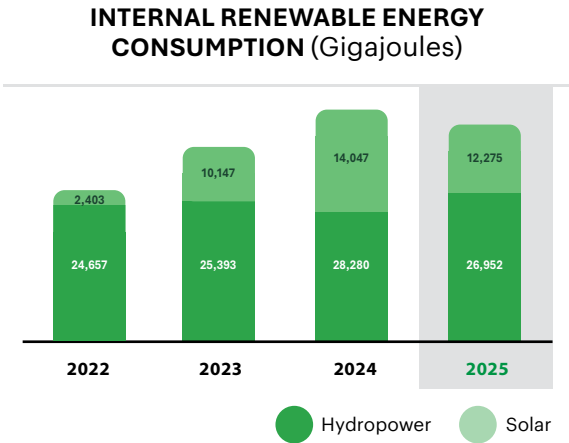
DSPC has initiated a transition from conventional fuel combustion vehicles to hybrid cars, significantly reducing diesel use at the hydropower site. Through focused management and optimisation in 2025, our Renewable Energy (RE) Division successfully reduced its overall diesel consumption by 4.8 kL, which represents a 75% reduction compared to 2024. This reduction highlights the effectiveness of our efforts to improve transportation utilisation and reduce reliance on high-carbon fuels.

RENEWABLE ENERGY GENERATION

As part of our decarbonisation journey, we prioritise renewable electricity that directly reduces our operational carbon footprint. Acknowledging that energy consumption is a significant contributor to our GHG emissions, the majority of our divisions have implemented solar photovoltaic (PV) systems to help reduce dependency on Malaysia's primarily coal-based grid. Across the Group, several divisions have installed on-site solar PV systems for internal consumption, reducing reliance on grid electricity and strengthening energy resilience. These initiatives complement our broader energy efficiency efforts, where we continue to optimise electricity consumption through technical improvements and enhanced operational controls.

In addition, the Don Sahong Hydro Power (DSHP) site in Lao PDR, utilises 100% self-generated renewable energy for its internal electricity consumption, eliminating grid dependency at this major asset and showcasing our capability to run essential operations entirely on clean power.

In 2025, we generated 3,409 MWh of electricity from our solar PV systems for internal consumption. In addition, our hydropower assets generated 7,487 MWh of renewable electricity during the year, a portion of which was utilised internally while the remainder was exported to the grid. Based on the renewable electricity consumed internally, we avoided approximately 6,511 tCO<sub>2</sub>e in carbon emissions.



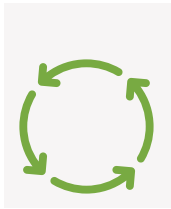
OUR ACHIEVEMENT SINCE 2021

**4.15 MWp**  
Total solar installed capacity  
for internal consumption

**46,695 MWh**  
Generated  
for internal consumption

**28,022 tCO<sub>2</sub>e**  
Total carbon avoided





## CIRCULAR ECONOMY

The generation of waste, in particular plastic waste, is a key concern globally. The responsible disposal and recycling of waste remains an immense effort for most countries, especially in developing

countries in South East Asia. In Malaysia, the issue is further exacerbated by aging landfills, rapidly increasing waste generation and poor infrastructure.

The Group is acutely aware of the issues that improper waste disposal poses and the need to implement the 10R Framework across our operations to reduce or avoid the impact of waste disposal and improve efficiency. Our revised goal to reduce waste to landfill by 35% (from 2022 baseline) by 2030 guides our focus in this area and we work closely with all our divisions to identify measures that will help contribute to this goal.

Our Group Sustainability Policy and Waste Management Policy include commitments to reduce or avoid the impact of pollution and resource consumption and improve efficiency. We aim to reduce the waste we generate by reducing, recycling, and reusing resources where possible as well as by safely and efficiently disposing the waste generated from our businesses.

We achieved a 22% reduction in waste-to-landfill intensity in 2025 compared to our 2022 baseline. This improvement was driven primarily by our Packaging Division, which successfully lowered waste generation despite an increase in production volume. This highlights our ability to scale operations efficiently while minimising our environmental footprint.

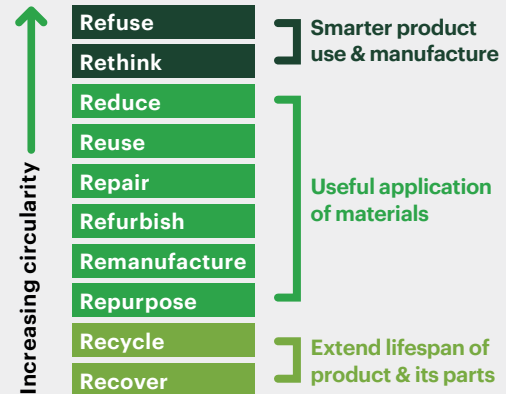
In 2025, we diverted 9,849 tonnes of waste from landfills. This represented 94% of our total waste generated. The Packaging Division accounted for 80% of the Group's total waste. Within that Division, 93% (7,787 tonnes) of waste was diverted from landfills through various methods. Various waste streams are either reused or recycled through multiple initiatives, including the reuse of plastic materials for laboratory sampling, the recovery of rejected products through back-processing into raw materials, composting of organic waste and the diversion of organic waste for use as animal feed.

Across our other divisions, we have had success in implementing reuse and recycling initiatives such as e-waste collection, food composting, recycling of used laboratory plasticware and transforming rejected products back into reusable raw material.

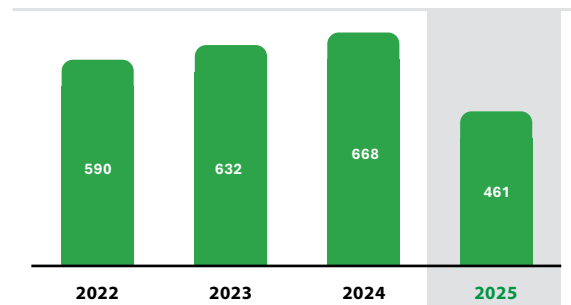
At DSPC, a whole-site composting programme was initiated at the end of 2024 and has been fully operational throughout 2025. All food waste generated by the site's canteen is composted onsite, with the resulting organic fertiliser contributed to local farmers for the cultivation of food crops such as vegetables and fruits.

Within its first year of implementation, the programme achieved the recovery of 6.27 tonnes of organic waste, diverting food waste from disposal and supporting circular waste management practices. This rich compost was distributed to our nearby communities who use it for farming. In addition, since 2023, more than eight (8) tonnes of food waste have been given to local communities to be used as animal feed. This has contributed greatly to diverting organic waste from landfill. The site has transitioned away from single-use plastics, including plastic water bottles and plastic bags used for food. As a result, in 2025 the site achieved a 29% reduction in drinking water plastic bottles and a 70% reduction in plastic bag usage compared to year 2024.

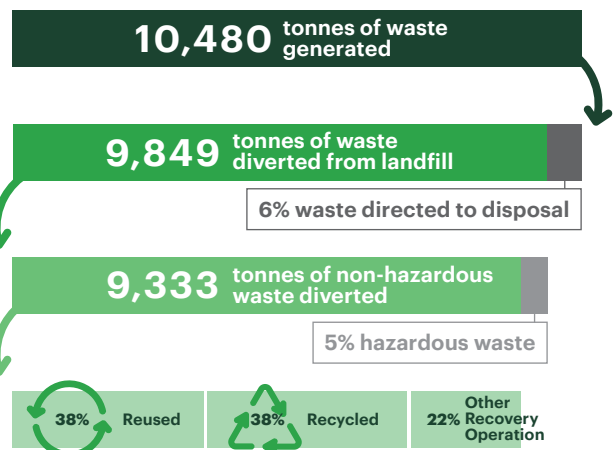
## 10 R'S FOR CIRCULAR ECONOMY



## WASTE TO LANDFILL INTENSITY (tonnes/RM billion)



Note: Revenue figures only include revenue recognised at a point in time from Energy Sales (Renewable and Non-renewable) and Sales of Goods; FYE 2024 has been restated and FYE2025 is presented on the same basis.



In our Packaging Division, our commitment to a circular economy focuses on minimising waste and increasing the use of more sustainable material solutions in our production lines. A key enabler of this strategy is verifiable traceability across our supply chain. In 2025, the BOPP line produced 16,969 metric tonnes across all grades. Of this, 7% relates to products with ISCC certification. This solution reduces the environmental impact of plastic waste as it breaks down more quickly than traditional plastic packaging, helping to reduce landfill accumulation.



#### E-waste collection at Bloxwich

Bloxwich held their Annual E-Waste Collection Day from 30 December 2024 to 3 January 2025. The event saw enthusiastic participation, with employees contributing old phones, laptops, home appliances and small appliances for responsible recycling. This initiative reflects our ongoing commitment to sustainability and environmental responsibility, ensuring e-waste is properly disposed of to reduce environmental impact.

Furthermore, Stenta reuses production waste and rejects that can be recycled into resin pellets for internal or external use resulting in waste to landfill avoidance of over 3,000 tonnes for 2025. Stenta has stepped up its efforts by redesigning the waste yard into a more structured layout to strengthen waste segregation practices and improve recyclability.



#### REFUSE

Since 2022, we reduced

**44.4%**  
plastic bottles



**86.6%**  
plastic bags



DSPC has transitioned to using reusable bottles instead of plastic water bottles in its offices. They promote the use of filtered water and encourage employees to use their own reusable bottles. The company has also provided the canteen reusable food containers to pack food for takeaway, eliminating the use of plastic bags.



#### REUSE

**3,595 tonnes**  
non-hazardous waste reused

Stenta continues to reuse and recycle its resin materials, both supporting their ongoing commitment to waste reduction and circular economy.

Our Packaging Division, Stenta Films and Multifilms, contribute 99% of this number. They continue to reuse and recycle its resin materials, both supporting their ongoing commitment to waste reduction and circular economy.



#### REPURPOSE

**8.85 tonnes**  
organic waste  
repurposed for use  
as animal feed



DSPC started the strategy to divert its organic waste from landfills and repurpose it as animal feed since 2023.



#### RECYCLE

**2 tonnes**  
e-waste collected  
by licensed collector



**3,709 tonnes**  
non-hazardous waste recycled

**307 tonnes**  
hazardous waste  
recycled



RCI managed to divert two (2) tonnes of their e-waste from the landfill.

The Group also managed to recycle 3,709 tonnes of non-hazardous waste and achieved a 59.2% recycling rate for hazardous waste. The achievement is driven by the Packaging Division.



#### RECOVER

**6.27 tonnes**  
organic waste recovered  
& processed into compost

DSPC is actively working on a composting initiative for its organic waste. The resulting organic fertiliser is then contributed to local farmers, supporting the community by providing resources for growing food crops, such as vegetables and fruits.



## WATER MANAGEMENT

Water is an essential resource for all life on the planet and a fundamental input for nearly every sector of the global economy. Today, the world faces increasing challenges due to escalating water scarcity and water stress, which are driven by climate change, population growth and unsustainable consumption patterns. These issues pose significant risks to both communities and business continuity worldwide. Locally, Malaysia, while generally water-rich, experiences regional and seasonal challenges, including drought conditions and increasing regulatory focus on water resource management and pollution control.

Recognising water as a critical shared resource, we are committed to implementing water management strategies essential for building a resilient and water-secure future. This has always been a key material topic for DSPC in our Renewable Energy Division, which depends on the mighty flow of the Mekong River for daily operations.

DSPC is committed to preserving the natural ecosystems and livelihoods that depend on this major waterway and actively monitors water quality and water levels. We continue to undertake the following initiatives:

- **Regular Water Quality Monitoring**

Water quality is analysed regularly at various locations along the Mekong River to ensure adherence to the Lao PDR standards and to monitor any impacts resulting from our operation.

- **Daily River Water Levels**

We conduct daily monitoring of river water levels at seven (7) strategic locations upstream and downstream of DSHP. This effort ensures adequate water flow through fish passage channels and supports necessary adjustments to the plant's operations. The daily water level reports from the Pakse gauging station also assist in effectively planning our day-to-day operations.

- **Waste removal**

The dam also acts as a barrier for any waste that floats down the Mekong River channels and we collect and dispose of this waste on a weekly basis. In 2025, we have collected an estimated 624 tonnes of waste from the river, which would have otherwise continued to pollute the Mekong River ecosystem.

**12 tonnes**  
waste collected  
from the river weekly

Our other divisions continued their regular water management initiatives including rainwater harvesting for internal consumption, installing sensor-based faucets to conserve water and conducting regular water quality monitoring efforts. Throughout the year, there were no incidents of non-compliance with water quality/quantity permits, standards and regulations.



### **Program Kutip Sampah Sambil Riadah (KUDAH) and Don't Be a Litterbug Campaign**

Under the Program Kutip Sampah Sambil Riadah (KUDAH) and the Don't Be a Litterbug Campaign, Stenta actively contributed to environmental conservation by participating in a Langat River clean-up near the Friends of Langat River Centre (UKM) on 17 May 2025. The programme was organised in collaboration with Natural Resources and Environmental Sustainability (NRES) and the Malaysia Plastic Manufacturing Association (MPMA).

During the activity, Stenta's volunteers were directly involved in collecting and removing accumulated waste along the riverbank, with a primary focus on plastic debris. The team contributed volunteer hours to physically clear litter from the area, helping to reduce river pollution and improve the surrounding environment. This hands-on involvement demonstrates Stenta's continued commitment to environmental stewardship and practical action in addressing plastic pollution.



### AIESEC UTAR & RCI - ECHO 3.0 River Cleaning

On 6 September 2025, a river clean-up initiative was carried out at the Larut River in Taiping, Perak, involving youth volunteers in collaboration with Universiti Teknologi PETRONAS (UTP), Universiti Tunku Abdul Rahman (UTAR), and our Resources Division (RCI). The initiative successfully removed 148 kilograms of waste from the river in a single day.

A total of 44 participants took part, comprising 20 RCI employees, 4 AIESEC Organising Committee members, 10 Malaysian youth volunteers, 5 members of the public and 5 Department of Environment (DOE) officers.



## BIODIVERSITY CONSERVATION

Protecting the planet's natural resources is fundamental to securing healthy ecosystems and ensuring long-term benefits for local communities. Our DSHP facility is strategically situated on an anabranch of the Mekong River, placing us in a unique position to champion the conservation of this globally important and biologically diverse habitat. The Mekong is a critical lifeline for millions across the region, providing a vital source of income and sustenance. Ecologically, this river system is an unparalleled natural treasure, supporting approximately 900 fish species, which includes 220 endemic species and numerous others that are endangered.



### MFCB'S BIODIVERSITY CONSERVATION STRATEGY

#### GOAL TO 2050:

To have a net positive impact on biodiversity and maintain, enhance or restore the integrity of the ecosystem within and around our project area for the benefit of biodiversity and local communities.

#### THEMES

##### Conservation and Rehabilitation

We will implement conservation measures to conserve existing populations of endangered species and rehabilitate important habitats.

##### Awareness and Capacity Building

We will engage with local communities and relevant stakeholders to enhance awareness on the importance of biodiversity.

##### Scientific Research

We will support the scientific community in understanding the unique ecosystems in which we operate.

#### GOALS BY 2030

We will implement two major conservation projects with measured outcomes.

We will significantly increase the awareness among communities about the importance of biodiversity.

We will publish at least two scientific studies in the area we operate.

This year, we continued the implementation of our comprehensive Biodiversity Conservation Strategy, first detailed in our 2023 Sustainability Report. This strategy establishes clear long-term goals for 2030 and 2050 and is fully aligned with both the global Kunming-Montreal Global Biodiversity Framework (GBF) and the Lao PDR's National Biodiversity Strategy and Action Plan 2016–2025. Out of the 23 targets set by the GBF, we are currently focused on making meaningful contributions to targets 2, 3, 4 and 10.

Our ongoing initiatives, which began with the development of the hydropower project in 2015, are structured around three (3) core themes: Conservation and Rehabilitation, Awareness and Capacity Building and Scientific Research.

As one of the few companies in the region to establish defined biodiversity preservation goals, we acknowledge the inherent challenges. The complex and dynamic nature of the Mekong River basin, compounded by numerous external factors, adds layers of difficulty to our work. Despite these hurdles, we remain committed to actionable solutions and contributing to broader conservation efforts led by the Mekong River Commission, WWF-Laos and other stakeholders.

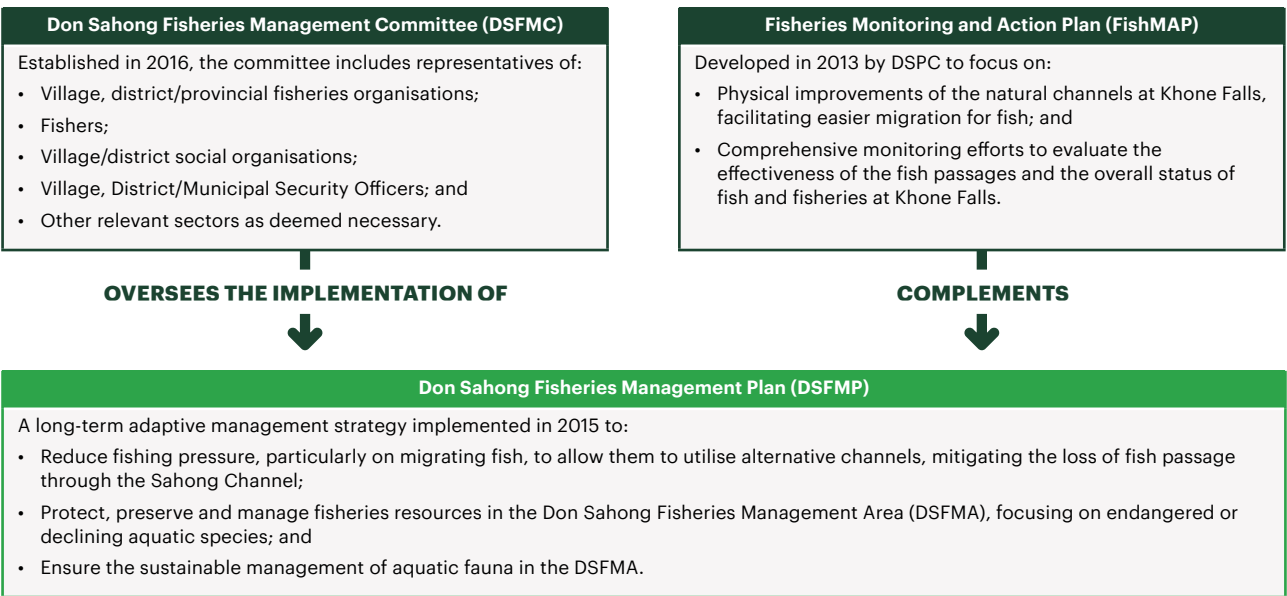
Our ultimate long-term ambition, currently anchored by our operations in Lao PDR, is to achieve a net positive impact on biodiversity by actively maintaining and restoring the ecological integrity of the natural systems both within and surrounding our project areas.

### CONSERVATION AND REHABILITATION

The Khone Falls-Siphandone region, where our project is located, is a vital ecological hotspot, boasting an exceptionally rich diversity of fish species. This is due to its ideal natural habitat, complex hydrological conditions and abundant food supply. Critically, this area alone contributes approximately 25% of all fish species found in the entire Mekong River basin. This includes locally endemic species such as *Aptosyax grypus* (pa sanak nyai), *Mekongina erythrospila* (pa sa-ee), *Labeo erythropterus* (pa va souang) and *Gyrinocheilus pennocki* (pa ko).

Since the project's inception in 2008, DSPC has undertaken extensive assessments to identify potential and actual biodiversity risks and impacts prior to the construction of the Don Sahong Hydropower Project and are acutely aware of the risks to biodiversity, especially the fish population in the area. These risks were identified and published in the Environmental Impact Assessment that was completed in 2013 (DSHPP website). Some of these risks include disrupting fish migration and the loss of fish passage through the Sahong Channel. External risks, not caused by the company, include illegal fishing methods and habitat destruction.

Since then, the company continues to implement monitoring and mitigation programmes to assess and minimise its impacts on the environment and local communities. We actively address biodiversity risks posed by external pressures such as illegal fishing through inspections, gear removal and market monitoring. These actions help reduce anthropogenic pressures and maintain aquatic biodiversity integrity. These proactive measures are continuously refined and implemented in close collaboration with the Don Sahong Fisheries Management Committee (DSFMC). Our commitment is formalised through ongoing support for the Lao government's Don Sahong Fisheries Management Plan (DSFMP) and is supported by DSPC's Fisheries Monitoring and Action Plan (FishMAP) developed since 2013, both of which are critical tools for sustainable management in the region. Our strategy focuses on both active rehabilitation efforts and stringent protection measures against illegal practices.



## DSFMC ACTIVITIES

The DSFMC was formally appointed in 2016 to oversee, coordinate and implement sustainable fishery management measures within the Khone Falls area. The establishment of the Committee marked a significant step toward strengthening local governance, protecting critical aquatic habitats, and ensuring that fishery resources continue to support community livelihoods. Since its appointment, the Committee has served as the central body responsible for planning, regulation, monitoring and community engagement related to fishery conservation and management.

In our ongoing efforts to maintain the diversity and population of key fish species, we organise and implement an annual fish release programme. From 2016 to 2025, DSPC has continued to support the annual Fish Releasing Day by providing 30,000–40,000 fingerlings each year to be released in the Khong District area. Over this ten-year period, DSPC has supplied a total of 310,000 fingerlings, contributing significantly to fish stock enhancement, biodiversity conservation and rehabilitation.



**310,000**  
fingerlings released since 2016

### Fish Releasing Day

DSPC, in collaboration with WWF-Laos and the Khong District Office of Agriculture and Environment, organised a Fish Releasing Day. DSPC contributed 30,000 fingerlings for release into the Mekong River. The released species included the Notched Mud Carp (*Henicorhynchus entmema*), Silver Barb (*Barbonymus gonionotus*), and Pa khao na (*Sikukia gudgeri*). The event brought together 63 participants and was part of ongoing efforts to enhance biodiversity conservation and support the long-term sustainability of local fisheries. These fish are critical for the ecosystem in this section of the Mekong River and were bred at the Pakse Hatchery.

Our efforts are supported by ongoing enforcement measures and community awareness campaigns. This includes inspecting locations across the seven main channels, which are at high risk of illegal fishing and removing big gears from the channels. In 2025, 13 locations were inspected and over 906 illegal gears were removed. Furthermore, the two main fish markets, Veunkham and Nakasang, are monitored regularly, and traders who support illegal fishing (such as by electrofishers and “Lee” traps) are reported to authorities.

For 2026, the DSFMC will focus on key tasks to ensure sustainable fisheries in the Khone Falls area. The Committee will register fishers and update the fishery database, review and enforce regulations, conduct community education and awareness programmes, identify and manage critical habitats and protected zones, carry out habitat restoration projects, monitor fish populations and ecological conditions and strengthen compliance through patrolling and enforcement.



### Tree Planting

To further promote terrestrial biodiversity and community involvement, DSPC, in collaboration with the Khong District Office of Agriculture and Environment, organised a tree planting activity to mark World Environment Day and National Environment Day as part of our ongoing ecosystem rehabilitation and conservation strategy. A total of 120 participants joined the event to plant 2,000 tree seedlings. These 2,000 seedlings included Dton Yang (*Dipterocarpus alatus*), Dton Samsa (*Samanea saman*), Dton Hai (*Ficus benghalensis*), Dton Makabok (*Irvingia malayana*) and Dton Du (*Pterocarpus macrocarpus*). Our goal is to plant 20,000 trees by the year 2030 and so far, 9,650 tree seedlings have been planted since 2016.

**9,650**  
tree seedlings  
have been planted  
since 2016

**GOAL: To plant**  
**20,000**  
trees by 2030

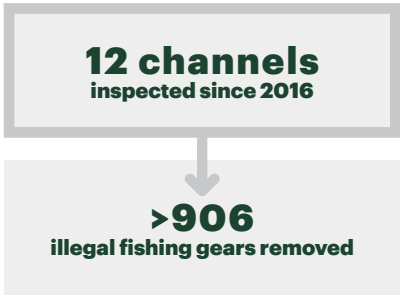
FISHMAP ACTIVITIES

We recognise the critical importance of protecting the rich aquatic and terrestrial ecosystems surrounding the Don Sahong Dam especially the natural channels at Khone Falls, which are integral to the biodiversity of the Mekong River. DSPC has been implementing a long-term programme to improve natural fish passages in the Khone Falls area to support safe fish migration, protect biodiversity and maintain the ecological connectivity of the Mekong River system. Since 2016, a total of 12 out of 13 targeted fish passage locations were successfully improved through structural modifications, channel clearing and flow enhancement measures.

Fish passage work is not a one-time activity. To ensure long-term functionality and ecological benefits, DSPC, under FishMAP, conducts annual monitoring and maintenance on all improved channels. These activities are designed to ensure that each fish passage remains open, navigable and capable of supporting upstream and downstream fish movement throughout the year, especially during migration seasons. Continuous monitoring helps identify sedimentation, vegetation overgrowth, erosion or blockages that may reduce passage efficiency. Maintenance work then restores channel conditions to allow fish to complete their natural life cycle.

In 2024, DSPC carried out fish passage works in two channels (Xang Pheuak and Somphamit) and in 2025, the focus shifted from major improvements to monitoring and routine maintenance. Three (3) fish passages, Xang Pheuak Noi (XPN), Sadam Channel and Don Lai, received priority attention for scheduled monitoring and maintenance. These works ensured that all previously improved sites remain fully functional.

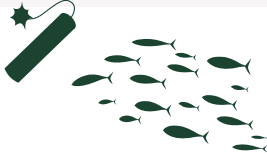
There have been no new operations or projects in the area and as such has not required an assessment of further biodiversity risks. Should there be any further expansion, the necessary biodiversity assessments will be undertaken.



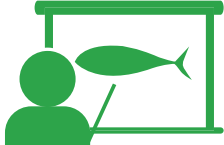
AWARENESS AND CAPACITY BUILDING

The DSPC team works closely with local communities and government departments to raise awareness and understanding of various fisheries-related issues, aiming to maintain healthy fish populations for the benefit of all.

KEY ISSUES

|                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>Large illegal fishing gears</b></p> <p>Obstructs fish movement through river channels at Khone Falls, preventing migratory fish from reaching essential spawning or feeding habitats.</p> |  <p><b>Illegal fishing methods</b></p> <p>Electrofishing, explosives and poisons harm numerous species and also pose significant risks to users and others.</p> |  <p><b>Illegal capture and sale of endangered fish species</b></p> <p>The market for endangered fish species encourages fishermen to use illegal fishing methods.</p> |  <p><b>Consumption of raw fish</b></p> <p>Locals have for generations consumed raw fish, however it is not always safe to consume raw fish, especially when it has not been stored or prepared hygienically. It can result in parasitic infections, particularly from liver flukes.</p> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

OUR TWO-PRONGED STRATEGY

|                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <p><b>Raising Awareness</b></p> <p>Conducting outreach programmes in schools and villages to educate children and communities about these issues while offering practical solutions and alternatives.</p> |  <p><b>Technical Training and Workshops</b></p> <p>Organising training sessions and workshops for patrol teams and relevant stakeholders, including government departments to foster collaboration and deepen understanding of effective solutions to these challenges.</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

In November 2025, DSPC visited four (4) schools to deliver an environmental awareness workshop and also promote the establishment of a school garden by providing seedlings and technical guidance on soil preparation and crop growing.

## SCIENTIFIC RESEARCH

In 2025, we continued close collaboration with WWF-Laos across a number of initiatives. We are finalising plans for a joint fisheries monitoring project to share results that will enable both parties to develop a stronger database for fish populations in the project area. We are also establishing a conservation area along the riverbank, including the installation of signboards. This initiative is currently under community consultation with plans to submit it to the relevant authorities in collaboration with WWF-Laos.

In addition to the above, we have engaged with several local and international organisations and NGOs in our efforts to reduce the loss of biodiversity. This includes the Mekong River Commission (MRC), Khone Community Village, Village Youth Union, Women Union and National Defense Unit.



## CERTIFICATIONS AND COMPLIANCE

Compliance with environmental laws and regulations is paramount to ensuring our right to operate and maintaining a steady supply to customers. There is no exception and this is a high priority across all our divisions.

## ENVIRONMENTAL PERFORMANCE AND COMPLIANCE

Environmental performance and compliance is driven by key Environment Manager roles at the divisional level who are responsible for driving initiatives and ensuring legal and regulatory compliance through regular monitoring. In the Resources and Packaging Divisions, we have specific Environmental Compliance and Monitoring Committees that actively manage environmental performance and embed a culture of accountability.

To minimise the negative impacts of our operations on the environment, our business divisions maintain strict pollution control standards that fully comply with the Environmental Quality Act 1974. Our commitment extends beyond mere adherence, focusing on proactive management to safeguard the surrounding ecosystems.

We implement stringent protocols across all sites for managing material discharges, including the continuous monitoring of air and noise emissions. This systematic approach allows us to assess operational conditions against regulatory requirements and evaluate the effectiveness of our mitigation strategies. To minimise potential adverse environmental impacts, we rely on a cohesive three-part framework:



### Regulatory Adherence

We rigorously comply with all local regulatory requirements, ensuring our operations are legally sound.



### Proactive Monitoring

We conduct regular monitoring and inspection schedules to detect and address potential issues before they escalate.



### Mitigation and Prevention

We implement prevention and mitigation actions, driving continual improvement in our environmental performance and operational integrity.

## Air Quality



Impose a speed limit and install warning signs at sites.



Deter dust particle pollution from lorries by utilising load covers.



Implement continuous dust emission surveillance through the Continuous Emission Monitoring System (CEMS) and periodic Isokinetic Stack Monitoring to ensure regulatory compliance with the Environmental Quality (Clean Air) Regulations 2014.

## Noise Exposure



Our Resources Division maintained quarterly boundary noise level monitoring for quarry operations to support compliance with permissible limits.



Stenta installed noise-absorbent foam and isolation panels to lower employees' exposure to excessive noise, in compliance with the Occupational Safety and Health (Noise Exposure) Regulations 2019.

## COMPLIANCE RECORD

This year, there was one (1) incident of non-compliance with environmental laws and regulations (including water quality/quantity permits, standards and regulations). The incident was related to maintaining a proper scheduled waste inventory at RCI under Regulation 11 of the EQ (SW) Regulations 2005. A minor penalty of RM1,000 was duly paid.

## CERTIFICATION AND AUDIT MILESTONES

### 54% of sites ISO 14001 Certified

- Renewable Energy: MFPI
- Resources: RCI
- Packaging: Stenta Films and Multifilms, Hexachase Flexipack and Labels
- Automotive: Bloxwich (Malaysia)



### 2025 Milestones in Integrated Management System (IMS)

Our divisions continue to strive for greater efficiency and continuous improvement. The year marked a period of significant achievement, with both the Packaging and Resources Divisions affirming the maturity of our unified governance framework. We maintain a robust Integrated Management System (IMS) across our key operating divisions, ensuring the streamlined alignment of three critical global standards: ISO 9001:2015 (Quality), ISO 14001:2015 (Environmental) and ISO 45001:2018 (Occupational Health & Safety). In May 2025, our Packaging Division (Stenta) successfully achieved Integrated Management System (IMS) Certification after an extensive 4-day independent audit by LRQA Malaysia Sdn. Bhd. Following this success, the Resources Division (RCI) completed its Surveillance 1 Audit by SIRIM QAS International Sdn. Bhd. in August 2025 for its existing IMS. The external auditors resoundingly affirmed the system's successful implementation, specifically highlighting strong management commitment, effective top-down leadership, and active staff-wide participation in maintaining compliance and safety standards. These successful audits across both Stenta and RCI demonstrate the Group's dedication to minimise risk and consistently meet the highest global benchmarks for Quality, Health, Safety and Environmental (QHSE) responsibility.



### The International Sustainability & Carbon (ISCC) PLUS

The International Sustainability & Carbon (ISCC) PLUS Certification is a globally recognised, voluntary standard that reinforces transparent, fully traceable, deforestation-free and climate-friendly supply chains. In 2025, our focus shifted to diligently maintaining this certification, which operates on a two-year cycle. Hexachase Flexipack, following its initial certification in 2024, successfully completed the renewal of its ISCC PLUS certificate, confirming the consistent application of sustainable principles within its production processes. Concurrently, Stenta, which was certified in 2023, completed its scheduled re-audit in 2025, successfully passing this external review to confirm its sustained commitment to the highest standards of traceability and responsible sourcing. These combined efforts demonstrate the maturity of our sustainability governance within the Packaging Division, reinforcing stakeholder confidence and providing verifiable assurance that our products are manufactured using sustainably certified sources.



### Sedex Members Ethical Trade Audit (SMETA)

The Packaging Division further demonstrated its commitment to ethical supply chain practices by successfully completing the SMETA 4-Pillar Audit. This comprehensive audit, which focused on labour rights, health and safety, environmental performance and business ethics, demonstrates our commitment to meeting rigorous client requirements, strengthening our brand reputation and maintaining sustainable business initiatives.

## ENHANCING LIVELIHOODS AND INSPIRING OUR PEOPLE

*We safeguard, inspire and invest in the development of our people and communities and create real change.*

### OUR APPROACH

MFCB has set an ambitious target to bring positive impacts to 300,000 people by 2035 across the communities where we operate. This reflects our responsibility to our workforce, our partners and the communities we serve. We believe that investing in people and inclusive development can create meaningful and lasting change. Our corporate social responsibility (CSR) programmes are designed to advance the well-being of surrounding communities, as we are dedicated to forging sustainable partnerships that yield enduring relationships and long-term mutual growth.

Our commitment to creating real social change is closely tied to our strong company governance structure. Our key policies, specifically the Employee Code of Conduct and Discipline, the Diversity and Inclusion Policy and the Human Rights Policy, state our main values and standards for managing our people. These documents are readily available on our corporate website, ensuring clear information and defining our responsibilities.

Throughout the year, employees were responsible for observing the Code of Conduct. The Code is reviewed regularly to ensure it stays effective and relevant.

### OUR TARGET



**Bring positive impacts to 300,000 people by 2035\***

*\*From a 2021 baseline.*



## PRIORITISING OUR PEOPLE

### DIVERSITY AND EQUAL OPPORTUNITY

We place a strong emphasis on building an inclusive culture that values and supports employees of all genders, ages, cultural backgrounds, experiences and perspectives. We see diversity as a major strength for MFCB, giving us new ideas and perspectives that reflect the many cultures in countries where we operate.

### ANTI-DISCRIMINATION

Ensuring the dignity and respect of every individual is a non-negotiable ethical mandate. Our commitment to creating a fair, equitable and supportive workplace is stated in our Diversity and Inclusion Policy, which establishes a zero-tolerance approach to any form of direct or indirect discrimination, bullying or harassment. This principle of non-discrimination is consistently applied throughout the entire employment lifecycle, from initial recruitment and professional development to promotions and leadership appointments. As an equal opportunity employer, we strictly prohibit discrimination against any employee or job applicant on the basis of race, religion, gender, age, sexual orientation, disabilities, nationality, cultural background or beliefs. We are also committed to equal pay for equal work and comply with local laws in this regard. This is also formally stated in our Diversity and Inclusion Policy.

Furthermore, this unwavering commitment extends beyond our internal operations and is applicable to our business partners and suppliers, who are expected to uphold similar standards of labour practices and human rights. We aim to create a culture that values differences in background and identity, encourages teamwork, flexibility and fairness and ensures respect for everyone. We aim to periodically review our business activities to ensure that we continue to be a well-balanced, diverse and multicultural organisation where people are always treated with respect and valued for their contributions without bias. This approach has enhanced workplace productivity and collaboration, which we deeply value as a Group.

**In 2025, there were  
ZERO CASES  
of discrimination reported,**  
reflecting our commitment to fostering an inclusive  
and respectful workplace environment.

**1,646**  
total workforce

**405**  
female

**1,241**  
male

### CREATING AN INCLUSIVE WORKPLACE

To further foster a safe and supportive work environment, we continue to provide tailored facilities and practices that enable employees to perform at their best. Across our divisions, we provide amenities such as prayer rooms and nursing rooms, and continue to enhance appropriate facilities, modify work arrangements, and provide retention support for employees who experience disabilities.

We also offer statutory leave entitlements, including annual, maternity and paternity leave, along with additional benefits such as study leave to support employees' personal and professional growth.

These initiatives reflect our commitments in valuing the unique skills and talents of every employee. Looking ahead, we will continue implementing inclusive practices and monitoring our initiatives to ensure all employees are supported to reach their full potential.

## TRAINING AND DEVELOPMENT

Across the Group, we believe that nurturing our people through professional and personal growth will foster greater success for all. During the year, a total of 14,795 hours of training was completed by our employees.

Key training programmes conducted in 2025 are as follows:

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Sustainability 101</b>                  | <p>An essential training programme across the Group designed to:</p> <ul style="list-style-type: none"> <li>• Communicate our sustainability strategy and goals</li> <li>• Provide an overview of sustainability and its importance to our business and employees</li> <li>• Enhance awareness and knowledge about sustainability among our employees</li> <li>• Equip employees with tools and resources to support sustainability initiatives</li> </ul>                                                                                                                                                                                                                                                      |
| <b>Navigating IFRS S1 and S2</b>           | <p>A training programme focused on:</p> <ul style="list-style-type: none"> <li>• Understanding the impact of the National Sustainability Reporting Framework (NSRF)</li> <li>• Covering the International Sustainability Standard Board (ISSB)'s IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures)</li> <li>• Addressing Bursa Malaysia's ESG reporting requirements</li> </ul>                                                                                                                                                                                                                                           |
| <b>Upskilling and Reskilling Programme</b> | <ul style="list-style-type: none"> <li>• RCI organised a Data Analysis, Visualisation, and Presentation Training aimed at strengthening employees' analytical thinking and communication skills. The session focused on equipping participants with practical tools to better interpret data and present findings effectively</li> <li>• Stenta has conducted multiple leadership and soft-skill development programmes. External training provided employees with industry-recognised certifications, specialised upskilling and exposure to evolving best practices in manufacturing, sustainability and regulatory compliance</li> </ul>                                                                     |
| <b>Social Compliance Training</b>          | <ul style="list-style-type: none"> <li>• Training on workplace standards, ethical practices and compliance with the labour laws</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Knowledge enhancement Training</b>      | <ul style="list-style-type: none"> <li>• Stenta, RCI and Bloxwich showed a strong focus in knowledge enhancement this year, particularly mandatory safety programmes, including OSHA-related training, emergency response, hygiene and food-safety awareness, and environment-related compliance modules in line with its operational and sustainability commitments</li> <li>• RCI conducted a Risk Assessment Training on May 2025 for key personnel from all departments. The training aimed to ensure compliance with the OSH Regulations and prepare for the upcoming Industry Code of Practice on OSH Risk Management, while reinforcing our commitment to employee safety, health and welfare</li> </ul> |



To nurture future generations and develop a strong talent pipeline, this year more than 50 students from public and private institutions successfully completed their internships across all divisions within the MFCB Group in a range of roles such as Accounting, Finance, Human Resources, Engineering and Computer Science. A key success story is the addition of two (2) new interns to the DSPC team who were DSPC Scholarship Programme recipients. Through these strategic programmes, we aim to nurture future talent, build a robust pipeline of skilled professionals and contribute significantly to the personal and professional development of young individuals.

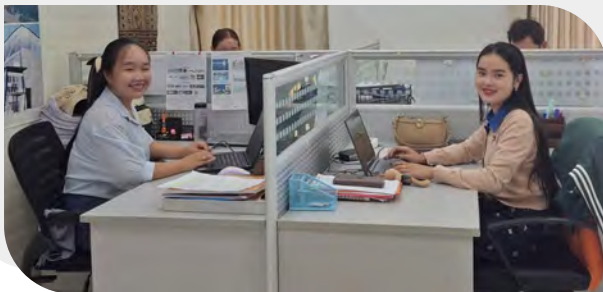


### DSPC Scholarship Students Join the Team!

The DSPC Scholarship Programme achieved a major milestone this year as two local recipients from the Khong District, Pingdao and Daoviphone, graduated from the National University of Laos and immediately joined the DSPC team as interns. This transition marks the successful culmination of our long-term investment in local talent, allowing these highly-skilled fresh graduates to bring their knowledge and passion back to the community that supported them. For both graduates, the scholarship was a pivotal, life-changing opportunity, eliminating financial barriers and allowing them to focus entirely on their studies and volunteer work.

Pingdao, an Environmental Management graduate, was motivated by a desire to address local environmental issues like waste and climate change. She actively volunteered during her university years, working with recycling banks and assisting in crucial Environmental Impact Assessment (EIA) projects. Now joining the DSPC Environmental team, she is excited to apply her expertise to ensure the company operates sustainably, generating positive impacts for the community. Similarly, Daoviphone, who completed her degree in Fisheries, expressed profound gratitude for the support, noting that without the scholarship, she would not have had the chance to pursue higher education.

Both young women are eager to begin their careers, viewing their new roles not just as jobs but as opportunities to contribute directly to the development of their home region. They shared a message for future scholars: to seize the opportunity, study diligently and fully dedicate themselves to learning, as the scholarship offers not just financial aid but a chance to build a brighter future for themselves and their communities.



## EMPLOYEE WELLNESS AND ENGAGEMENT

The proficiency and engagement of our workforce are critical drivers of the Group's long-term productivity and growth. We firmly believe that a supportive work environment, which actively promotes both employee wellness and a positive culture, is foundational to high performance and resilience. Our commitment to human capital management is centered on ensuring our team is competitively positioned within the market by providing fair, market-aligned compensation and comprehensive

benefits. This strategic approach is vital for attracting, retaining and motivating the diverse talent necessary to achieve our business objectives. We provide benefits to full-time employees including annual performance bonus, medical insurance coverage and personal accident insurance coverage.

We prioritise open and effective communication across the Group to empower our employees to make a positive impact both within the organisation and in their communities. Throughout 2025, we successfully utilised our quarterly corporate newsletter as a dedicated platform to keep employees informed about the latest sustainability updates and strategic developments across all divisions. Beyond promoting transparency and reinforcing our company culture, the newsletter delivered regular updates on our goals, achievements and key initiatives, ensuring every employee stayed informed and connected. To celebrate individual contributions, we included 'Employee Wellness and Engagement' sections, highlighting accomplishments and fostering a stronger sense of belonging and motivation within the Group.

To further support this, each division implements tailored employee engagement initiatives to ensure our workforce remains connected and supported.

## EMPLOYEE WELLNESS



### Stenta's New Gym

We believe that employee wellness is crucial for productivity and overall job satisfaction. With the recent completion of Stenta's new building, the company made a strategic investment to support the physical fitness of our staff. We purposefully included a modern, fully-equipped, on-site gym. This facility ensures that our employees have easy access to fitness resources, making it convenient to maintain a healthy lifestyle. To ensure maximum comfort and usability, the gym is also equipped with dedicated shower and changing rooms, encouraging employees to utilise the facility anytime.



### Wellness Days

Beyond facilities, our divisions actively promote health, safety and engagement through structured wellness campaigns. Stenta's Wellness Month, for instance, offered a comprehensive programme to support staff wellbeing, including key health and safety awareness sessions such as medical screenings, a drug awareness talk by AADK, talks on employee benefits under PERKESO schemes, and health talks by Mawar Medical Centre. In total, these activities engaged 314 participants. For team engagement and physical wellness, the campaign featured a Weight Loss Challenge with 62 participants, a Juice Day for 100 employees and stress-relieving on-site massage sessions. Furthermore, divisions like Bloxwich joined Stenta in organising voluntary initiatives, including successful blood donation drives that supported local healthcare needs, alongside on-site eye check-up initiatives to raise health awareness across the workforce.



### HIV Campaign in Champasak Province, Laos

The Don Sahong Power Company (DSPC), in collaboration with the Division of Public Health of Champasak Province, conducted an HIV awareness programme for site staff and the surrounding community. The session covered essential information on prevention, early detection and treatment. All 52 participants actively engaged in the programme and voluntarily underwent HIV blood testing, underscoring the success of this vital public health initiative.



## EMPLOYEE ENGAGEMENT



### Long Service Awards

Our Packaging Division organise initiatives to honour long-serving employees and celebrate their contributions. In 2025, Stenta organised an appreciation ceremony on 10 June to recognise employees who had completed more than five years of dedicated service. Such recognition programmes reflect our broader Group culture of valuing loyalty, fostering long-term career development, and strengthening employee engagement across our operations.



### Friendly Sports Competitions

Across the Group, we actively foster camaraderie and team spirit through various recreational competitions. From monthly pickle-ball games among Group HQ employees to regular sports nights such as badminton, futsal and bowling at RCI, employees had an opportunity to bond outside of work with colleagues. Additionally, Stenta's Kelab Kebajikan Rekreasi dan Sukan (KKRS) hosted a friendly bowling competition, recognising top players and promoting healthy competition across departments.



### Festive Celebrations

Embracing the rich and diverse cultural heritage of Malaysia, we celebrated numerous festive occasions across the Group with enthusiasm and unity. Throughout the year, we hosted inclusive celebration for National Day and major festivals, including Chinese New Year, Hari Raya, Deepavali and Christmas. These events served as crucial opportunities to honour traditions, bring employees together and cultivate a strong sense of community and belonging. The organisation of special gatherings and festive meals across the divisions played a key role in strengthening inter-departmental relationships and boosting overall team morale.



These efforts underscore our commitment to creating a sustainable and supportive workplace, aligned with our Group values.



## FAIR LABOUR AND HUMAN RIGHTS

MFCB is committed to respect and support the protection of internationally proclaimed human rights. Our Human Rights Policy is aligned with the UN Guiding Principles on Business and Human Rights and those contained within the International Bill of Human Rights. We strictly enforce a zero-tolerance policy against any form of unlawful discrimination or human rights violation. Our Human Rights Policy sets clear standards for our ethical conduct. This policy is comprehensive, ensuring equal employment opportunities for everyone and covering critical areas such as preventing forced labour, protecting children's rights and defending basic freedoms like movement and association. We share this policy with all new employees as well as external stakeholders, such as suppliers and business partners, and make it publicly available on our corporate website. The policy also covers our on-site security teams, who are vital for protecting our people and assets. We work closely with our security providers to make sure all personnel understand the limits and guidelines for security provision and human rights protection.

The Board has overall oversight of the Group's sustainability agenda and initiatives, including human rights. Ms. Goh Mei Sze (Executive Director and Board member) has oversight responsibility for human rights and has allocated day-to-day responsibilities to the respective sustainability representatives in each division. At Group level, the Group Sustainability Team is responsible for coordinating with the respective divisions on their progress and efforts with respect to human rights.

We proactively assess our human rights impacts on an on-going basis. Some of the potential salient, industry or business-specific human rights issues that have been identified include exploitation of foreign workers, excessive working hours, low wages and discrimination. The Group has put in place a number of actions to avoid, prevent and mitigate any potential human rights issues and are committed to engage with stakeholders to identify these issues and work with our Tier 1 suppliers to increase their awareness on human rights issues.

### FOREIGN WORKERS

The Group is committed to maximising local employment where possible. Over 61% of our total workforce is locally employed. However, due to the nature of our industries, we do hire a small percentage of foreign workers. As part of our commitment to ethical standards and fairness, we carefully manage human rights issues related to our foreign workforce. We enforce a firm policy that strictly bans the collection of any recruitment fees from foreign workers at any stage of the hiring process across all our global sites. This policy is essential for ensuring fair practices and completely eliminating the risk of exploiting foreign workers. We require all employees, business partners and suppliers to follow this zero-fee rule, reinforcing our dedication to respecting human rights throughout our business activities.

### WORKING HOURS

We prioritise employee well-being by promoting a healthy balance between work and personal life. The Group is committed to avoiding excessive working hours to protect employee health, maintain productivity and comply with all labour standards. Our approach involves setting up reasonable shift schedules that ensure manageable working hours, encouraging regular breaks and actively discouraging the misuse of overtime.

To offer more flexibility, Stenta continued their Flexible Work Arrangement (FWA) during the year. This gives employees more control over their schedules, with options to adjust working hours, change working days, and, where possible, choose their place of work. This progressive measure helps us maintain a supportive and productive work environment.

### FAIR WAGE

Our compensation strategy ensures financial security for all our staff. We consistently offer competitive and fair pay that is above the statutory minimum wage across every job level in the Group. This guarantees that all our employees earn a reasonable living wage based on the cost of living in their operating locations. We fully support the right to freedom of association and collective representation. In our Packaging and Resources Divisions, employees have the right to join established workers' unions and choose representatives for collective negotiations. In 2025, 15.5% of our workforce was covered by Collective Bargaining Agreements (slightly down from 16.6% in 2024). This minor change is due to an increase in new hires who are not union members and employees who choose not to join, as the Group's existing pay and benefit packages often match or exceed industry standards. Our commitment remains strong: ensuring fair and transparent working conditions for every employee, regardless of union status.

### INDIGENOUS RIGHTS

We formally recognise and respect the specific rights of indigenous communities in all our divisions. Currently, our operations are not situated on any indigenous lands. If we plan any future projects on indigenous lands, the Group is absolutely committed to respecting indigenous rights. This is done by engaging in thorough, timely consultation with traditional landowners to obtain their Free, Prior and Informed Consent (FPIC) before beginning any work.



## OCCUPATIONAL HEALTH AND SAFETY

Our commitment to providing a secure and healthy workplace is demonstrated through the rigorous application of best practices across the Group. We strictly adhere to the Occupational Health and Safety (OHS) Act, the Group's OHS Policy, and our comprehensive OHS Management System. These foundational documents guide our efforts to ensure a safe environment for all employees, supporting our target of achieving zero work-related injuries and illnesses.

Governance is maintained through dedicated OHS Committees and specific Standard Operating Procedures (SOPs) in each division for managing and reporting hazards. These committees, featuring representation from both management and employees, meet bi-monthly to review safety performance and encourage input from all levels. Our continuous training programme ensures all new hires receive comprehensive OHS orientation, while employees in high-risk areas like production and quarrying attend weekly OHS briefings to reinforce safety awareness and protocol adherence.

To systematically manage risk, our divisions utilise the Hazard Identification, Risk Assessment and Risk Control (HIRARC) methodology. Key employees receive specialised training to conduct thorough HIRARC assessments. The outcomes of these assessments are critical inputs for the OHS Committee meetings, where specific and actionable corrective measures are planned. We maintain an open culture of safety reporting, encouraging employees to voice concerns directly to managers or via an anonymous grievance mechanism, with specific training provided to managers on handling these reports professionally and without fear of reprisal.

**38%**  
of sites are  
**ISO45001 Certified\***

**770 employees**  
trained on health  
& safety standards

**1.85**  
lost time incident rate  
(per 200,000 man hours)

\*Coverage includes 13 sites where MFCB has operational control (RE, Packaging, Resources, Automotive and Food Security Divisions). Excludes JV/associate and non-operational control entities.

We enforce a stringent Incident Reporting Protocol. All incidents must be reported to the relevant managers or departments within 24 hours, followed by a formal Incident Investigation Report. Serious accidents that result in lost time are promptly reported to the Department of Occupational Safety and Health (DOSH) via the designated online system. A thorough investigation is then initiated for every incident, typically completed within one month, to pinpoint root causes and implement necessary corrective actions, such as enhanced training or physical site improvements. Our process includes continuous monitoring of these corrective measures to verify their effectiveness and initiate subsequent investigations should similar issues recur, ensuring ongoing improvement in our safety systems.

Our safety performance for the year confirms our dedication to protecting our workforce, as evidenced by zero fatalities among our employees. The Group's overall work-related injury rate stood at 1.85 per 200,000 man-hours, which involved 22 recorded incidents, predominantly affecting the extremities (hands and legs).

Several actions were initiated during the year to further improve our safety performance. These actions included focused training, reinforcement of site-specific safety rules, and higher levels of on-site supervisory oversight to ensure rigorous adherence to safety standards. We remain unreservedly committed to continually upgrading our safety measures to safeguard every person involved in our operations.

Key OHS programmes implemented by our divisions throughout the year include:



### Be Safe on the Road by Hexachase Packaging

In 2025, Hexachase Packaging launched a targeted safety campaign for our foreign workers who rely on bicycles as their primary mode of transport. Under the "Be Safe on the Road" initiative, high-visibility reflection stickers were installed on the bicycles of all foreign workers to mitigate the risks associated with night-time travel and low-light conditions.



### Noise Reduction Measures by Stenta

Stenta installed noise-absorbent foam and isolation panels at the Finishing-Small Slitter and feeding trench area to lower employees' exposure to excessive noise.



## EMPOWERING COMMUNITIES

At MFCB, our commitment extends beyond commercial success to fostering the collective well-being of the communities where we operate. We ensure our community investments are strategically aligned with our business objectives and values, creating meaningful, sustainable impacts that support both local development and our long-term growth. This is guided by our Community Investment Guideline which communicates our three key themes of our community investment strategy: education, infrastructure support and livelihood support. These themes ensure that our efforts are focused, meaningful and impactful and will contribute to the overall advancement in the quality of life of the communities we serve.

Throughout the year, divisions (100% of operational sites) actively implemented community development programmes, collectively investing a total of RM429,536 back into the communities we serve.

### EDUCATION

Youth education is a central pillar of our social responsibility efforts across all divisions, encompassing scholarships, internships, graduate placements and contributions in an effort to reduce youth unemployment. To maximise the effectiveness of our social contributions, we formalised our existing educational initiatives by establishing the comprehensive Group Internship, Management Trainee and Scholarship Guideline in December 2024. In 2025, we successfully executed these guidelines, leading to tangible results in talent development and community support.

This framework provides clear and consistent processes for student selection, programme management, support, outreach, application and divisional reporting. By formalising this structure, we ensure that our future efforts will have a stronger, more sustainable impact, enhancing opportunities and quality of life for deserving students.

Specifically, our Renewable Energy Division in Lao PDR (DSPC), actively addresses the physical and financial barriers to education faced by surrounding communities. Since the start of operations, DSPC has consistently provided financial aid and transportation services, including scholarships to underprivileged university students since 2016. Furthermore, to support continued access to education in nearby communities, DSPC provides transportation assistance to students. DSPC continues to finance a school bus service to transport 30 secondary school students from an affected village to a high school located over 60 km away, ensuring safe and regular attendance with all transportation costs fully covered by DSPC.

Don Phapheng Village, one of the nearby communities, has faced educational access challenges since the closure of its primary school in 2021 due to low student enrolment and a shortage of teachers. As the village is located on an island, 18 primary school students are required to cross the Phapheng Channel daily to attend school in a neighbouring village. To ensure uninterrupted access to primary education, DSPC supports the operation of a school boat by providing fuel for student transportation.

Meanwhile, the Packaging Division (Stenta) focuses on nurturing future workforce generations by providing industry exposure through internship opportunities for local university students, having hosted 34 internship students in 2025 and facilitating industrial visits and research projects. Across the Group, a total of 51 internships were completed in 2025.



**51 students**  
across the Group  
completed their internship  
in 2025

Our Resources Division focused on empowering youth through sports and ensuring schools have essential resources, collectively contributing RM8,500 to local schools for supporting sports events, curricular activities and crucial infrastructure upgrades.

#### • New Scholarship Award

For the academic year 2025–2026, DSPC provided scholarships to six (6) high school graduates from affected villages within the project area, enabling them to pursue higher education. This initiative aims to support students from local communities, helping them gain access to educational opportunities, build their skills and contribute positively to the development of their communities in the future.

#### • Scholarship Success at DSPC

We are proud to celebrate the academic achievements of two exceptional students from our scholarship programme who recently graduated and officially joined the DSPC team in Lao PDR in 2025. This journey underscores our commitment to investing in local talent who will drive our environmental and community sustainability goals. DSPC welcomed these two fresh graduates into our Environmental Department, where they will apply their specialised academic insights to support our operational sustainability and biodiversity monitoring. During their transition into the workforce, they have had the opportunity to observe our site standards first-hand, share their latest research findings with senior management and discuss collaborative ways to preserve the Mekong River ecosystem.



#### • AIESEC UTAR

In 2025, RCI continued its collaboration with AIESEC in UTAR (Kampar Campus) under a formal partnership arrangement dated 26 June 2025, with RM40,000 in sponsorship to support Malaysian youth volunteer programmes delivered across the June 2025–April 2026 partnership term. The collaboration is designed to strengthen SDG awareness, support youth employability through soft-skill development and enable the planning and delivery of community and CSR-related projects, while encouraging sustained volunteerism among Malaysian youths and RCI employees.



#### • Biomass Research Visit

Stenta welcomed two postgraduate students and two senior lecturers from Universiti Kebangsaan Malaysia (UKM) in July 2025 to learn more about Stenta's products to help with their research on turning biomass into useful materials for biomedical applications. During the visit, they shared their research ideas, observed how Stenta operates, learned about our sustainability efforts and discussed ways to work together to support a circular economy.



### INFRASTRUCTURE

Beyond education, our divisions have significantly improved the quality of life of nearby communities through key infrastructure and community support projects in 2025.

#### • Water Supply and Sanitation:

- ⊙ Following the construction of 92 household toilets in the previous year, DSPC completed the construction of 39 additional household toilets, which commenced operation in June 2025, bringing the total number of household toilets to 131 units.
- ⊙ Two major water supply systems were completed in June 2025, providing treated, clean water directly to all households in the area. The Don Sahong Village system provides a capacity of 120 m<sup>3</sup>/day and the Hua Sadam Village system provides 360 m<sup>3</sup>/day, supplying the Hua Sadam and Hang Sadam villages.



#### • Roads and Public Works:

- ⊙ DSPC repaired culverts damaged during the rainy season in Khong District, ensuring continued road use for transportation.
- ⊙ The division provided support to local authorities by supplying 35 m<sup>3</sup> of crushed rock for military office road construction and assisting with the construction of a new hall building within the prison compound.



#### Maintaining Road Access

Following a severely damaging rainy season that compromised essential road access, DSPC stepped in to fund and execute critical infrastructure repairs in the Khong District. Focusing on continuity and safety for local residents, DSPC prioritised the repair of several culverts crucial to maintaining the district's road network. The project was swiftly executed and officially completed on June 25, 2025. This timely intervention immediately restored safe and consistent road access, enabling residents of Khong Island to resume normal transportation and commerce. This restoration represents a vital investment in local resilience and underscoring DSPC's commitment to ensuring the fundamental infrastructure needs of its surrounding communities are met, particularly after natural disruptions.

### • Public and Cultural Preservation:

- ⊙ DSPC contributed to religious and cultural preservation by funding the construction of a new temple roof at Don Sahong Village, completed in May 2025.
- ⊙ In Pakse District, DSPC supported the creation of public green spaces for the construction and purchase of exercise equipment for the Houam Nam Chai Public Park, which was completed in March 2025 and opened in August 2025.



In Malaysia, the Resources Division also extended its community engagement by sponsoring a public address (PA) system for local school events. RCI also provided construction support through sponsorship for the *surau* construction work at Balai Polis Malim Nawar and contributed to the SJK(C) Bandar Seri Botani Fundraising Committee for the construction of a new hall and classrooms.

### LIVELIHOOD SUPPORT

DSPC continued its commitment to fostering economic independence among local villagers through the Revolving Fund Program. This programme successfully encouraged savings and supported livelihoods, culminating in a repayment rate of 80% from the six (6) participating villages in 2025. Subsequently, new funds were released to support 18 families in November 2025. In an effort to establish alternative, steady income streams, DSPC is actively working with the relevant offices of the Khong District to establish specialised production cooperatives. Plans are underway to finalise the establishment of a total of eight (8) processing cooperatives - six (6) fish, one (1) palm sugar and one (1) local whisky processing cooperative. These cooperatives will support around 142 families where we will help to provide equipment as well as financial and technical support.

In Malaysia, our divisions focused on supporting vulnerable groups. Hexachase contributed to the Welfare Home for the Mentally Disabled (*Rumah Orang Terencat Akal*). RCI focused on community support during festive periods, organising a Senior Citizens Programme and Savings for Children in conjunction with Chinese New Year 2025 to provide funding for senior citizens and savings for children.

## BUILDING A SUSTAINABLE AND ETHICAL BUSINESS

*We believe that transparent, ethical and accountable leadership is essential not only for compliance but for building long-term trust with our stakeholders and ensuring the resilience of our business.*

### OUR APPROACH

Our governance framework is designed to integrate sustainability into the core of our decision-making processes and uphold the highest standards of corporate ethics. The Board, supported by the Sustainability Executive Committee, sets the overall direction, ensuring that Environmental, Social and Governance (ESG) considerations are prioritised alongside financial performance.

We recognise that a resilient and responsible supply chain is essential to the Group's operations and long-term value creation. We are therefore committed to equipping our Tier 1 suppliers with appropriate information and guidance to support sustainable and ethical business practices.

In line with the revised goals, we have set a clear baseline target: all Tier 1 suppliers across our three (3) core Divisions will receive training and formally acknowledge our Responsible Sourcing Policy by 2030. This strengthens supplier governance, improves accountability and supports consistent standards across our supply chain.

### OUR TARGET

**All Tier 1 suppliers provided training and acknowledge Responsible Sourcing Policy by 2030\***

*\*Covering 3 core Divisions.*

## SUSTAINABLE PROCUREMENT

We recognise that our environmental and social impact extends beyond our direct operations and deep into our supply chain. Our Responsible Sourcing Policy guides our sourcing decisions, prioritising suppliers who share our commitment to ethical business practices, environmental stewardship and human rights. We communicate these expectations through supplier onboarding and ongoing engagement, and require our key suppliers to acknowledge the Policy.

### Supplier Engagement at Stenta

#### Supplier Performance Assessment

Conducted annual evaluations to review suppliers' quality, reliability, compliance and overall performance.

#### Sustainable Procurement

Suppliers of goods or services with sustainability requirements must provide valid certifications or declarations and complete a social responsibility questionnaire.

#### Acknowledgement of Best Practices

At Stenta, all suppliers engaged during the year acknowledged the company's best practices in business ethics, environmental management, occupational safety and health and food safety.

This year, we revised our sustainable supply chain target to focus on providing Tier 1 suppliers across our three (3) core divisions with training on our Responsible Sourcing Policy by 2030 and ensuring they acknowledge the Policy. This revised target reflects a more practical approach, and supersedes the previous sub-target to conduct internal audits of all higher-risk suppliers by 2025.

Accordingly, we continued to engage our Tier 1 suppliers and provided training to the majority of them across our three (3) core Divisions to support understanding and formal acknowledgement of MFCB's Responsible Sourcing Policy. We complement this with ongoing monitoring and follow-up, and maintain a zero-tolerance stance on critical breaches such as forced labour, bribery and corruption, with decisive action taken where issues are substantiated and not promptly addressed.

In addition, the Group is committed to local sourcing and in 2025, 72.5% of our procurement spending was directed toward local suppliers. This figure reflects an increase from the 60.9% recorded in 2024 due to proactive efforts to prioritise local vendors during the procurement process. We firmly believe that prioritising locally sourced products and services helps stimulate the local economy while building a low-carbon supply chain.

### OUR GROUP CORPORATE POLICIES

- Anti-Bribery and Corruption Policy
- Anti-Money Laundering Policy
- Biodiversity Policy
- Board Composition Policy
- Conflict of Interest Policy
- Directors' Fit and Proper Policy
- Diversity and Inclusion Policy
- Employees' Code of Conduct and Discipline
- Group Sustainability Policy
- Human Rights Policy
- Occupational Health and Safety Policy
- Policy on Nomination & Assessment Process of Board Members
- Remuneration Policy and Procedures for Directors and Senior Management
- Responsible Sourcing Policy
- Waste Management Policy
- Water Management Policy
- Whistle-Blowing Policy
- Rights of Shareholders

All Group corporate policies are available on MFCB's corporate website at [www.mega-first.com/corporategovernance](http://www.mega-first.com/corporategovernance).

## AN ETHICALLY RESPONSIBLE BUSINESS

We are steadfast in maintaining the highest standards of integrity and ethics in all our business dealings. The Board oversees our Employee Code of Conduct and Discipline which provides a clear framework for the professional behaviour expected of all Directors, employees, business partners and other third-party individuals and organisations. The policy is communicated to all internal and external stakeholders and reviewed periodically to assess the effectiveness. We also review compliance with the Code of Conduct regularly and have not identified any non-compliance.

We comply with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. Our Anti-Bribery and Corruption Policy is aligned with the ISO 37001:2016 Anti-Bribery Management Systems (ABMS) standard and applies to all employees, regardless of their roles, as well as third-party individuals and organisations such as customers and suppliers. We maintain a zero-tolerance position on bribery and corruption and also require our business partners to adhere to these ethical standards.

In 2025, we recorded zero incidents of bribery and corruption. There were also no significant instances of non-compliance with laws and regulations (i.e. fines exceeding RM100,000 or restrictions imposed). Additionally, we did not make any political contributions in any of the countries where we operate, which is aligned with our Group policy to maintain a strictly apolitical stance.

## ZERO INCIDENTS of corruption

### ABMS Surveillance Audit

Our dedication to ethical conduct and product excellence was demonstrated by RCI's successful completion of two key audits in 2025. In May 2025, RCI successfully completed the ISO 37001:2016 Anti-Bribery Management System (ABMS) Surveillance Audit. ABMS awareness training has been made mandatory at RCI, which highlights our commitment to integrity and a zero-tolerance stance on corruption.

## GRIEVANCE MECHANISMS AND REMEDIATION

MFCB maintains a formal, secure and confidential grievance mechanism governed by its Whistleblowing Policy which is available on the company website. This mechanism is explicitly accessible to internal and external stakeholders including employees, suppliers and the public to raise concerns regarding human rights issues and other suspected misconduct. The policy guarantees strict confidentiality and protection against retaliation for all whistleblowers.

Our Whistleblowing Policy outlines the mechanism for employees and external parties to report suspected misconduct, including fraud, corruption, human rights violations, or safety breaches. This Policy is administered by MFCB and its subsidiaries and is overseen by the Audit Committee (AC). In 2025, we continued to communicate these channels to all employees and suppliers to ensure they are aware of their right to speak up.

MFCB demonstrates its commitment to the principle of remedy by stating that all reports of non-compliance and human rights issues are thoroughly reviewed and appropriate corrective actions are taken to uphold accountability. This process ensures that any confirmed impacts caused or contributed by the company will be addressed and resolved to rectify the situation for the affected parties.

We offer multiple reporting channels, including a dedicated email address managed by our independent Audit Committee to ensure confidentiality and impartiality. Employees and other interested parties are able to report their concerns related to matters covered by the Company's Code of Conduct, legal issues, and accounting or audit matters through the following confidential channels:

- **Letters to:** (Private & Confidential - Do Not Open If Not the Addressee) Chairman of Audit Committee  
Mega First Corporation Berhad A-12-01, Level 12, Block A, PJ8 No. 23 Jalan Barat, Seksyen 8, 46050 Petaling Jaya
- **Email to:** Chairman of Audit Committee  
[auditcom-chairman@mega-first.com](mailto:auditcom-chairman@mega-first.com)

### Remediation Process:

1. **Receipt & Triage:** All reports are logged and assessed for credibility and severity.
2. **Investigation:** A fair and independent investigation is conducted for all valid reports.
3. **Action:** If misconduct is proven, appropriate disciplinary action is taken, up to and including dismissal or legal action.
4. **Remediation:** We are committed to remediation where we have caused or contributed to harm. This includes correcting the issue and implementing process improvements to prevent recurrence.

## INDUSTRY AND MEMBERSHIP ASSOCIATIONS

| No. | Organisation                                                   |
|-----|----------------------------------------------------------------|
| 1.  | Bangi Industry Administrative Association (BIAA)               |
| 2.  | Federation of Malaysian Manufacturers                          |
| 3.  | Honda Malaysia Suppliers Club (HMSC)                           |
| 4.  | Lao Association of Dams (LAD)                                  |
| 5.  | Malaysia External Trade Development Corporation (MATRADE)      |
| 6.  | Malaysian Automotive Component Parts Manufacturers (MACPMA)    |
| 7.  | Malaysian Employers Federation (MEF)                           |
| 8.  | Malaysian International Chamber of Commerce & Industry (MICCI) |
| 9.  | Malaysian Photovoltaic Industry Association (MPIA)             |
| 10. | Malaysian Plastic Manufacturer Association (MPMA)              |
| 11. | Perak Quarry Association                                       |
| 12. | Perodua Suppliers Association (P2SA)                           |
| 13. | Proton Malaysia Vendors Association (PVA)                      |
| 14. | Real Estate Housing and Development Association (REHDA)        |
| 15. | Registered Solar PV Investor (RPVI)                            |
| 16. | Sustainable Energy Development Authority (SEDA)                |
| 17. | Toyota Suppliers Club, Malaysia                                |

## GROUP PERFORMANCE DATA

Data is presented for the Group as a whole and includes all divisions unless otherwise stated. Division-level data is presented in the IFRS section for our three (3) core divisions: Renewable Energy, Resources and Packaging.

Please take note of the units in the table on the right used in this section.

| UNIT OF MEASURE                    | UNIT               |
|------------------------------------|--------------------|
| Metric tonnes of CO <sub>2</sub> e | tCO <sub>2</sub> e |
| Percentage                         | %                  |
| Cubic metres                       | m <sup>3</sup>     |
| Megawatt hours                     | MWh                |
| Number                             | No.                |
| Gigajoules                         | GJ                 |
| Kilometres                         | km                 |
| Metric tonnes                      | t                  |
| milligrams                         | mg                 |

## ENVIRONMENTAL<sup>1</sup>

|                                                          | UNIT                       | 2023         | 2024         | 2025          |
|----------------------------------------------------------|----------------------------|--------------|--------------|---------------|
| <b>Energy<sup>2</sup></b>                                |                            |              |              |               |
| Total energy consumption                                 | GJ                         | 1,954,155.25 | 2,038,929.78 | 2,028,572.67* |
| • Non-Renewable Energy Consumption                       | GJ                         | 1,918,815.83 | 1,996,785.63 | 1,989,345.75* |
| • Renewable Energy Consumption                           | GJ                         | 35,339.42    | 42,144.14    | 39,226.92*    |
| Total Electricity Production                             | MWh                        | 2,128,924.84 | 2,294,697.34 | 2,426,577.52* |
|                                                          | GJ                         | 7,664,129.43 | 8,260,910.43 | 8,735,679.08* |
| <b>Electricity Production by Energy Type<sup>3</sup></b> |                            |              |              |               |
| • Hydropower (sold)                                      | MWh                        | 2,082,874.23 | 2,238,577.17 | 2,365,590.87  |
|                                                          | GJ                         | 7,498,347.22 | 8,058,877.82 | 8,516,127.12  |
| • Hydropower (internal consumption)                      | MWh                        | 7,053.62     | 7,855.58     | 7,486.70*     |
|                                                          | GJ                         | 25,393.03    | 28,280.09    | 26,952.13*    |
| • Solar Power (sold)                                     | MWh                        | 28,231.32    | 34,322.49    | 39,088.12     |
|                                                          | GJ                         | 101,632.74   | 123,560.95   | 140,717.22    |
| • Solar Power (internal consumption) <sup>4</sup>        | MWh                        | 2,818.53     | 3,901.86     | 3,409.66*     |
|                                                          | GJ                         | 10,146.69    | 14,046.68    | 12,274.78*    |
| Revenue <sup>5</sup>                                     | RM bil.                    | 1.32         | 1.36*        | 1.37*         |
| Energy Intensity                                         | GJ/RM bil.                 | 1,480,420.64 | 1,499,213.07 | 1,480,709.98  |
| <b>Emissions<sup>6</sup></b>                             |                            |              |              |               |
| Total Absolute Emissions                                 | tCO <sub>2</sub> e         | 800,773.08   | 799,204.35   | 752,520.39    |
| Scope 1 <sup>2</sup>                                     | tCO <sub>2</sub> e         | 510,807.72   | 519,283.45   | 451,937.95    |
| Scope 2                                                  | tCO <sub>2</sub> e         | 52,275.94    | 53,014.78    | 56,303.22     |
| Scope 3 <sup>3</sup>                                     | tCO <sub>2</sub> e         | 237,689.42   | 226,906.12   | 244,279.22    |
| • Category 1:Purchased goods and services                | tCO <sub>2</sub> e         | 116,931.85   | 94,873.15    | 92,380.29     |
| • Category 4:Upstream transportation and distribution    | tCO <sub>2</sub> e         | 38,397.22    | 45,698.01    | 82,664.48     |
| • Category 5:Waste generated in operations               | tCO <sub>2</sub> e         | 763.20       | 985.35       | 942.61        |
| • Category 6:Business travel                             | tCO <sub>2</sub> e         | 508.12       | 507.44       | 376.95        |
| • Category 7:Employee Commuting                          | tCO <sub>2</sub> e         | 1,808.58     | 2,012.20     | 1,713.56      |
| • Category 9:Downstream transportation and distribution  | tCO <sub>2</sub> e         | 79,280.44    | 82,829.97    | 66,201.34     |
| Emissions Intensity                                      | tCO <sub>2</sub> e/RM bil. | 606,646.27   | 587,650.26   | 549,284.96    |

Note: Data marked with an asterisk (\*) have been audited by our Internal Audit team for our three (3) core Divisions (Renewable Energy, Resources and Packaging).

1 Environmental data for 2023 and 2024 covers six divisions and the headquarters of MFCB Group, excluding the Food Security Division in Malaysia. Data for 2025 has been expanded to include Food Security in Malaysia unless stated otherwise.

2 Energy for 2023 and 2024 data has been restated to incorporate specific density factors and Net Calorific Value within the conversion methodology to Gigajoules (GJ) with reference to GHG Protocol.

3 The sum of electricity sold and internal consumption are not equal total electricity production due to energy losses during transmission and distribution.

4 Solar electricity production for internal consumption in 2025 excludes generation from Stenta Films and Multifilms from Packaging Division where Renewable Energy Certificates (RECs) have been sold to third parties.

5 Revenue figures only include revenue recognised at a point in time from Energy Sales (Renewable and Non-renewable) and Sales of Goods. Please refer to Note 5 to the financial statements in MFCB's 2025 Integrated Annual Report.

Revenue for 2024 has been restated to align with the current reporting scope, including only revenue recognised at a point in time from Energy Sales and Sales of Goods.

6 GHG emissions data for 2023 and 2024 excludes the Food Security Division in Malaysia, as these entities were only acquired by the Group in mid-2024.

GHG emissions Scope 3 for 2025 exclude the Food Security Division in Malaysia due to limited data availability.

GHG emissions Scope 3 data for 2024 for the Food Security Division in covers only Category 6 (Business Travel) and Category 7 (Employee Commuting).

GHG emissions Scope 3 Category 1 are calculated using the spend-based method due to data limitations regarding activity-based metrics.

GHG emissions Scope 3 Category 7 data for 2025 for land commuting data is based on the 2024 survey, following the Group's three-year update cycle for this category. Air Travel data is updated annually to accurately reflect the foreign worker commuting to their home countries.

|                                                                                                      | UNIT              | 2023     | 2024     | 2025      |
|------------------------------------------------------------------------------------------------------|-------------------|----------|----------|-----------|
| <b>Air Quality<sup>7</sup></b>                                                                       |                   |          |          |           |
| Average Total Suspended Particles (TSP)                                                              | mg/m <sup>3</sup> | 28.70    | 25.10    | 25.10     |
| Average NOx emissions per kiln                                                                       | mg/m <sup>3</sup> | 118.40   | 145.20   | 148.82    |
| Average SOx emissions per kiln                                                                       | mg/m <sup>3</sup> | 4.40     | 1.30     | 1.30      |
| Average Volatile Organic Compounds (VOCs)                                                            | mg/m <sup>3</sup> | -        | -        | 101.20    |
| <b>Water and effluents<sup>5</sup></b>                                                               |                   |          |          |           |
| Total water withdrawal                                                                               | megalitres        | 178.38   | 196.91*  | 197.45*   |
| • Surface water                                                                                      | megalitres        | 1.20     | 8.12*    | 10.29*    |
| • Third-party water                                                                                  | megalitres        | 177.18   | 188.79*  | 187.17*   |
| Water withdrawal/consumption in water stressed regions                                               |                   | 0        | 0        | 0         |
| Number of facilities, assets, production, revenue in water-stressed regions                          |                   | 0        | 0        | 0         |
| Number of incidents of non-compliance with water quality/quantity permits, standards and regulations |                   | 0        | 0        | 0         |
| <b>Waste<sup>9</sup></b>                                                                             |                   |          |          |           |
| Total waste generated                                                                                | tonnes            | 7,526.21 | 8,241.72 | 10,480.29 |
| Waste generated intensity                                                                            | tonnes/RM bil.    | 5,701.67 | 6,060.09 | 7,649.85  |
| Waste to landfill Intensity                                                                          | tonnes/RM bil.    | 631.55   | 667.68   | 461.01    |
| Waste diverted from disposal (total)                                                                 | tonnes            | 6,692.56 | 7,333.68 | 9,848.72  |
| <b>Hazardous</b>                                                                                     |                   |          |          |           |
| Preparation for reuse                                                                                | tonnes            | 0        | 0        | 0         |
| Recycling                                                                                            | tonnes            | 0        | 11.68    | 306.65    |
| Others                                                                                               | tonnes            | 308.92   | 389.51   | 208.94    |
| <b>Non-hazardous</b>                                                                                 |                   |          |          |           |
| Preparation for reuse                                                                                | tonnes            | 4,244.67 | 4,796.30 | 3,594.52  |
| Recycling                                                                                            | tonnes            | 2,133.55 | 2,136.19 | 3,708.99  |
| Others                                                                                               | tonnes            | 5.42     | 0        | 2,029.62  |
| Waste directed to disposal (total)                                                                   | tonnes            | 833.65   | 908.04   | 631.58    |
| <b>Hazardous</b>                                                                                     |                   |          |          |           |
| Incineration (with energy recovery)                                                                  | tonnes            | 0        | 0        | 2.32      |
| Incineration (without energy recovery)                                                               | tonnes            | 0        | 0        | 0         |
| Landfilling                                                                                          | tonnes            | 0        | 0        | 0         |
| Other disposal operations                                                                            | tonnes            | 0        | 0        | 0         |
| <b>Non-hazardous</b>                                                                                 |                   |          |          |           |
| Incineration (with energy recovery)                                                                  | tonnes            | 0        | 0        | 0         |
| Incineration (without energy recovery)                                                               | tonnes            | 0        | 0        | 0         |
| Landfilling                                                                                          | tonnes            | 833.65   | 908.04   | 629.26    |
| Other disposal operations                                                                            | tonnes            | 0        | 0        | 0         |

<sup>7</sup> Average Total Suspended Particles (TSP) and Average SOx data for 2023, 2024, and 2025 only covers RCI from the Resources Division.

Average NOx emissions data for 2023 and 2024 only covers RCI from the Resources Division. For 2025, the reporting scope has been expanded to include Stenta Films and Multifilms from the Packaging Division.

Average VOC data is not available for 2023 and 2024. Data for 2025 only covers the Hexachase Group within the Packaging Division.

<sup>8</sup> Water withdrawal from surface water for 2024 has been restated to correct a calculation error in the previous methodology.

Water and effluents data in 2023 covers the three main Divisions: Renewable Energy, Resources and Packaging and Headquarters office.

Water and effluents data in 2024 do not include Food Security Division. For 2025, the reporting scope expanded to include Food Security Division in Malaysia.

<sup>9</sup> Waste data in 2023 covers the three main Divisions; Renewable Energy, Resources and Packaging and Headquarters office

Waste data in 2024 does not include Food Security Division. For 2025, the reporting scope expanded to include Food Security Division in Malaysia.

## SOCIAL

| WORKFORCE DATA      | 2023  |       | 2024  |      | 2025  |      |
|---------------------|-------|-------|-------|------|-------|------|
|                     | No.   | %     | No.   | %    | No.   | %    |
| Total workforce     | 1,268 | 100.0 | 1,664 | 100  | 1,646 | 100  |
| Male                | 976   | 77.0  | 1,267 | 76.1 | 1,241 | 75.4 |
| Female              | 292   | 23.0  | 397   | 23.9 | 405   | 24.6 |
| Malaysia            | 1,172 | 92.4  | 1,539 | 92.5 | 1,525 | 92.6 |
| Lao PDR             | 25    | 2.0   | 27    | 1.6  | 23    | 1.4  |
| Cambodia            | 71    | 5.6   | 98    | 5.9  | 98    | 6.0  |
| Permanent full-time | 1,268 | 100.0 | 1,663 | 99.9 | 1,619 | 98.4 |
| Male                | 976   | 77.0  | 1,266 | 76.1 | 1,224 | 74.4 |
| Female              | 292   | 23.0  | 397   | 23.8 | 395   | 24.0 |
| Malaysia            | 1,172 | 92.4  | 1,538 | 92.5 | 1,498 | 91.0 |
| Lao PDR             | 25    | 2.0   | 27    | 1.6  | 23    | 1.4  |
| Cambodia            | 71    | 5.6   | 98    | 5.9  | 98    | 6.0  |
| Permanent part-time | 0     | 0.0   | 1     | 0.1  | 0     | 0    |
| Male                | 0     | 0.0   | 1     | 0.1  | 0     | 0.0  |
| Female              | 0     | 0.0   | 0     | 0.0  | 0     | 0.0  |
| Malaysia            | 0     | 0.0   | 1     | 0.1  | 0     | 0.0  |
| Lao PDR             | 0     | 0.0   | 0     | 0.0  | 0     | 0.0  |
| Cambodia            | 0     | 0.0   | 0     | 0.0  | 0     | 0.0  |
| Temporary           | 0     | 0.0   | 0     | 0.0  | 27    | 1.6  |
| Male                | 0     | 0.0   | 0     | 0.0  | 17    | 1.0  |
| Female              | 0     | 0.0   | 0     | 0.0  | 10    | 0.6  |
| Malaysia            | 0     | 0.0   | 0     | 0.0  | 27    | 1.6  |
| Lao PDR             | 0     | 0.0   | 0     | 0.0  | 0     | 0.0  |
| Cambodia            | 0     | 0.0   | 0     | 0.0  | 0     | 0.0  |

| WORKERS WHO ARE NOT EMPLOYEES | 2023 | 2024 | 2025 |
|-------------------------------|------|------|------|
| Direct engagement             | 110  | 119  | 115  |
| Indirect engagement           | 687  | 518  | 551  |
| Total                         | 797  | 637  | 666  |

| GOVERNANCE BODIES AND<br>EMPLOYEE DIVERSITY DATA | 2023  |       | 2024  |       | 2025  |       |
|--------------------------------------------------|-------|-------|-------|-------|-------|-------|
|                                                  | No.   | %     | No.   | %     | No.   | %     |
| Board members                                    | 12    | 100.0 | 12    | 100.0 | 10    | 100.0 |
| Male                                             | 9     | 75.0  | 9     | 75.0  | 7     | 70.0  |
| Female                                           | 3     | 25.0  | 3     | 25.0  | 3     | 30.0  |
| Aged <30 years                                   | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Aged 30-50 years                                 | 1     | 8.3   | 1     | 8.3   | 1     | 10.0  |
| Aged >50 years                                   | 11    | 91.7  | 11    | 91.7  | 9     | 90.0  |
| Senior Management                                | 15    | 100.0 | 18    | 100.0 | 15    | 100.0 |
| Male                                             | 14    | 93.3  | 17    | 94.4  | 14    | 93.3  |
| Female                                           | 1     | 6.7   | 1     | 5.6   | 1     | 6.7   |
| Aged <30 years                                   | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Aged 30-50 years                                 | 3     | 20.0  | 3     | 16.7  | 2     | 13.3  |
| Aged >50 years                                   | 12    | 80.0  | 15    | 83.3  | 13    | 86.7  |
| Chinese                                          | 15    | 100.0 | 18    | 100.0 | 15    | 100.0 |
| Malay                                            | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Indian                                           | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Others (National or Ethnic)                      | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Others (Person with disabilities)                | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Management                                       | 115   | 100.0 | 137   | 100.0 | 144   | 100.0 |
| Male                                             | 74    | 64.3  | 87    | 63.5  | 94    | 65.3  |
| Female                                           | 41    | 35.7  | 50    | 36.5  | 50    | 34.7  |
| Aged <30 years                                   | 7     | 6.1   | 4     | 2.9   | 1     | 0.7   |
| Aged 30-50 years                                 | 72    | 62.6  | 92    | 67.2  | 97    | 67.4  |
| Aged >50 years                                   | 36    | 31.3  | 41    | 29.9  | 46    | 31.9  |
| Chinese                                          | 76    | 66.1  | 96    | 70.1  | 103   | 71.5  |
| Malay                                            | 24    | 20.9  | 27    | 19.7  | 30    | 20.8  |
| Indian                                           | 8     | 7.0   | 8     | 5.8   | 7     | 4.9   |
| Others (National or Ethnic)                      | 7     | 6.1   | 6     | 4.4   | 4     | 2.8   |
| Others (Person with disabilities)                | 0     | 0.0   | 0     | 0.0   | 1     | 0.7   |
| Executive                                        | 207   | 100.0 | 269   | 100.0 | 249   | 100.0 |
| Male                                             | 118   | 57.0  | 147   | 54.6  | 126   | 50.6  |
| Female                                           | 89    | 43.0  | 122   | 45.4  | 123   | 49.4  |
| Aged <30 years                                   | 64    | 30.9  | 96    | 35.7  | 85    | 34.1  |
| Aged 30-50 years                                 | 119   | 57.5  | 143   | 53.2  | 132   | 53.0  |
| Aged >50 years                                   | 24    | 11.6  | 30    | 11.2  | 32    | 12.9  |
| Chinese                                          | 85    | 41.1  | 121   | 45.0  | 100   | 40.2  |
| Malay                                            | 99    | 47.8  | 125   | 46.5  | 121   | 48.6  |
| Indian                                           | 11    | 5.3   | 9     | 3.3   | 9     | 3.6   |
| Others (National or Ethnic)                      | 12    | 5.8   | 14    | 5.2   | 19    | 7.6   |
| Others (Person with disabilities)                | 0     | 0.0   | 0     | 0.0   | 0     | 0.0   |
| Non-Executive                                    | 931   | 100.0 | 1,240 | 100.0 | 1,238 | 100.0 |
| Male                                             | 770   | 82.7  | 1,016 | 81.9  | 1,007 | 81.3  |
| Female                                           | 161   | 17.3  | 224   | 18.1  | 231   | 18.7  |
| Aged <30 years                                   | 484   | 52.0  | 584   | 47.1  | 546   | 44.1  |
| Aged 30-50 years                                 | 402   | 43.2  | 565   | 45.6  | 599   | 48.4  |
| Aged >50 years                                   | 45    | 4.8   | 91    | 7.3   | 93    | 7.5   |
| Chinese                                          | 37    | 4.0   | 64    | 5.2   | 60    | 4.8   |
| Malay                                            | 392   | 42.1  | 478   | 38.5  | 504   | 40.7  |
| Indian                                           | 31    | 3.3   | 50    | 4.0   | 46    | 3.7   |
| Others (National or Ethnic)                      | 471   | 50.6  | 648   | 52.3  | 628   | 50.7  |
| Others (Person with disabilities)                | 0     | 0.0   | 0     | 0.0   | 4     | 0.3   |
| GROUP TOTAL                                      | 1,268 | 100.0 | 1,664 | 100.0 | 1,646 | 100   |

| RATIO OF AVERAGE TOTAL REMUNERATION<br>OF MALE TO FEMALE | 2023   | 2024   | 2025   |
|----------------------------------------------------------|--------|--------|--------|
|                                                          | Ratio  | Ratio  | Ratio  |
| <b>Senior Management</b>                                 |        |        |        |
| Malaysia                                                 | 0.92:1 | 0.85:1 | 0.76:1 |
| Lao PDR                                                  | N/A    | N/A    | N/A    |
| Cambodia                                                 | N/A    | N/A    | N/A    |
| <b>Management</b>                                        |        |        |        |
| Malaysia                                                 | 1.39:1 | 1.30:1 | 1.07:1 |
| Lao PDR                                                  | 2.64:1 | 2.72:1 | N/A    |
| Cambodia                                                 | N/A    | N/A    | N/A    |
| <b>Executive</b>                                         |        |        |        |
| Malaysia                                                 | 1.33:1 | 1.35:1 | 1.33:1 |
| Lao PDR                                                  | 1.31:1 | 1.54:1 | 1.46:1 |
| Cambodia                                                 | N/A    | N/A    | N/A    |
| <b>Non-Executive</b>                                     |        |        |        |
| Malaysia                                                 | 1.27:1 | 1.23:1 | 1.35:1 |
| Lao PDR                                                  | 2.43:1 | 1.92:1 | 1.71:1 |
| Cambodia                                                 | N/A    | 0.82:1 | 0.93:1 |

| NEW EMPLOYEE HIRES | 2023       |             | 2024       |             | 2025       |             |
|--------------------|------------|-------------|------------|-------------|------------|-------------|
|                    | No.        | Rate (%)    | No.        | Rate (%)    | No.        | Rate (%)    |
| <b>Gender</b>      |            |             |            |             |            |             |
| Male               | 256        | 30.1        | 198        | 15.8        | 292        | 23.0        |
| Female             | 69         | 26.8        | 80         | 22.0        | 100        | 25.2        |
| <b>Age Group</b>   |            |             |            |             |            |             |
| Aged <30 years     | 218        | 43.8        | 179        | 26.9        | 251        | 36.7        |
| Aged 30-50 years   | 101        | 20.0        | 90         | 11.6        | 124        | 15.4        |
| Aged >50 years     | 6          | 5.7         | 9          | 5.2         | 17         | 9.6         |
| <b>Region</b>      |            |             |            |             |            |             |
| Malaysia           | 293        | 26.4        | 239        | 14.8        | 364        | 21.9        |
| Lao PDR            | 1          | 0.1         | 2          | 0.1         | 3          | 0.2         |
| Cambodia           | 31         | 2.8         | 37         | 2.3         | 25         | 1.5         |
| <b>TOTAL</b>       | <b>325</b> | <b>29.3</b> | <b>278</b> | <b>17.2</b> | <b>392</b> | <b>23.6</b> |

|                          | 2023       |                        | 2024       |                        | 2025       |                        |
|--------------------------|------------|------------------------|------------|------------------------|------------|------------------------|
|                          | No.        | Rate (%) <sup>10</sup> | No.        | Rate (%) <sup>10</sup> | No.        | Rate (%) <sup>10</sup> |
| <b>EMPLOYEE TURNOVER</b> |            |                        |            |                        |            |                        |
| <b>Gender</b>            |            |                        |            |                        |            |                        |
| Male                     | 111        | 13.0                   | 218        | 17.4                   | 297        | 23.4                   |
| Female                   | 32         | 12.5                   | 53         | 14.6                   | 92         | 23.2                   |
| <b>Age Group</b>         |            |                        |            |                        |            |                        |
| Aged <30 years           | 81         | 16.3                   | 100        | 15.0                   | 208        | 30.4                   |
| Aged 30-50 years         | 48         | 9.5                    | 157        | 20.2                   | 157        | 19.6                   |
| Aged >50 years           | 14         | 13.3                   | 14         | 8.1                    | 24         | 13.6                   |
| <b>Region</b>            |            |                        |            |                        |            |                        |
| Malaysia                 | 125        | 11.3                   | 261        | 16.2                   | 360        | 21.6                   |
| Lao PDR                  | 1          | 0.1                    | 0          | 0.0                    | 4          | 0.2                    |
| Cambodia                 | 17         | 1.5                    | 10         | 0.6                    | 25         | 1.5                    |
| <b>TOTAL</b>             | <b>143</b> | <b>12.9</b>            | <b>271</b> | <b>8.1</b>             | <b>389</b> | <b>23.4</b>            |

<sup>10</sup> Rate of turnover by category is calculated by dividing the turnover by the total number of employees of the company as at 1 January of the year.

| <b>BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES</b> | <b>Full-time</b> | <b>Temporary/ Part-time</b> |
|-----------------------------------------------------------------------------------------------------------|------------------|-----------------------------|
| Healthcare / Medical Benefit                                                                              | ✓                | ✗                           |
| Group Personal Accident Insurance                                                                         | ✓                | ✗                           |
| Hospitalisation and Surgical Insurance                                                                    | ✓                | ✗                           |
| Parental Leave                                                                                            | ✓                | ✗                           |

|                                                                                                                                   | 2023 |       |        |      |       |       | 2024  |       |        |      |       |       | 2025  |       |        |       |       |       |
|-----------------------------------------------------------------------------------------------------------------------------------|------|-------|--------|------|-------|-------|-------|-------|--------|------|-------|-------|-------|-------|--------|-------|-------|-------|
|                                                                                                                                   | Male |       | Female |      | Total |       | Male  |       | Female |      | Total |       | Male  |       | Female |       | Total |       |
|                                                                                                                                   | No.  | %     | No.    | %    | No.   | %     | No.   | %     | No.    | %    | No.   | %     | No.   | %     | No.    | %     | No.   | %     |
| <b>PARENTAL LEAVE</b>                                                                                                             |      |       |        |      |       |       |       |       |        |      |       |       |       |       |        |       |       |       |
| Number of employees entitled to parental leave                                                                                    | 976  | 77.0  | 292    | 23.0 | 1,268 | 100.0 | 1,267 | 76.1  | 397    | 23.9 | 1,664 | 100.0 | 1,241 | 75.4  | 405    | 24.6  | 1,646 | 100.0 |
| Number of employees who took parental leave                                                                                       | 1    | 0.1   | 9      | 3.1  | 10    | 0.8   | 38    | 3.0   | 25     | 6.3  | 63    | 3.8   | 30    | 2.4   | 16     | 4.0   | 46    | 2.8   |
| Number of employees who returned to work after parental leave ended                                                               | 1    | 100.0 | 7      | 77.8 | 8     | 80.0  | 38    | 100.0 | 22     | 88.0 | 60    | 95.2  | 30    | 100.0 | 16     | 100.0 | 46    | 100.0 |
| Number of employees who returned to work after parental leave ended and were still employees 12 months after their return to work | 1    | 100.0 | 0      | 0.0  | 1     | 12.5  | 36    | 94.7  | 11     | 44.0 | 47    | 78.3  | 25    | 83.3  | 12     | 75.0  | 37    | 80.4  |

| <b>PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|---------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| <b>Gender</b>                                                                               |             |             |             |
| Male                                                                                        | 100%        | 100%        | 100%        |
| Female                                                                                      | 100%        | 100%        | 100%        |
| <b>Employment Category</b>                                                                  |             |             |             |
| Senior management                                                                           | 100%        | 100%        | 100%        |
| Management                                                                                  | 100%        | 100%        | 100%        |
| Executive                                                                                   | 100%        | 100%        | 100%        |
| Non-Executive                                                                               | 100%        | 100%        | 100%        |

| <b>AVERAGE HOURS OF TRAINING PER YEAR<br/>PER EMPLOYEE BY GENDER AND<br/>EMPLOYMENT CATEGORY</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|--------------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| <b>Gender</b>                                                                                    |             |             |             |
| Male                                                                                             | 9.8         | 9.2         | 7.3         |
| Female                                                                                           | 15.9        | 14.2        | 14.3        |
| <b>Employment category</b>                                                                       |             |             |             |
| Senior management                                                                                | 3.1         | 0.4         | 5.6         |
| Management                                                                                       | 21.4        | 23.6        | 20.7        |
| Executive                                                                                        | 24.6        | 25.8        | 24.2        |
| Non-Executive                                                                                    | 6.6         | 5.7         | 4.6         |

| <b>TOTAL HOURS OF TRAINING PER YEAR<br/>BY EMPLOYMENT CATEGORY</b> | <b>2023</b>      | <b>2024</b>      | <b>2025</b>      |
|--------------------------------------------------------------------|------------------|------------------|------------------|
| <b>Employment category</b>                                         |                  |                  |                  |
| Senior management                                                  | 48.00            | 7.00             | 84.00            |
| Management                                                         | 3,010.50         | 3,235.00         | 2,984.50         |
| Executive                                                          | 5,074.60         | 6,953.50         | 6,019.00         |
| Non-Executive                                                      | 6,116.10         | 7,048.50         | 5,707.50         |
| <b>TOTAL</b>                                                       | <b>14,249.20</b> | <b>17,244.00</b> | <b>14,795.00</b> |

| <b>NUMBER OF EMPLOYEES TRAINED<br/>ON HEALTH AND SAFETY STANDARDS</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-----------------------------------------------------------------------|-------------|-------------|-------------|
| Number of employees trained on health and safety standards            | 520         | 523*        | 770*        |

| <b>WORK-RELATED INJURIES<sup>11</sup></b>                                                               | <b>2023</b>      | <b>2024</b>       | <b>2025</b>          |
|---------------------------------------------------------------------------------------------------------|------------------|-------------------|----------------------|
| <b>All Employees</b>                                                                                    |                  |                   |                      |
| <b>Fatalities as a result of work-related injury</b>                                                    |                  |                   |                      |
| Number                                                                                                  | 0                | 0*                | 0*                   |
| Rate <sup>12</sup>                                                                                      | 0                | 0*                | 0*                   |
| <b>High-consequence work-related injuries</b>                                                           |                  |                   |                      |
| Number                                                                                                  | 0                | 0*                | 0*                   |
| Rate <sup>12</sup>                                                                                      | 0                | 0*                | 0*                   |
| <b>Recordable work-related injuries</b>                                                                 |                  |                   |                      |
| Number                                                                                                  | 12               | 13*               | 22*                  |
| Rate <sup>12</sup>                                                                                      | 0.98             | 1.01*             | 1.85*                |
| <b>Lost Time Incident Rate</b>                                                                          | <b>0.98</b>      | <b>1.01*</b>      | <b>1.85*</b>         |
| <b>Number of hours worked</b>                                                                           | <b>2,444,122</b> | <b>2,572,509*</b> | <b>2,373,618.44*</b> |
| <b>Workers who are not employees but whose work and /or workplace is controlled by the organisation</b> |                  |                   |                      |
| <b>Fatalities as a result of work-related injury</b>                                                    |                  |                   |                      |
| Number                                                                                                  | 0                | 0*                | 0*                   |
| Rate <sup>12</sup>                                                                                      | 0                | 0*                | 0*                   |
| <b>High-consequence work-related injuries</b>                                                           |                  |                   |                      |
| Number                                                                                                  | 0                | 0*                | 0*                   |
| Rate <sup>12</sup>                                                                                      | 0                | 0*                | 0*                   |
| <b>Recordable work-related injuries</b>                                                                 |                  |                   |                      |
| Number                                                                                                  | 0                | 0*                | 0*                   |
| Rate <sup>12</sup>                                                                                      | 0                | 0*                | 0*                   |

<sup>11</sup> Work Related Injuries data for 2024 exclude Food Security Division.

<sup>12</sup> All injury rates calculated based on 200,000 hours worked.

| WORK-RELATED ILL HEALTH <sup>13</sup>                                                            | 2023               | 2024 | 2025 |    |
|--------------------------------------------------------------------------------------------------|--------------------|------|------|----|
| All Employees                                                                                    |                    |      |      |    |
| Number of fatalities as a result of work-related ill health                                      | 0                  | 0    | 0*   |    |
| Number of cases of recordable work-related ill health                                            | 4                  | 0    | 0*   |    |
| Main types of work-related ill health                                                            | Hearing impairment |      | 0    | 0* |
| Workers who are not employees but whose work and /or workplace is controlled by the organisation |                    |      |      |    |
| Number of fatalities as a result of work-related ill health                                      | 0                  | 0    | 0*   |    |
| Number of cases of recordable work-related ill health                                            | 0                  | 0    | 0*   |    |

13 Work related ill health data for 2024 exclude Resources and Food Security Division.

| <b>COMMUNITY INVESTMENT<sup>14</sup></b>                       | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|----------------------------------------------------------------|-------------|-------------|-------------|
| Amount invested in community projects (RM)                     | 1,802,638   | 542,526*    | 429,536*    |
| Total number of beneficiaries of the investment in communities | 8,742       | 186,340*    | 201,099*    |

14 Community Investment data for 2024 exclude Food Security Division and Hexachase Labels from Packaging Division.

| <b>SUPPLY CHAIN MANAGEMENT</b>                | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-----------------------------------------------|-------------|-------------|-------------|
| Proportion of spending on local suppliers (%) | 49.8        | 60.9*       | 72.5*       |

## GOVERNANCE

| <b>OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION</b>            | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-----------------------------------------------------------------------|-------------|-------------|-------------|
| Percentage of operations assessed for risks related to corruption (%) | 27          | 20*         | 20*         |

| <b>COMMUNICATION ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES</b> | <b>2023</b> |             | <b>2024</b> |             | <b>2025</b> |             |
|--------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                                                    | <b>No.</b>  | <b>%</b>    | <b>No.</b>  | <b>%</b>    | <b>No.</b>  | <b>%</b>    |
| Board Members                                                      | -           | -           | -           | -           | -           | -           |
| Senior management                                                  | 1           | 6.7         | 1*          | 5.6         | 6*          | 40.0        |
| Management                                                         | 44          | 38.3        | 43*         | 31.4        | 68*         | 47.2        |
| Executive                                                          | 116         | 56.0        | 105*        | 39.0        | 126*        | 52.6        |
| Non-Executive                                                      | 353         | 37.9        | 378*        | 30.5        | 385*        | 33.8        |
| <b>Total number of employees receiving communication</b>           | <b>514</b>  | <b>40.5</b> | <b>527*</b> | <b>31.7</b> | <b>585*</b> | <b>37.9</b> |
| Business Partner <sup>15</sup>                                     | 472         | 88.6        | 460         | 100.0       | 490         | 93.0        |

15 Only Stenta communicated about anti-corruption policies and procedures to its business partner

| TRAINING ABOUT ANTI-CORRUPTION POLICIES AND PROCEDURES | 2023       |             | 2024      |            | 2025       |             |
|--------------------------------------------------------|------------|-------------|-----------|------------|------------|-------------|
|                                                        | No.        | %           | No.       | %          | No.        | %           |
| Board Members                                          | -          | -           | -         | -          | -          | -           |
| Senior management                                      | 1          | 6.7         | 0         | 0.0        | 5          | 33.3        |
| Management                                             | 29         | 25.2        | 24        | 17.5       | 35         | 24.3        |
| Executive                                              | 40         | 19.3        | 22        | 8.2        | 47         | 18.9        |
| Non-Executive                                          | 127        | 13.6        | 16        | 1.3        | 148        | 12.0        |
| <b>Total number of employees trained</b>               | <b>197</b> | <b>15.5</b> | <b>62</b> | <b>3.7</b> | <b>235</b> | <b>14.3</b> |
| Business Partner                                       | -          | -           | -         | -          | -          | -           |

| INCIDENTS, COMPLAINTS AND NON-COMPLIANCE                                                                                                                                      | 2023 | 2024 | 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|------|
|                                                                                                                                                                               |      |      |      |
| Confirmed incidents of corruption and action taken                                                                                                                            | 0    | 0    | 0    |
| Confirmed incidents of non-compliance with laws and regulations                                                                                                               | 0    | 0    | 1    |
| Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices                                                                                              | 0    | 0    | 0    |
| Total number of substantiated complaints received concerning breaches of customer privacy categorised by:                                                                     | 0    | 0    | 0    |
| <ul style="list-style-type: none"> <li>complaints received from outside parties and substantiated by the organisation;</li> <li>complaints from regulatory bodies.</li> </ul> |      |      |      |
| Total number of identified leaks, thefts, or losses of customer data                                                                                                          | 0    | 0    | 0    |
| Total number of substantiated complaints concerning human rights violations                                                                                                   | 0    | 0    | 0    |

## GRI INDEX

| DISCLOSURE                       | DESCRIPTION                                                                 | WHERE IT CAN BE FOUND                                                                                                                                                                                      | PAGE  | OMISSIONS                                                                                                                                         |
|----------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 2: GENERAL DISCLOSURES       |                                                                             |                                                                                                                                                                                                            |       |                                                                                                                                                   |
| 2-1                              | Organisational Details                                                      | Please refer to our 2025 Integrated Annual Report – Who We Are/ What We Do                                                                                                                                 |       |                                                                                                                                                   |
| 2-2                              | Entities included in the organisation's sustainability reporting            | Please refer to our 2025 Integrated Annual Report – Basis of This Report                                                                                                                                   |       |                                                                                                                                                   |
| 2-3                              | Reporting period, frequency and contact point                               | Please refer to our 2025 Integrated Annual Report – Basis of This Report                                                                                                                                   |       |                                                                                                                                                   |
| 2-4                              | Restatements of information                                                 | Please refer to our 2025 Integrated Annual Report – Basis of This Report                                                                                                                                   |       |                                                                                                                                                   |
| 2-5                              | External assurance                                                          | Please refer to our 2025 Integrated Annual Report – Basis of This Report                                                                                                                                   |       |                                                                                                                                                   |
| 2-6                              | Activities, value chain and other business relationships                    | Please refer to our 2025 Integrated Annual Report – Who We Are/ What We Do                                                                                                                                 |       |                                                                                                                                                   |
| 2-7                              | Employees                                                                   | Group Performance Data                                                                                                                                                                                     | 35-40 |                                                                                                                                                   |
| 2-8                              | Workers who are not employees                                               | Group Performance Data                                                                                                                                                                                     | 35-40 |                                                                                                                                                   |
| GOVERNANCE                       |                                                                             |                                                                                                                                                                                                            |       |                                                                                                                                                   |
| 2-9                              | Governance structure and composition                                        | Please refer to our 2025 Integrated Annual Report – Corporate Governance Overview Statement                                                                                                                |       |                                                                                                                                                   |
| 2-10                             | Nomination and selection of the highest governance body                     | Please refer to our Policy on Nomination and Assessment of Board Members ( <a href="http://www.mega-first.com/corporate-governance">http://www.mega-first.com/corporate-governance</a> )                   |       |                                                                                                                                                   |
| 2-11                             | Chair of the highest governance body                                        | Please refer to our 2025 Integrated Annual Report – Corporate Governance Overview Statement                                                                                                                |       |                                                                                                                                                   |
| 2-12                             | Role of the highest governance body in overseeing the management of impacts | Please refer to our 2025 Integrated Annual Report – Corporate Governance Overview Statement                                                                                                                |       |                                                                                                                                                   |
| 2-13                             | Delegation of responsibility for managing impacts                           | Please refer to our 2025 Integrated Annual Report - ISSB Sustainability Statement                                                                                                                          |       |                                                                                                                                                   |
| 2-14                             | Role of the highest governance body in sustainability reporting             | Please refer to our 2025 Integrated Annual Report - ISSB Sustainability Statement                                                                                                                          |       |                                                                                                                                                   |
| 2-15                             | Conflicts of interest                                                       | Please refer to our 2025 Integrated Annual Report – Corporate Governance Overview Statement                                                                                                                |       |                                                                                                                                                   |
| 2-16                             | Communication of critical concerns                                          | Please refer to our 2025 Integrated Annual Report - ISSB Sustainability Statement                                                                                                                          |       | b. report the total number and the nature of critical concerns that were communicated to the highest governance body during the reporting period. |
| 2-17                             | Collective knowledge of the highest governance body                         | Please refer to our 2025 Integrated Annual Report – Corporate Governance Overview Statement                                                                                                                |       |                                                                                                                                                   |
| 2-18                             | Evaluation of the performance of the highest governance body                | Please refer to our 2025 Integrated Annual Report – Corporate Governance Overview Statement                                                                                                                |       |                                                                                                                                                   |
| 2-19                             | Remuneration policies                                                       | Please refer to our Remuneration Policy and Procedures for Directors and Senior Management ( <a href="http://www.mega-first.com/corporate-governance">http://www.mega-first.com/corporate-governance</a> ) |       |                                                                                                                                                   |
| 2-20                             | Process to determine remuneration                                           |                                                                                                                                                                                                            |       |                                                                                                                                                   |
| STRATEGY, POLICIES AND PRACTICES |                                                                             |                                                                                                                                                                                                            |       |                                                                                                                                                   |
| 2-22                             | Statement on sustainable development strategy                               | Please refer to our 2025 Integrated Annual Report – Executive Chairman Statement                                                                                                                           |       |                                                                                                                                                   |
| 2-23                             | Policy commitments                                                          | Building a sustainable and ethical business                                                                                                                                                                | 30-31 |                                                                                                                                                   |
| 2-24                             | Embedding policy commitments                                                | Building a sustainable and ethical business                                                                                                                                                                | 30-31 |                                                                                                                                                   |
| 2-25                             | Processes to remediate negative impacts                                     | Enhancing livelihoods and inspiring our people; Building a sustainable and ethical business                                                                                                                | 20-31 |                                                                                                                                                   |
| 2-26                             | Mechanisms for seeking advice and raising concerns                          | Enhancing livelihoods and inspiring our people; Building a sustainable and ethical business                                                                                                                | 20-31 |                                                                                                                                                   |
| 2-27                             | Compliance with laws and regulations                                        | Promoting environmental sustainability, Enhancing livelihoods and inspiring our people, Building a sustainable and ethical business, Group performance data                                                | 7-41  |                                                                                                                                                   |
| 2-28                             | Membership associations                                                     | Industry and Memberships Associations                                                                                                                                                                      | 32    |                                                                                                                                                   |
| STAKEHOLDER ENGAGEMENT           |                                                                             |                                                                                                                                                                                                            |       |                                                                                                                                                   |
| 2-29                             | Approach to stakeholder engagement                                          | Please refer to our 2025 Integrated Annual Report – How We Create Value                                                                                                                                    |       |                                                                                                                                                   |
| 2-30                             | Collective bargaining agreements                                            | Enhancing livelihoods and inspiring our people                                                                                                                                                             | 25    |                                                                                                                                                   |

| DISCLOSURE                                    | DESCRIPTION                                                              | WHERE IT CAN BE FOUND                                                                                                                                       | PAGE        | OMISSIONS                             |
|-----------------------------------------------|--------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------|
| <b>GRI 3: MATERIAL TOPICS</b>                 |                                                                          |                                                                                                                                                             |             |                                       |
| 3-1                                           | Process to determine material topics                                     | Please refer to our 2025 Integrated Annual Report – How We Create Value                                                                                     |             |                                       |
| 3-2                                           | List of material topics                                                  | Please refer to our 2025 Integrated Annual Report – How We Create Value                                                                                     |             |                                       |
| 3-3                                           | Management of material topics                                            | Sustainability at MFCB; Promoting environmental sustainability; Enhancing livelihoods and inspiring our people; Building a sustainable and ethical business | 7-31        |                                       |
| <b>TOPIC MANAGEMENT DISCLOSURES</b>           |                                                                          |                                                                                                                                                             |             |                                       |
| <b>GRI 101: BIODIVERSITY 2024</b>             |                                                                          |                                                                                                                                                             |             |                                       |
| 101-1                                         | Policies to halt and reverse biodiversity loss                           | Promoting Environmental Sustainability                                                                                                                      | 7-18        |                                       |
| 101-2                                         | Management of biodiversity impacts                                       | Promoting Environmental Sustainability                                                                                                                      | 7-18        |                                       |
| 101-4                                         | Identification of biodiversity impacts                                   | Promoting Environmental Sustainability                                                                                                                      | 7-18        |                                       |
| 101-5                                         | Locations with biodiversity impacts                                      | Promoting Environmental Sustainability                                                                                                                      | 7-18, 33-34 |                                       |
| 101-6                                         | Direct drivers of biodiversity loss                                      | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| <b>GRI 102: CLIMATE CHANGE 2025</b>           |                                                                          |                                                                                                                                                             |             |                                       |
| 102-1                                         | Transition plan for climate change mitigation                            | Please refer to our 2025 Integrated Annual Report - ISSB Sustainability Statement                                                                           |             |                                       |
| 102-2                                         | Climate change adaptation plan                                           | Please refer to our 2025 Integrated Annual Report - ISSB Sustainability Statement                                                                           |             |                                       |
| 102-3                                         | Just transition                                                          | Group Performance Data                                                                                                                                      | 33-40       |                                       |
| 102-4                                         | GHG emissions reduction targets and progress                             | Promoting Environmental Sustainability                                                                                                                      | 7-18        |                                       |
| 102-5                                         | Scope 1 GHG emissions                                                    | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| 102-6                                         | Scope 2 GHG emissions                                                    | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| 102-7                                         | Scope 3 GHG emissions                                                    | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| 102-8                                         | GHG emissions intensity                                                  | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| 102-9                                         | GHG removals in the value chain                                          | Promoting Environmental Sustainability                                                                                                                      | 7-18        |                                       |
| <b>GRI 103: ENERGY 2025</b>                   |                                                                          |                                                                                                                                                             |             |                                       |
| 103-1                                         | Energy policies and commitments                                          | Promoting Environmental Sustainability                                                                                                                      |             |                                       |
| 103-2                                         | Energy consumption and self-generation within the organization           | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| 103-4                                         | Energy intensity                                                         | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18, 33-34 |                                       |
| 103-5                                         | Reduction in energy consumption                                          | Promoting Environmental Sustainability; Group Performance Data                                                                                              | 7-18        |                                       |
| <b>GRI 201: ECONOMIC PERFORMANCE</b>          |                                                                          |                                                                                                                                                             |             |                                       |
| 201-1                                         | Direct economic value generated and distributed                          | Please refer to our 2025 Integrated Annual Report – Financial Statements                                                                                    |             |                                       |
| <b>GRI 203: INDIRECT ECONOMIC PERFORMANCE</b> |                                                                          |                                                                                                                                                             |             |                                       |
| 203-1                                         | Infrastructure investments and services supported                        | Enhancing livelihoods and inspiring our people                                                                                                              | 20-29       |                                       |
| 203-2                                         | Significant indirect economic impacts                                    | Enhancing livelihoods and inspiring our people                                                                                                              | 20-29       |                                       |
| <b>GRI 204: PROCUREMENT PRACTICES</b>         |                                                                          |                                                                                                                                                             |             |                                       |
| 204-1                                         | Proportion of spending on local suppliers                                | Group Performance Data                                                                                                                                      | 40          |                                       |
| <b>GRI 205: ANTI-CORRUPTION</b>               |                                                                          |                                                                                                                                                             |             |                                       |
| 205-1                                         | Operations assessed for risks related to corruption                      | Group Performance Data                                                                                                                                      | 40-41       |                                       |
| 205-2                                         | Communication and training about anti-corruption policies and procedures | Group Performance Data                                                                                                                                      | 40-41       |                                       |
| 205-3                                         | Confirmed incidents of corruption and action taken                       | Group Performance Data                                                                                                                                      | 40-41       |                                       |
| <b>GRI 303: WATER AND EFFLUENTS (2018)</b>    |                                                                          |                                                                                                                                                             |             |                                       |
| 303-3                                         | Water withdrawal                                                         | Group Performance Data                                                                                                                                      | 33-34       | Groundwater; Seawater; Produced water |
| <b>GRI 306: WASTE (2020)</b>                  |                                                                          |                                                                                                                                                             |             |                                       |
| 306-3                                         | Waste generated                                                          | Group Performance Data                                                                                                                                      | 33-34       |                                       |
| 306-4                                         | Waste diverted from disposal                                             | Group Performance Data                                                                                                                                      | 33-34       |                                       |
| 306-5                                         | Waste directed to disposal                                               | Group Performance Data                                                                                                                                      | 33-34       |                                       |

| DISCLOSURE                                            | DESCRIPTION                                                                                                   | WHERE IT CAN BE FOUND                          | PAGE  | OMISSIONS |
|-------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------------------------------|-------|-----------|
| <b>GRI 401: EMPLOYMENT</b>                            |                                                                                                               |                                                |       |           |
| 401-1                                                 | New employee hires and employee turnover                                                                      | Group Performance Data                         | 35-38 |           |
| 401-2                                                 | Benefits provided to full-time employees that are not provided to temporary or part-time employees            | Group Performance Data                         | 38    |           |
| 401-3                                                 | Parental leave                                                                                                | Group Performance Data                         | 38    |           |
| <b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)</b> |                                                                                                               |                                                |       |           |
| 403-1                                                 | Occupational health and safety management system                                                              | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-2                                                 | Hazard identification, risk assessment, and incident investigation                                            | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-3                                                 | Occupational health services                                                                                  | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-4                                                 | Worker participation, consultation, and communication on occupational health and safety                       | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-5                                                 | Worker training on occupational health and safety                                                             | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-6                                                 | Promotion of worker health                                                                                    | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-7                                                 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Enhancing livelihoods and inspiring our people | 20-29 |           |
| 403-9                                                 | Work-related injuries                                                                                         | Group Performance Data                         | 39-40 |           |
| 403-10                                                | Work-related ill health                                                                                       | Group Performance Data                         | 39-40 |           |
| <b>GRI 404: TRAINING AND EDUCATION</b>                |                                                                                                               |                                                |       |           |
| 404-1                                                 | Average hours of training per year per employee                                                               | Group Performance Data                         | 39    |           |
| 404-3                                                 | Percentage of employees receiving regular performance and career development reviews                          | Group Performance Data                         | 38    |           |
| <b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY</b>       |                                                                                                               |                                                |       |           |
| 405-1                                                 | Diversity of governance bodies and employees                                                                  | Group Performance Data                         | 35-36 |           |
| 405-2                                                 | Ratio of basic salary and remuneration of women to men                                                        | Group Performance Data                         | 37    |           |
| <b>GRI 406: NON-DISCRIMINATION</b>                    |                                                                                                               |                                                |       |           |
| 406-1                                                 | Incidents of discrimination and corrective actions taken                                                      | Building a sustainable and ethical business    | 30-31 |           |
| <b>GRI 413: LOCAL COMMUNITIES</b>                     |                                                                                                               |                                                |       |           |
| 413-1                                                 | Operations with local community engagement, impact assessments and development programs                       | Enhancing livelihoods and inspiring our people | 20-29 |           |