

Sustainability Statement

About This Sustainability Statement

The year in review marked another meaningful year for **Pekat Group Berhad (“the Group” or “Pekat”)** as we continued to strengthen our sustainability practices while supporting Malaysia’s transition towards a low-carbon economy. As a provider of solar energy, earthing and lightning protection services and power distribution equipment in Malaysia, the Group recognises the growing importance of integrating sustainability considerations into our business strategy and operations.

This Sustainability Statement outlines the Group’s performance and initiatives across **environmental, economic and social (“EES”)** dimensions, while progressively incorporating **climate-related disclosures** that may influence our operations, risks and long-term business resilience. Through this disclosure, the Group seeks to enhance transparency on how sustainability principles and climate-related risks and opportunities are considered within our governance framework, operational practices and decision-making processes.

During the year, the Group’s efforts and capabilities in the renewable energy sector were recognised with the “Leading Solar Solutions Provider” award at the Energy Box 2025 Solar Energy Storage Future Malaysia Conference. This recognition reflects Pekat’s growing role in delivering integrated solar energy solutions and contributing to the advancement of Malaysia’s renewable energy ecosystem.

FY2025 also marked a significant corporate milestone with Pekat’s inclusion in the Forbes Asia’s 2025 Best Under A Billion list, recognising high-performing publicly listed companies across the Asia-Pacific region. This recognition underscores the Group’s commitment to operational excellence, disciplined growth and the delivery of sustainable engineering solutions that generate long-term value.

Looking ahead, the Group remains optimistic about the opportunities presented by Malaysia’s accelerating energy transition. Pekat will continue to strengthen its sustainability governance, expand its renewable energy capabilities and explore new opportunities in clean energy solutions that support national decarbonisation ambitions while creating sustainable value for our stakeholders.

Reporting Scope and Boundaries

This Sustainability Statement covers the reporting period from 1 January 2025 to 31 December 2025 (“**FY2025**”). The scope of this Statement encompasses the sustainability initiatives and performance of Pekat Group Berhad and its subsidiaries (collectively referred to as “the Group”) for entities in Malaysia where the Group holds more than 50% ownership and operational control. This includes the Group’s headquarters in Petaling Jaya, Malaysia, as well as its operating subsidiaries whose activities significantly contribute to the Group’s overall performance.

Reporting Framework

The Statement complies with Bursa Malaysia’s Malaysia Securities Berhad’s ACE Market Listing Requirements (AMLR). Our ESG disclosures have been prepared with reference to the Sustainability Reporting Guide (3rd Edition), the GRI Standards and the UNSDGs.

While greenhouse gas (“**GHG**”) emissions disclosures have been introduced this year, the Group’s climate-related disclosures are still in the process of progressing towards full alignment with International Financial Reporting Standard S2 (“**IFRS S2**”) Climate-related Disclosures.

Statement of Assurance

To uphold the consistent accuracy and reliability of this Sustainability Statement, the Group has engaged an independent assurance provider, UHY Malaysia PLT, to perform external assurance on selected disclosures presented in this Statement for FY2025 (details can be found on pages 67 to 71). The limited assurance covers key sustainability matters, including sustainability performance data and disclosures reported for the current reporting period.

In addition, Pekat conducted an internal review of our sustainability reporting processes to further strengthen data collection and reporting practices. This review involved identifying potential reporting gaps and inconsistencies, while ensuring that the information and data disclosed in this Statement remain reliable, consistent and credible.

Feedback

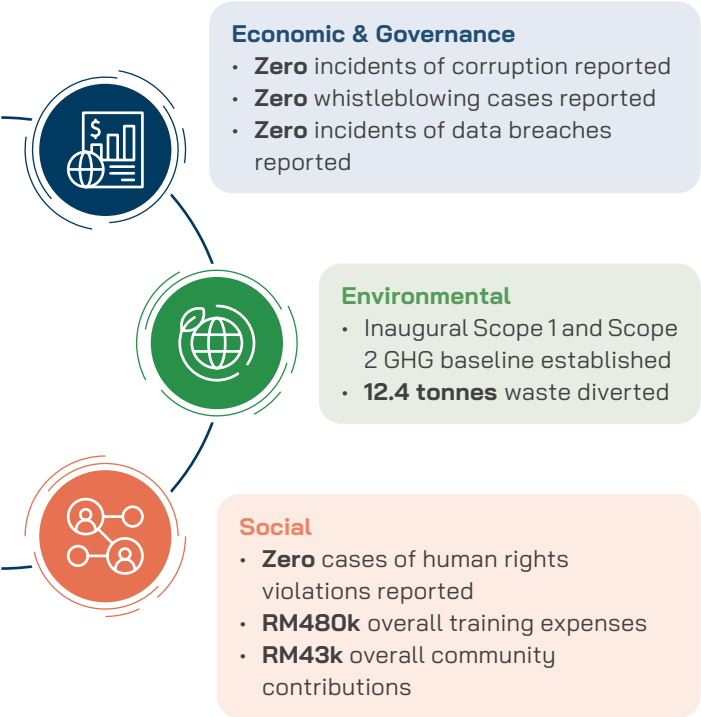
The Group welcomes stakeholder feedback to enhance our practices, performance and reporting. For any suggestions or comments on this statement, please contact us using the details below:

Telephone : +603 – 2300 8010
Email : enquiries@pekatgroup.com

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Highlights

In 2025, the Group recorded **several key achievements across environmental, social and governance (ESG) areas**. Our long-term sustainable growth is reflected in the Group’s accomplishments during the year.



Our Commitment to Sustainability

Pekat remains committed to integrating sustainability principles into its business strategy and operations, recognising the importance of responsible business practices in creating long-term value for stakeholders. As a provider of renewable energy and engineering solutions, the Group plays a role in supporting Malaysia’s transition towards a more sustainable, low-carbon economy. In line with the National Energy Transition Roadmap (“NETR”), the Group continues to contribute to the development and deployment of clean energy solutions, particularly in solar photovoltaic systems and related energy infrastructure.

The Group’s sustainability efforts are guided by a balanced approach across environmental, economic and social (“EES”) dimensions. Through these initiatives, Pekat seeks to minimise environmental impact, strengthen responsible business practices and generate positive value for employees, customers and the wider community. Sustainability considerations are progressively embedded within the Group’s operational processes and strategic decision-making.

At the governance level, Pekat’s leadership remains committed to strengthening the Group’s sustainability agenda. The Board of Directors provides oversight on sustainability matters, ensuring that ESG considerations are appropriately integrated into the Group’s overall governance framework and risk management practices. At the operational level, the Group continues to build internal capabilities through employee awareness initiatives and training programmes to enhance understanding of ESG-related matters and support effective sustainability implementation across the organisation.

In response to evolving sustainability reporting expectations, including recent developments under the National Sustainability Reporting Framework (“NSRF”) relating to the adoption of IFRS Sustainability Disclosure Standards, the Group has begun strengthening its sustainability reporting processes. As part of this transition, Pekat has initiated efforts to monitor and track GHG emissions for Scope 1 and Scope 2, while progressively enhancing its data management practices to support more comprehensive climate-related disclosures in the future.

The Group also undertook a materiality assessment in 2024 to identify and prioritise the sustainability topics that are most relevant to its business operations and stakeholders. The newly identified material topics have since been incorporated into the FY2025 Sustainability Statement, enabling Pekat to focus its sustainability efforts on areas with the most significant environmental, economic and social impacts.

Moving forward, Pekat is committed to progressively adapting its sustainability governance, data management practices, and climate-related disclosures to support its transition towards the adoption of ISSB standards, beginning with a climate-first reporting approach aligned with IFRS S2 in accordance with the NSRF.

Sustainability Approach

Pekat adopts a holistic sustainability approach centred on Economic & Governance, Environmental and Social (“EES”). Our sustainability approach aligns with relevant UNSDGs while supporting national initiatives such as the NETR.

Our Vision	Engineered for a Brighter and Sustainable Future		
Our Missions	Continuously excel in creating and enhancing stakeholder values and trust with best-in-class teamwork, innovation and quality.		
Sustainability Approach	Economic & Governance	Environmental	Social
Material Matters	- Corporate Governance and Ethics - Business Performance and Developments - Business Model Resilience - Technology Advancement and Digital Transformation - Systematic Risk Management - Supply Chain Management - Data Privacy and Security	- Business Impacts to Environment - Material Sourcing - Waste Management - Energy and water Consumption - GHG Emissions - Product Design and Lifecycle	- Employee Training and Talent Retention - Community Engagement - Diversity and Equal Opportunity - Labour Practices and Standards - Product Safety, Accessibility and Customer Welfare - Occupational Health and Safety
Alignment with UNSDGs	        		
Strategic Stakeholders	 Capital Providers  Customers  Local Communities  Suppliers  Employees  Media/Analyst  Government Regulators/ Authorities		

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Sustainability Governance

Pekati integrates sustainability considerations into its governance and decision-making processes to promote responsible business conduct and long-term value creation. The Group’s sustainability governance structure defines clear roles and responsibilities at both the Board and management levels, ensuring effective oversight, accountability and implementation of sustainability initiatives across the organisation.

Sustainability Management Structure

Roles		Responsibilities	
Board of Directors ("The Board")		- Oversees the Group’s sustainability strategy and performance, including the implementation of sustainability initiatives across the organisation. - Reviews and endorses material sustainability matters, including disclosures presented in the sustainability statement. - Monitors the Group’s progress in advancing sustainability practices to support long-term value creation.	
Sustainability Management Committee ("SMC")		- Oversees the implementation of the Group’s sustainability strategy, initiatives and action plans. - Coordinates sustainability efforts across departments and operational units within the Group. - Identifies and evaluates key sustainability matters and priorities across the Group. - Monitors sustainability performance indicators and tracks progress against sustainability targets. - Ensures the effective collection, management and reporting of sustainability data for internal monitoring and external disclosures. - Supports the Board by providing updates on sustainability performance, initiatives and emerging ESG matters. - Supported by divisional working teams who are responsible for implementing, monitoring and reporting assigned sustainability performance metrics, and ensuring that sustainability commitments are translated into actionable business.	
- Chief Executive Officer (CEO) - Chief Financial Officer (CFO) - Sustainability Head - Topic Unit Leaders			



Stakeholders Engagement

Pekat acknowledges that its business activities impact a broad range of stakeholders. As such, we are committed to proactive and transparent engagement to address stakeholder concerns, foster collaboration, and align our sustainability initiatives with their expectations.

We engage with key stakeholders through various communication channels, ensuring their feedback is considered in our decision-making processes. This approach helps us build trust, strengthen relationships, and create long-term value for both our stakeholders and the business.

Our approach to engaging with and responding to our key stakeholder groups includes, but is not limited to, the following:

Stakeholders	Why They Matter	Key Area of Concerns	Engagement Methods	How We Response
Capital Providers (Financiers and Shareholders)	• Play a crucial role in supporting Pekat's growth and long-term sustainability. • Their investments enable business expansion, innovation, and financial resilience. • Maintaining trust and transparency is key to ensuring continued access to funding and shareholder confidence.	• Business performance • Business strategy and plans • Sustainable growth and investment returns • Corporate governance	• Annual/ Extraordinary general meeting • Quarterly reports • Annual reports • Our corporate website • Media releases and announcements	• Maintain transparent financial reporting and sustainability disclosures. • Provide timely updates on business performance, strategic direction and investment opportunities. • Practice good corporate governance to instill shareholder confidence.
Customers	• Customers are central to Pekat's business success, driving demand for our products and services. • Understanding customer needs and expectations helps us enhance product offerings, service quality, and customer experience. • Maintaining customer trust and satisfaction strengthens brand loyalty, market competitiveness, and long-term business growth.	• Product variety • Product pricing and quality • Technological innovation and advancement • Customer experience, after-sales support and service reliability • Sustainable and energy-efficient solutions	• Direct engagement • On-site/virtual meetings • Customer satisfaction surveys • Exhibitions • Social media platforms • Product demonstrations and training sessions	• Continuously improve product quality, pricing, and variety based on market trends and customer feedback. • Enhance customer experience and service reliability through dedicated support channels. • Innovate with sustainable and energy-efficient solutions to meet evolving customer expectations. • Strengthen engagement via digital platforms and direct communication to foster long-term relationships.

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Stakeholders	Why They Matter	Key Area of Concerns	Engagement Methods	How We Response
Suppliers	- Suppliers play a critical role in ensuring the reliability, quality and sustainability of Pekat's supply chain. - Strong supplier relationships contribute to operational efficiency, cost management, and business continuity. - Collaboration with suppliers enables Pekat to drive responsible procurement practices and integrate sustainability into the supply chain.	- Relationship management and favourable contract/payment terms - Fair and transparent procurement process - Product quality and deliverables - Supply chain resilience and risk management - Sustainable and responsible sourcing practices	- Direct engagement - On-site/virtual meetings - Exhibitions	- Maintain fair, transparent, and ethical procurement practices to ensure supplier confidence and trust. - Collaborate with suppliers to enhance supply chain sustainability and resilience. - Implement supplier performance reviews and due diligence to uphold quality and compliance.
Government Regulators/ Authorities	- Government and regulatory authorities set the legal and compliance framework that governs Pekat's business operations. - Compliance with laws, regulations, and industry standards ensures business continuity and risk mitigation. - Engaging with regulators helps shape policies, improve industry standards, and support national sustainability goals.	- Compliance to legal and regulatory requirements - Licenses and permits - Sustainability practices and reporting - Occupational health and safety standards - Climate change regulations and environmental compliance - Corporate governance and anti-corruption measures	- On-site inspections - Participation in seminars, dialogues and forums organised by regulatory bodies - Meetings and discussions - Policy consultations and working groups	- Ensure full compliance with laws, regulations, and reporting requirements. - Engage proactively with regulators, industry bodies, and policymakers to contribute to sustainable industry practices. - Strengthen corporate governance, anti-corruption measures, and regulatory transparency. - Align business strategies with national and international sustainability frameworks to support regulatory expectations.

Stakeholders	Why They Matter	Key Area of Concerns	Engagement Methods	How We Response
Employees	- Employees are the driving force behind Pekat's success, contributing to innovation, productivity, and overall business performance. - Providing a supportive, inclusive, and engaging work environment helps attract, retain, and develop top talent. - Ensuring fair employment practices, career development opportunities, and well-being fosters employee satisfaction and commitment.	- Career development and opportunities - Fair employment practices - Workplace conduciveness - Safe and secure working environment - Competitive compensation and benefits - Work-life balance and employee well-being	- Learning and development programme - Performance appraisal - Company activities and employee engagement levels - Internal communications	- Provide continuous learning, training, and career advancement opportunities to enhance employee skills. - Foster a diverse, equitable, and inclusive work culture that supports fair employment practices. - Implement comprehensive health, safety, and well-being programmes to ensure a secure and conducive workplace. - Offer competitive compensation, benefits, and rewards to attract and retain top talent. - Encourage open communication and regular feedback to address employee concerns and improve workplace engagement.
Media/Analysts	- Media and analysts play a crucial role in shaping public perception, market sentiment, and shareholder confidence in Pekat. - Transparent and timely communication helps build trust, credibility, and brand reputation. - Engaging with media and analysts ensures that stakeholders receive accurate and relevant insights about Pekat's business performance.	- Business performance - Business developments and strategic plans - Ethical business practices - Corporate governance and transparency	- Media interviews and press releases - Analyst briefings - Corporate events and public engagements - Financial reports - Digital media and official communication channels	- Maintain transparent, timely, and accurate communication on business performance initiatives. - Proactively engage with media and analysts to clarify business developments and strategic direction. - Publish regular financial, and corporate reports to ensure stakeholders are informed of corporate decisions

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Stakeholders	Why They Matter	Key Area of Concerns	Engagement Methods	How We Response
Local communities	- Local communities are integral to Pekat’s social responsibility. - Supporting local development helps create positive social impact, strengthen relationships, and enhance brand reputation. - Engaging with communities ensures that Pekat contributes to economic empowerment, education, and social well-being.	- Corporate Social Responsibilities (“CSR”) - Employment and business opportunities - Community health, safety, and wellbeing	- CSR activities - Sponsorship and welfare programmes - Community outreach and volunteering initiatives	- Invest in CSR programmes that address community needs. - Support social and economic initiatives through strategic sponsorships and community engagement.



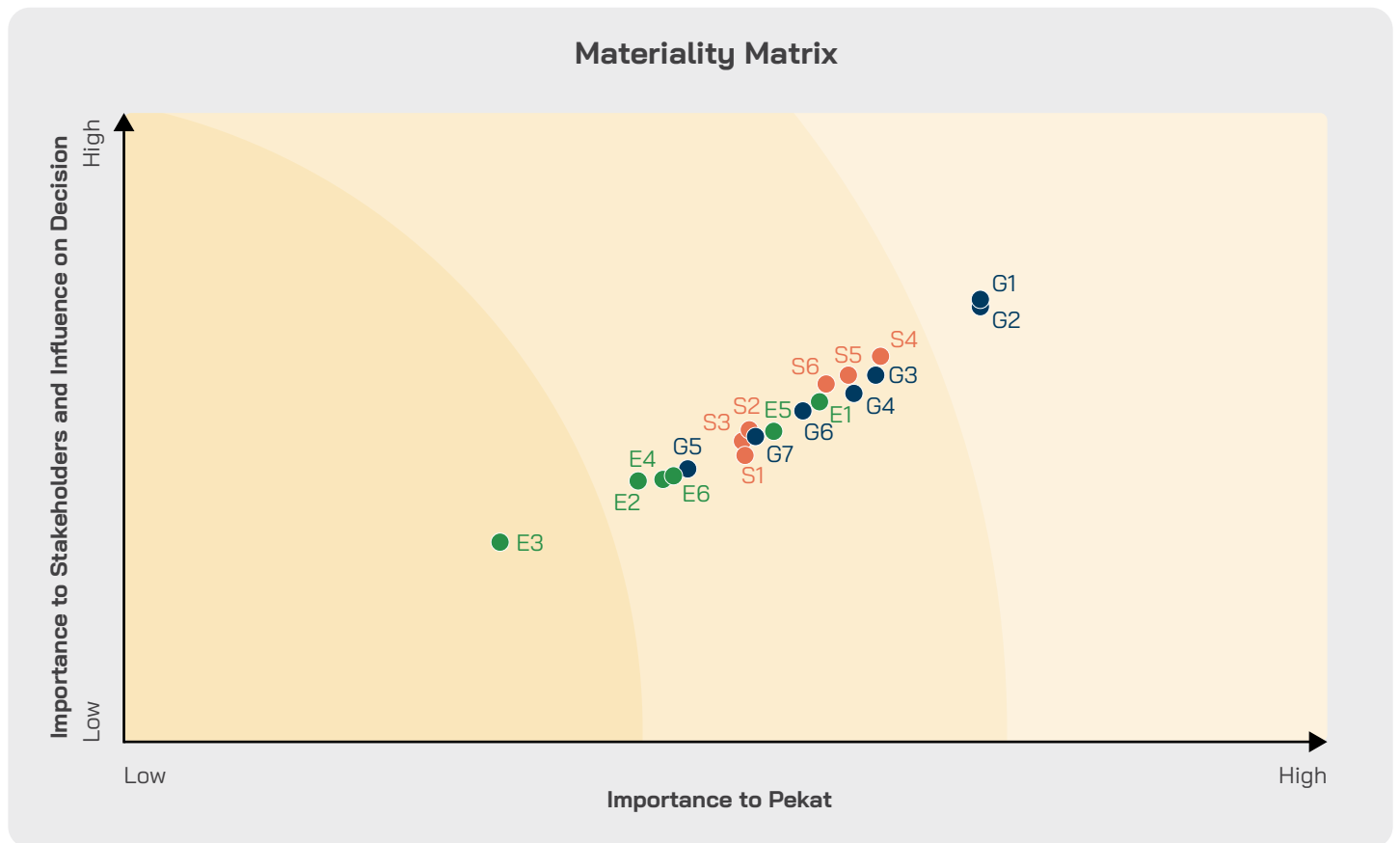
Materiality Assessment

Pekat conducted a comprehensive materiality assessment in FY2024 in accordance with Bursa Malaysia's Sustainability Toolkit: Materiality Assessment (3rd Edition) and identified nineteen (19) sustainability topics, reflecting the matters most significant to the Group and its stakeholders.

For FY2025, the Group has maintained the Materiality Matrix established in FY2024, as the identified material topics continue to be relevant to the Group's business operations and stakeholder priorities.

Among the nineteen (19) material topics, six (6) topics have been identified in FY2024 but have yet to be assessed. During FY2025, the Group has undertaken an assessment of these topics and included the relevant disclosures in this Sustainability Statement. The six (6) topics are:

1. Product safety, accessibility and customer welfare
2. Systematic risk management
3. Business model resilience
4. Product design and lifecycle
5. Material sourcing
6. Greenhouse gas ("GHG") emissions



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High Priority	Material Topic
G1	Corporate Governance and Ethics
G2	Business Performance and Developments
Medium Priority	Material Topic
G3	Business Model Resilience
G4	Technology Advancement and Digital Transformation
G5	Systematic Risk Management
G6	Supply Chain Management
G7	Data Privacy and Security
E1	Business Impacts to Environment
E2	Material Sourcing
E4	Energy and Water Consumption
E5	GHG Emissions
E6	Product Design and Lifecycle
S1	Employee Training and Talent Retention
S2	Community Engagement
S3	Diversity and Equal Opportunity
S4	Labour Practices and Standards
S5	Product Safety, Accessibility and Customer Welfare
S6	Occupational Health and Safety
Low Priority	Material Topic
E3	Waste Management

 **Economic & Governance**

G1 Corporate Governance and Ethics

G2 Business Performance and Developments

G3 Business Model Resilience

G4 Technology Advancement and Digital Transformation

G5 Systematic Risk Management

G6 Supply Chain Management

G7 Data Privacy and Security

 **Environmental**

E1 Business Impacts to Environment

E2 Material Sourcing

E3 Waste Management

E4 Energy and Water Consumption

E5 GHG Emissions

E6 Product Design and Lifecycle

 **Social**

S1 Employee Training and Talent Retention

S2 Community Engagement

S3 Diversity and Equal Opportunity

S4 Labour Practices and Standards

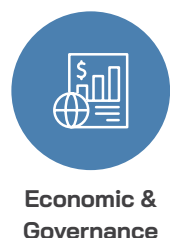
S5 Product Safety, Accessibility and Customer Welfare

S6 Occupational Health and Safety

Combined Material Matters

To enhance reporting clarity and better represent the interconnectedness of our operations, certain material topics identified in our 2025 Materiality Assessment have been combined. This approach aligns with the Bursa Malaysia Sustainability Reporting Guide's recommendation for cohesive narrative reporting.

Combined Material Topics	Sustainability Pillar
G2 Business Performance and Developments	Economic & Governance
G3 Business Model Resilience	
G6 Supply Chain Management	
E2 Material Sourcing	
S5 Product Safety, Accessibility and Customer Welfare	Social
E6 Product Design and Lifecycle	



- G2 Business Performance and Developments
- G3 Business Model Resilience

Combined to reflect the Group's integrated approach to financial stability and long-term strategic adaptability.

- G6 Supply Chain Management
- E2 Material Sourcing

Combined to highlight our commitment to ESG due diligence throughout the value chain and our focus on responsible procurement.



- S5 Product Safety, Accessibility and Customer Welfare
- E6 Product Design and Lifecycle

Combined to reflect our commitment to quality, ensuring that our products are engineered for maximum operational efficiency and long-term reliability while upholding the highest standards of safety for our customers and the public.



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Advancing Global Goals

The UNSDGs serve as a global framework for addressing economic, environmental and social issues. Pekat aligns its initiatives with these goals to ensure that our efforts support the broader sustainability agenda.

UN SDG	Targets	FY2025 Performance
	5.5: Ensure women's full and effective participation and equal opportunities for leadership	Maintained 33% women representation on the Board in FY2025
	7.2: By 2030, increase substantially the share of clean energy in the global energy mix	Solar PV projects bringing total cumulative capacity to 230.7 MWp across various markets, underscoring Pekat's role in the clean energy transition
	8.7: Eliminate forced labour, modern slavery, human trafficking and the worst forms of child labour 8.8: Protection of labour rights and promotion of safe and secure working environments for all	Recorded zero substantiated instances of human rights violations and no fines or penalties were imposed for non-compliance for FY2025
	9.4: By 2030, upgrade infrastructure and industries for sustainability through improved resource efficiency and wider adoption of clean, environmentally sound technologies	Implementation of digital workflow automation to reduce manual process and improve operational efficiency
	10.3: Ensure equal opportunity and reduce inequalities by eliminating discrimination and promoting inclusion	- Maintained zero substantiated human rights violations - Implemented fair and non-discriminatory recruitment, promotion and compensation practices - Candidates with disabilities are given fair and equitable consideration throughout the recruitment process
	11.3: Reduce the environmental impact of cities	- Cumulative installed capacity of approximately 230.7 MWp solar PV systems avoided estimated 260,727 tonnes of CO2e emissions - Installation of Solar PV systems at own premises avoided 334,150 tonnes of CO2e emissions
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse	- Waste diverted was recorded at 12.4 tonnes in FY2025 - Established categorised recycling stations on every office floor to facilitate the proper sorting of waste - Provided a FoodCycler technology bin to process food waste
	15.1: Conserve, restore and sustainably manage ecosystems affected by our operations, aligned with international commitments	Mangrove tree planting at Kuala Selangor Nature Park to restore the biodiversity and ecosystem
	16.5: Substantially reduce corruption and bribery in all their forms	- Continued to strengthen anti-bribery practices in line with MACC Act requirements - Maintained zero confirmed cases of corruption for the third consecutive year

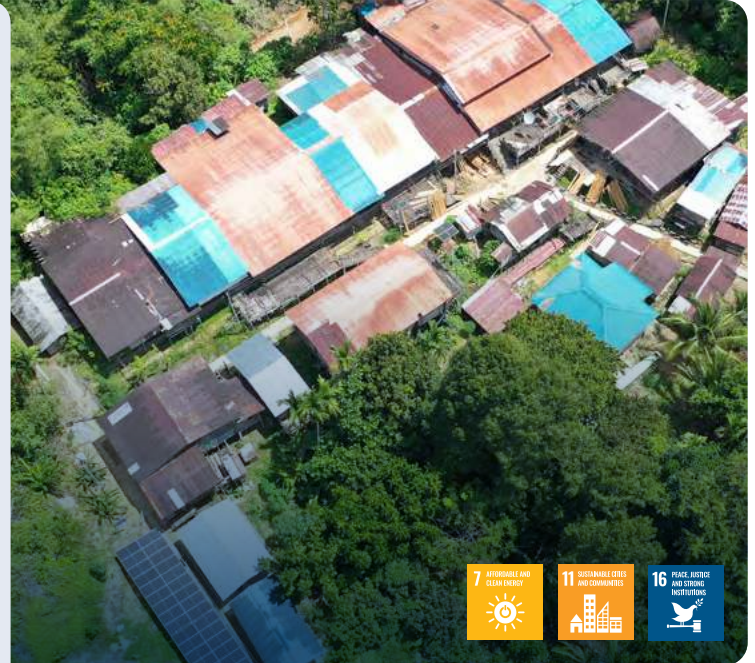
Economic and Governance

Material Matters:

- Corporate Governance and Ethics
- Business Performance and Developments
- Business Model Resilience
- Technology Advancement and Digital Transformation
- Systematic Risk Management
- Supply Chain Management
- Material Sourcing
- Data Privacy and Security

Key Stakeholder Groups:

- Capital Providers
- Customers
- Suppliers
- Government Regulators/Authorities
- Employees
- Media/Analyst



Corporate Governance & Ethics

Maintaining strong, responsible, and ethical governance is essential to managing risks, strengthening stakeholder confidence, supporting investment decisions, and driving sustainable business performance. Pekat's governance framework is built on the Group's core codes and policies, developed in line with current best practices and guidance, including the Malaysian Code on Corporate Governance ("MCCG") 2021. The key codes and policies below form the cornerstone of our corporate governance structure:

Board Charter

Code of Conduct and Ethics

The Anti-Bribery and Corruption Policy & Procedures

Fit and Proper Policy

Whistleblowing Policy

All policies are readily accessible on our corporate website at <https://www.pekat.com.my/>.

Anti-Bribery and Corruption Training and Assessment

In FY2025, we intensified our efforts to promote these ethical standards across the Group. A focused Anti-Bribery and Corruption ("ABC") training session was launched, with 23 key personnel in attendance, including members of Senior Management, the Sustainability Committee, and the Sustainability Working Group.

Simultaneously, EPE Switchgear (M) Sdn Bhd ("EPE") conducted a dedicated ABC training session facilitated by the Malaysian Anti-Corruption Commission (MACC/SPRM), with 97 employees from across the workforce in attendance, excluding those deployed at project sites.

Moving forward, we plan to implement Group-wide training and mandatory assessments for all employees, ensuring consistent understanding of our ethical expectations.

Compliance Performance

No cases of non-compliance with applicable laws and regulations were reported in FY2025. No legal claims were recorded during the reporting period. These outcomes reflect the continued effectiveness of the Group's internal controls and compliance practices. The Group aims to sustain zero instances of non-compliance in FY2026.

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Business Performance Development

Business Model Resilience

In FY2025, Pekat delivered strong business performance, underpinned by growing demand for renewable energy solutions, electrical infrastructure development and increasing investments in Malaysia’s digital and energy transition sectors. The Group’s diversified business portfolio continues to strengthen operational resilience while enabling Pekat to capture emerging opportunities across the energy value chain.

The Group recorded revenue of RM609.5 million in FY2025, representing a significant increase compared to FY2024. In line with the strong revenue growth, Profit after tax and minority interest (“PATAMI”) rose to RM45.1 million, reflecting a 104.8% year-on-year growth. The improved financial performance demonstrates the Group’s ability to scale operations, execute projects efficiently and leverage strategic business expansion initiatives. For further details on the Group’s financial performance, please refer to the Management Discussion and Analysis and Financial Statements sections within this Annual Report.

In FY2025, Pekat significantly bolstered its business resilience through a diversified project portfolio spanning power infrastructure, renewable energy, and high-growth technology sectors. Key milestones include:



Power Infrastructure Dominance



EPE secured several contracts from Tenaga Nasional Berhad (“TNB”) in FY2025 spanning switchgear supply, installation, and maintenance works. The top five contracts accounted for approximately **RM355.3 million** in combined value (excluding SST).

Expansion into Data Centers



We achieved a strategic breakthrough in the high-tech sector with an **RM33.8 million** subcontract from Gamuda Engineering Sdn. Bhd. for specialised earthing and lightning protection at a hyperscale data centre.

Solar Growth



Our renewable energy arm secured an **RM85.68 million** EPCC contract for a 63 MWac solar facility in Johor, ensuring a robust pipeline of large-scale green energy projects through 2026.

③ Technology Innovation & Digital Transformation

Pekat recognises that technology innovation and digital transformation play an increasingly important role in supporting operational efficiency, strengthening governance processes and enhancing overall organisational productivity.

Digital Workflow Automation

To improve administrative efficiency and reduce reliance on manual processes, Pekat has progressively digitalised key organisational workflows by implementing automated processes in SharePoint platform. These workflows streamline internal approvals, documentation management and administrative tasks, enabling more efficient coordination across departments.

The automation of internal workflows helps to reduce processing time, minimise the risk of human error and enhance transparency in organisational processes. In addition, the digitalisation of governance-related procedures supports better record management and traceability of approvals, thereby strengthening internal controls.

As at FY2025, a total of 23 digital workflows has been implemented, covering both corporate governance processes and employee administrative functions.

Corporate Governance Policies

11

Company Policies

3

Employee Self-Service Functions

8

Brand Repository

1

Total Digital Workflows Implemented

23

Digital Workplace and Collaboration

Pekat continues to enhance workplace productivity by implementing a centralised digital collaboration platform. The SharePoint platform serves as a digital hub where employees can access corporate policies, operational documentation and organisational announcements in a structured and accessible manner.

This digital workplace environment promotes knowledge sharing and facilitates collaboration across departments by providing employees with a single platform to access important information and resources. The integration of SharePoint with Microsoft 365 applications such as Microsoft Teams, OneDrive and corporate email further supports seamless communication and file sharing among employees.

By strengthening digital collaboration capabilities, the Group is able to foster a more connected and efficient working environment while improving information accessibility across the organisation.

Daily Active SharePoint Users	165
Adoption Rate	55%*
Employee Information Access	100% coverage

* Industry benchmark 30–40%, 55% adoption rate indicating strong utilisation.

Technology Cost Optimisation

Pekat adopts enterprise-grade open-source technologies as part of its technology strategy, to maintain robust system capabilities while managing technology-related expenditures.

By utilising open-source platforms for system monitoring, infrastructure management and cybersecurity monitoring, the Group is able to reduce reliance on expensive proprietary software licences while maintaining reliable system performance.

As a result of these initiatives, Pekat achieved an estimated RM1.18 million in annual cost avoidance during FY2025 compared to the estimated licensing costs of equivalent commercial software solutions.

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Systematic Risk Management

Pekat has identified Systematic Risk Management (“SRM”) as a key material sustainability matter. SRM represents the Group’s commitment to managing sustainability-related risks through our Enterprise Risk Management (“ERM”) framework. By leveraging our existing ERM infrastructure, we ensure that ESG risks are not managed in isolation but are integrated into the Group’s core governance, capital, and earnings protection strategies.

All material sustainability topics are assessed using the Group’s standardised 5x5 Likelihood vs. Impact Matrix. This matrix allows the Board to prioritise resources toward “High” and “Significant” risks while monitoring “Medium” and “Low” risks through routine operational controls.

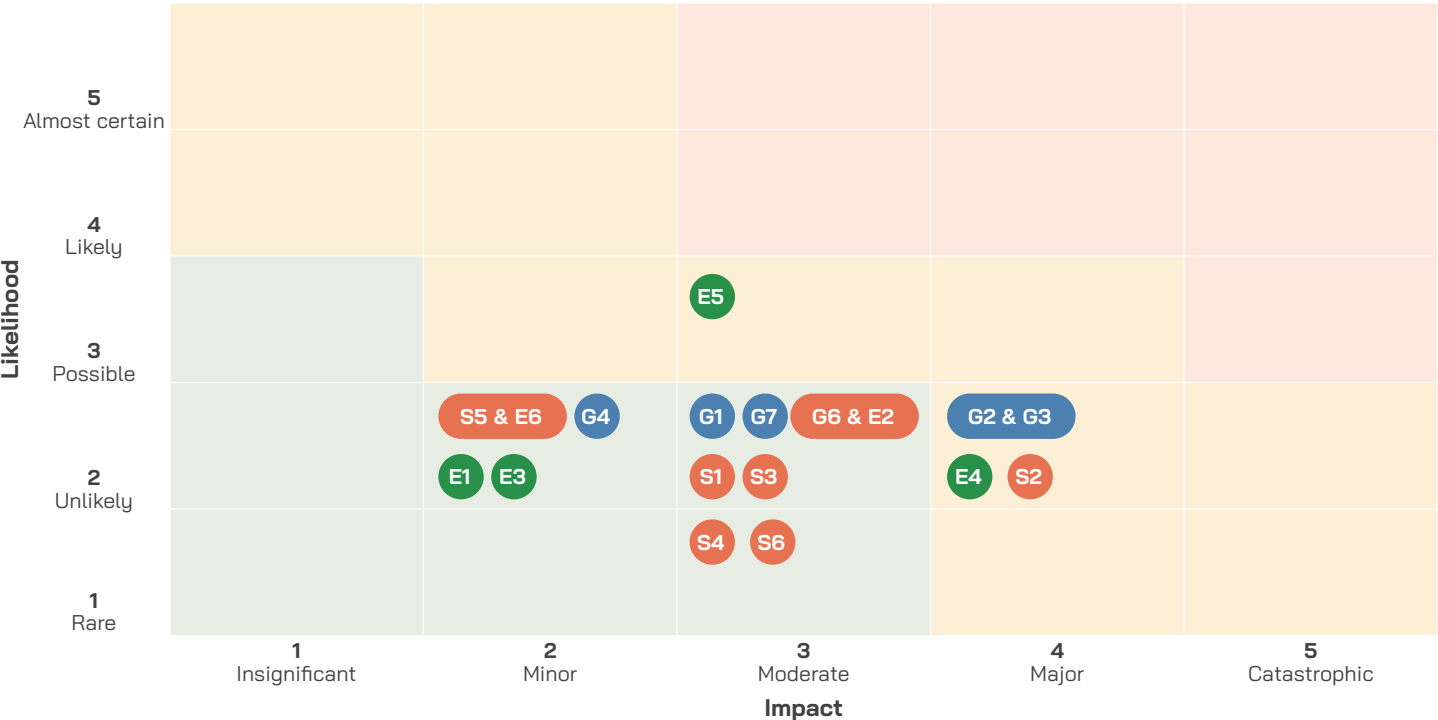
The Risk Assessment Framework

The Group follows a disciplined three-step process to evaluate and mitigate the risks associated with our material topics:

- Evaluate Risks** - We assess the overall risk level to determine whether the existing status is tolerable or whether further treatment actions is required to bring the risk to an acceptable level.
- Treat Risks** - We examine treatment options, such as reducing the likelihood, cause, consequence and impact, ensuring treatment plans are cost-effective.
- Monitor and Review** - Risk owners are responsible for regularly updating risk information to maintain relevance.

Based on this assessment, we have identified specific risk implications, defined as the potential event, cause, and impact on our strategic objectives, and established a corresponding mitigation focus for each category.

This structured approach ensures that resources are prioritised toward risks with the highest potential impact, while maintaining robust controls for routine operational matters in alignment with the Pekat Risk Manual.



Material Topic	Likelihood	Impact	Risk Level	Risk Implication	Mitigation Focus
G1 – Corporate Governance and Ethics	Unlikely	Moderate	Medium	Governance lapses may affect regulatory compliance and stakeholder trust.	Strengthen internal controls, compliance monitoring, and adherence to corporate governance standards.
G2 – Business Performance and Developments G3 – Business Model Resilience	Unlikely	Major	High	Strategic or operational risks may affect financial performance and business continuity.	Strengthen strategic planning, operational oversight, and regular management review.
G4 – Technology Advancement	Unlikely	Minor	Low	Failure to keep pace with technological developments may affect operational efficiency and competitiveness.	Monitor industry trends and adopt appropriate technological solutions to enhance operational efficiency.
G6 – Supply Chain Management E2 – Material Sourcing	Unlikely	Moderate	Medium	Supply disruptions, price volatility, or reliance on overseas suppliers may affect project timelines, operational efficiency, and supply chain sustainability performance.	Strengthen vendor assessment and monitoring, diversify sourcing where feasible, and promote responsible sourcing practices among suppliers.
G7 – Data Privacy and Security	Unlikely	Moderate	Medium	Cybersecurity breaches may disrupt operations or compromise sensitive information.	Enhance IT security controls, implement data protection policies, and conduct cybersecurity awareness training.
E3 – Waste Management	Unlikely	Minor	Low	Improper waste handling may result in minor environmental impacts or regulatory non-compliance.	Implement standard waste management procedures and engage licensed waste disposal contractors.
E4 – Energy and Water Consumption	Unlikely	Major	High	Increased resource consumption may raise operational costs and environmental footprint.	Monitor energy and water usage and implement efficiency improvement initiatives.
E5 – GHG Emissions	Possible	Major	High	Increasing climate disclosure requirements and potential future carbon pricing mechanisms may increase regulatory compliance obligations and operational costs.	Strengthen internal monitoring of energy consumption and fuel usage while improving emissions data tracking and staying informed of climate-related regulatory developments.
S1 – Employee Training and Retention	Unlikely	Moderate	Medium	High employee turnover may affect operational continuity and organisational knowledge.	Provide employee training, career development programmes, and competitive employment practices.
S2 – Community Engagement	Unlikely	Major	High	Insufficient stakeholder engagement may lead to community concerns that affect project implementation.	Maintain open communication with stakeholders and conduct engagement activities where necessary.
S3 – Diversity and Equal Opportunity	Unlikely	Moderate	Medium	Lack of inclusive practices may affect employee engagement and talent attraction.	Promote fair recruitment, equal opportunity policies, and inclusive workplace practices.
S4 – Labour Practices and Standards	Rare	Moderate	Medium	Non-compliance with labour standards could result in legal or reputational consequences.	Maintain fair labour practices, comply with labour laws, and provide grievance channels for employees.
S5 – Product Safety, Accessibility and Customer Welfare E6 – Product Design and Lifecycle	Unlikely	Minor	Low	Potential for project delays, incorrect material specifications, or sub-standard deliverables that affect customer trust.	Maintenance of ISO 9001 (QMS) certifications, rigorous Quality Control (QC) protocols at all project stages, and ensuring prompt corrective actions are taken to address any deviations.
S6 – Occupational Health and Safety	Rare	Moderate	Medium	Workplace incidents may disrupt operations and pose risks to employee safety.	Strengthened training programmes, ISO 45001 (OH&S) certification maintenance, and strict adherence to the Employment Act.

Sustainability Statement

Supply Chain Management

Material Sourcing

Pekat is committed to responsible supply chain management to ensure operational efficiency, ethical sourcing, and long-term sustainability. In FY2025, the Supply Chain Department has strengthened its practices in line with ESG principles through:

- responsible sourcing
- operational efficiency
- supply chain resilience

Vendor Governance and Compliance

All vendors engaged by Pekat are required to comply with the Group’s ethical standards, including the signing of the Anti-Bribery and Corruption (ABC) declaration, and Non-Disclosure Agreements (NDA).

Vendor registration assessments are conducted prior to approval, evaluating criteria such as quality, delivery performance, supply reliability, pricing competitiveness, compliance with health, safety and environmental requirements, and overall business suitability. Vendors are required to meet minimum evaluation standards before being approved. In addition, the Group conducts regular performance monitoring of existing vendors based on factors including quality, delivery performance, cost efficiency, responsiveness, and the ability to implement corrective actions when required.

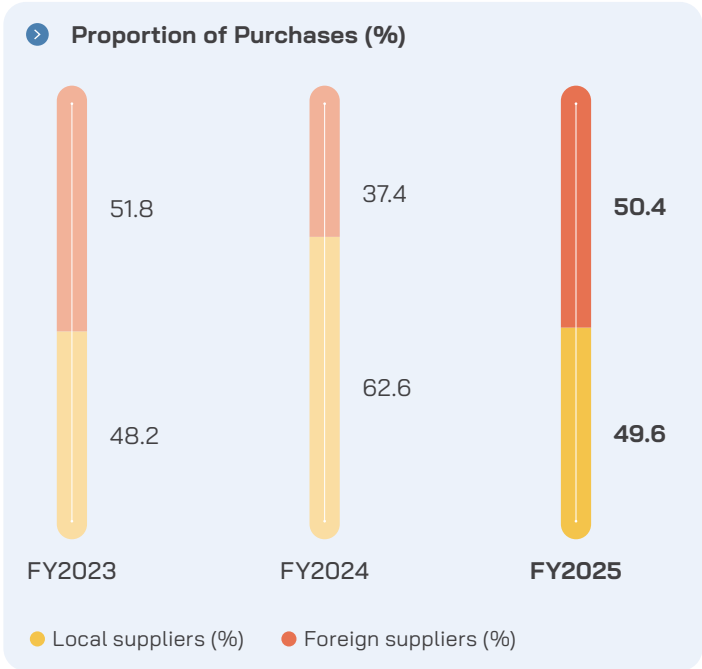
Moving forward, the Group plans to strengthen its vendor assessment framework by incorporating ESG-related criteria including environmental certifications, occupational safety standards, and responsible labour practices.



Strategic Procurement & Local Participation

The Group maintains a strategic balance between supporting the domestic economy and ensuring technical excellence.

While we prioritise local procurement, Pekat’s foreign spending (50.4% in FY2025) reflects our commitment to quality, durability and safety. Following the acquisition of EPE, our procurement of specialised components from foreign countries increased to satisfy TNB-mandated requirements and type-tested specifications which are critical for ensuring product reliability and long-term performance. These requirements necessitate sourcing from established foreign suppliers with proven technical capabilities.



Operational Excellence & Environmental Stewardship

The Group actively mitigates its environmental impact through optimised logistics practices and a focus on circularity:



Logistics Optimisation

We maximise efficiency and reduce transport-related emissions by consolidating shipments and maintaining a centralized logistical oversight.



Fleet Carbon Management

We enforce a strict **regular maintenance schedule** for our fleet to ensure safety and minimise fuel wastage. Fuel consumption is systematically logged and analysed to identify further opportunities for emission reductions.



Downstream Responsibility

Our sustainability commitment extends beyond procurement. We engage licensed disposal vendors specifically for the recycling of solar panels, ensuring that end-of-life materials are managed responsibly and kept out of landfills.

Supply Chain Resilience & Continuity

To ensure supply continuity, the Group monitors critical materials based on supply availability and contractual requirements. Most key materials have alternative sourcing options available, and to date, the Group has not experienced any significant supply chain interruptions arising from socio-political factors.

➤ Data Security & Privacy

As a listed entity in an increasingly complex digital landscape, Pekat views data security and privacy as fundamental to our corporate governance and stakeholder trust. We maintain a zero-Breach objective through a multi-layered security framework that integrates advanced threat detection, rigorous access controls, and transparent audit trails. Our security posture is designed to comply with the Personal Data Protection Act (PDPA) and the Malaysia Cybersecurity Act 2024 (Act 854).

Key Initiatives:

- **3-Layer Data Governance Architecture:** We govern a comprehensive digital footprint through a structured architecture encompassing M365 Cloud, on-premises Active Directory, and a high-availability Network Attached Storage cluster. This framework ensures data redundancy and auditable access control for all corporate records.
- **Infrastructure Resilience & Availability:** Our Synology High-Availability (HA) cluster ensures business continuity with a verified 99.95% uptime. The system features heartbeat monitoring and automatic failover in under 10 seconds to protect against unplanned downtime.
- **Data Leak Prevention (DLP) & Exit Controls:** We enforce strict DLP policies protecting 23 sensitive data types, including financial statements and board papers. We monitor and control 9 data exit points such as USB media and cloud uploads to mitigate the risk of unauthorised exfiltration.
- **Proactive Threat Defence:** We utilise the Wazuh SIEM platform for real-time threat detection across 240+ endpoints and 8 production servers. This is supplemented by network-level DNS filtering which blocks approximately 12,500 malicious or tracking domains monthly.

Cybersecurity Incident Management

The Group maintains strict monitoring and incident management procedures to safeguard its systems against cybersecurity threats. Continuous monitoring mechanisms are in place to detect potential security incidents and ensure appropriate response actions are taken promptly.

During the reporting period, Pekat recorded zero cybersecurity incidents, reflecting the effectiveness of the Group's cybersecurity monitoring and protection measures.

Zero incidents of data breaches

Future Outlook: Strategic Milestones

As part of its continuous cybersecurity improvement efforts, Pekat targets to obtain ISO 27001:2022 certification by December 2026 to formalise and strengthen its Information Security Management System (ISMS).

Sustainability Statement

Environmental

Material Matters:

- Business Impacts to Environment
- Material Sourcing
- Waste Management
- Energy and Water Consumption
- GHG Emissions
- Product Design and Lifecycle

Key Stakeholder Groups:

- Capital Providers
- Customers
- Suppliers
- Government Regulators/Authorities
- Employees
- Media/Analyst
- Local Communities

➤ **Business Impact to Environment**

Pekat continues to solidify its role as a key driver of Malaysia’s energy transition by expanding access to solar technology, enabling a shift from conventional energy to clean power and contributing to industrial decarbonisation.

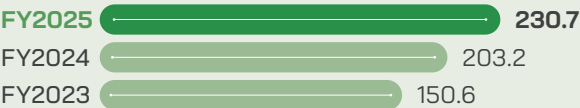
By the end of the financial year, total installed capacity reached 230.7 MWp, representing a 13.5% growth over the previous year. This expanded infrastructure is expected to generate 336,857 MWh of clean electricity annually, displacing carbon-intensive power sources and enhancing the resilience of the national grid.

In FY2025, our solar solutions helped avoid 260,727 tonnes of CO₂ emissions, equivalent to the CO₂ absorbed by more than 4.3 million tree seedlings grown over 10 years. This continuous growth reflects increasing operational efficiency and strengthening client trust in our renewable energy expertise.

Looking ahead, we are actively refining our service offerings and exploring emerging technologies to further reduce the carbon footprint of the sectors we serve, ensuring that our growth continues to align with global net-zero aspirations.



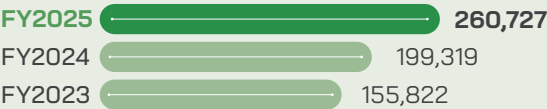
➤ **Cumulative Capacity of Completed Solar PV Systems (MWp)**



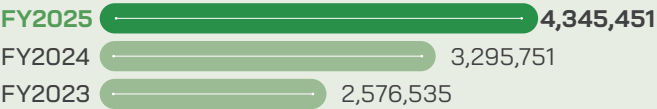
➤ **Estimated Annual Electricity Generated by the Solar PV Systems (MWh)¹**



➤ **Avoidance In CO₂ Emission (Tonne)**



➤ **Number of Tree Seedlings Grown for 10 Years²**



Notes:
¹ Based on estimated annual power generation of 1,460MWh per 1MWp solar PV systems capacity.
² Conversion based on reference from the U.S. Environmental Protection Agency (EPA). The number of tree seedlings grown for 10 years is a standardised carbon equivalency metric based on the U.S. EPA methodology, which translates avoided emissions into the equivalent number of urban trees grown over a 10-year period, taking into account growth rates and survival factors.

Waste Management

Pekat manages waste in accordance with its Waste Management Policy, which emphasises waste reduction at source and the application of the 3R principles - Reduce, Reuse and Recycle. The Group aims to minimise its environmental impact by promoting responsible waste-handling practices across its operations.

To support the effective implementation of these practices, the Group has established an Emission and Waste Management Committee to oversee environmental initiatives related to emissions and waste management. The Committee monitors waste generation trends, reviews environmental performance, and ensures that waste management practices remain aligned with the Group's environmental objectives.

In FY2025, the Group recorded a waste diversion rate of 79.8%, primarily driven by waste recycling initiatives implemented at the Group's solar farm operations and by the recovery of industrial stretch films. The introduction of monthly waste data tracking has further strengthened the Group's ability to monitor waste generation patterns and identify opportunities for continuous improvement.

Waste Category (FY2025)	Quantity (Tonnes)
Waste Diverted (Recycling & Reuse)	12.4
Waste Directed to Disposal (Landfill)	3.2
Total Group Recorded Waste	15.6



While Pekat has established visibility over waste generated at its corporate offices and project sites, EPE, our subsidiary, is currently strengthening its internal waste-tracking mechanisms to further improve waste data monitoring.

Compliance and Scheduled Waste Status

We remain committed to complying with applicable environmental regulations, including the Environmental Quality (Scheduled Wastes) Regulations 2005. Following an inspection by the Department of Environment Malaysia, EPE confirmed that its operations do not generate scheduled waste and are therefore not subject to the PPKAS (BT) 2025 requirements.



Sustainable Waste Initiatives

- 1 In partnership with Alam Flora Environmental Solutions, we conducted a Group-wide Recycling and Awareness Programme. This event included a 2-hour intensive waste-collection drive and the distribution of reusable lunchboxes to all participating staff to discourage single-use plastic.
- 2 We have placed categorised recycling stations on every office floor to facilitate the proper sorting of paper, plastics, metals, glass, food waste and general waste.
- 3 The Group has implemented a Food Cycler technology system in selected office pantry areas to process food waste into nutrient-rich fertiliser. This initiative helps reduce food waste sent to general waste streams while promoting responsible waste management practices within the workplace.

The Group will continue to enhance its waste management practices by improving waste monitoring, promoting recycling initiatives, and encouraging responsible waste practices across its operations in support of its environmental sustainability commitments.

Sustainability Statement

Energy & Water Consumption

We recognise the importance of responsible energy and water management in minimising environmental impact and improving operational efficiency. The Group continues to implement initiatives aimed to reduce resource consumption and promote greater environmental awareness among employees.

As a company operating within the renewable energy sector, Pekat continues to demonstrate its commitment to sustainable energy solutions by installing solar photovoltaic systems at selected facilities, with plans to progressively expand these installations to additional buildings in the future. These initiatives not only reduce reliance on grid electricity but also reflect the Group’s leadership in advancing clean energy adoption.

To further encourage responsible resource use, awareness signage has been placed at strategic locations across office premises to remind employees to switch off electrical appliances and turn off taps when not in use. These simple behavioural initiatives support the Group’s broader efforts to promote resource conservation in the workplace.

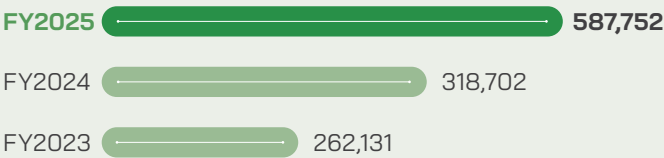
In FY2025, the increase in total energy and water consumption was mainly attributed to the integration of EPE’s manufacturing and operational facilities, which expanded the Group’s physical footprint and industrial energy requirements and workforce expansion to support our rapid business growth. Water consumption was further impacted by a leakage incident identified at EPE’s facilities during the year. The issue has since been rectified, with proper monitoring and periodic checks implemented to prevent recurrence.

Despite the rise in total consumption, our energy intensity has improved, representing an improvement of approximately 16.4% since FY2023.

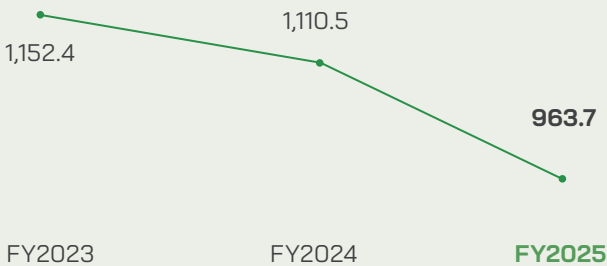


Electricity Consumption

Total Electricity Consumption (kWh/year)

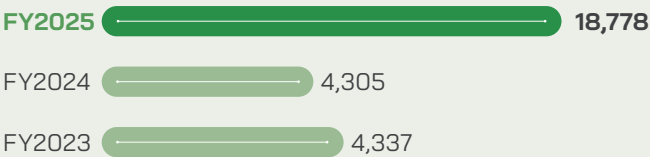


Electricity Consumption Per Revenue (kWh/year/Mil Revenue)

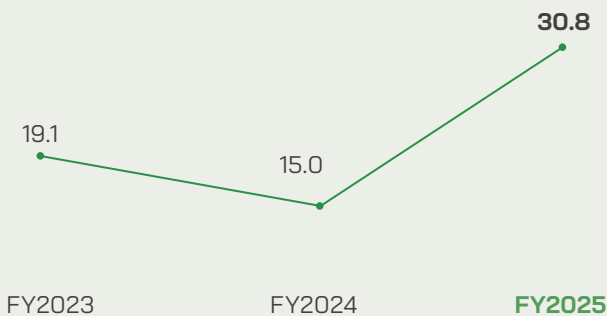


Water Consumption

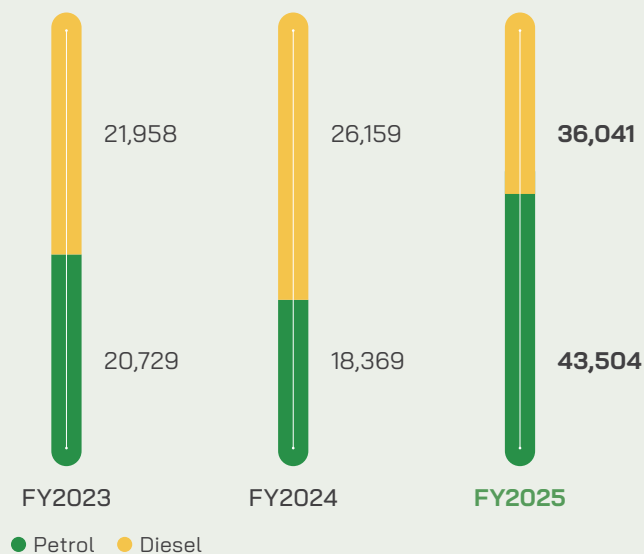
Water Consumption (M³)



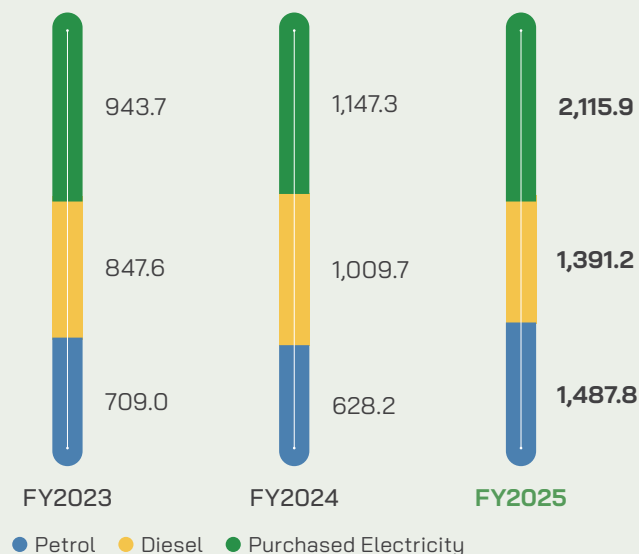
Water Consumption Per Revenue (m³/year/Mil Revenue)



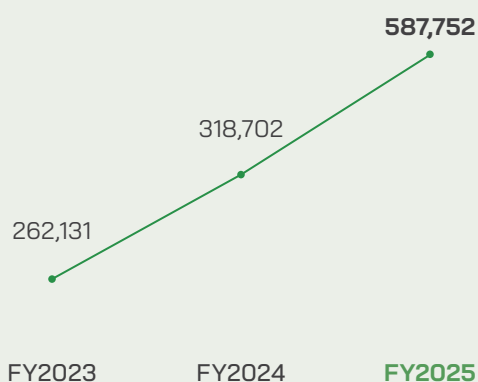
Total Fuel Consumption (L)



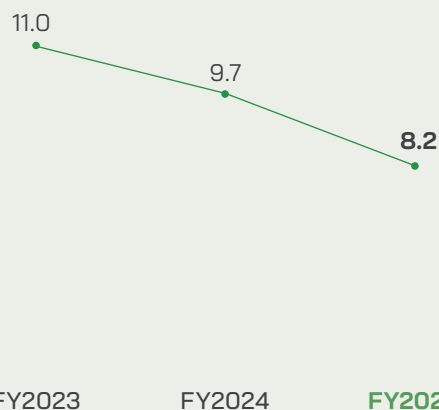
Total Energy Consumption (GJ)



Purchased Electricity (kWh)



Energy Intensity (GJ/Mil. Revenue)



Looking ahead, the Group is exploring additional initiatives to improve resource efficiency. These include the implementation of rainwater harvesting systems to reduce potable water consumption, as well as the use of heat-resistant curtains, tinted windows or double-glazed insulation during future building renovations to minimise indoor heat gain and reduce cooling energy requirements. In addition, the Group plans to expand electric vehicle (“EV”) charging infrastructure at its premises to encourage greater EV adoption.

Through these ongoing initiatives, Pekat aims to continuously strengthen its energy and water management practices while supporting broader environmental sustainability objectives.

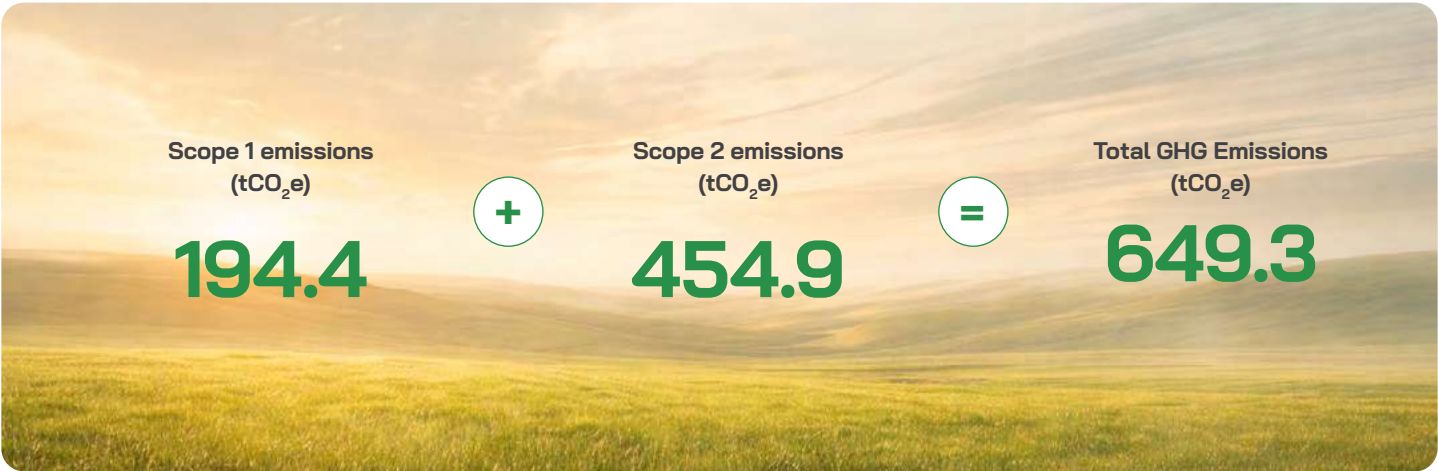
Sustainability Statement

GHG Emissions

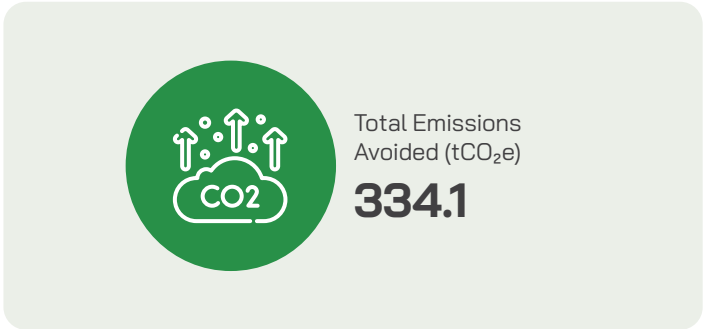
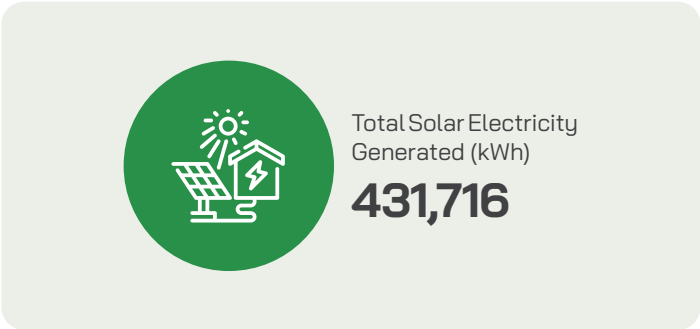
Pekat recognises the importance of managing greenhouse gas (“GHG”) emissions as part of its commitment to environmental sustainability and climate change mitigation. In FY2025, the Group conducted its first assessment of GHG emissions covering Scope 1 and Scope 2 emissions arising from operational activities.

Scope 1 emissions represent direct GHG emissions from fuel combustion in the Group’s company-owned vehicles, including petrol and diesel consumption. Scope 2 emissions are indirect GHG emissions from the electricity consumed in our operations.

As FY2025 marks the first year of GHG emissions disclosure, the reported data serves as a baseline for future monitoring and performance benchmarking as the Group continues to strengthen its climate-related data management and emissions reduction initiatives.



- Note:
- 1. Our calculation methodology follows the GHG Protocol Corporate Accounting and Reporting Standard.
 - 2. Scope 1 Emission Factors use the conversion rate retrieved from the Department for Environment Food and Rural Affairs UK (“DEFRA”).
 - 3. Scope 2 Emission Factors use the conversion rate obtained from the Malaysia Grid Emission Factor (2017-2022) (“GEF”).



As a renewable energy solutions provider, Pekat contributes to climate change mitigation through the deployment and operation of solar photovoltaic (“PV”) systems. Electricity generated by these installations helps reduce reliance on conventional fossil-fuel-based electricity generation, thereby avoiding associated greenhouse gas emissions.

In FY2025, the Group generated 431,716 kWh of solar electricity, resulting in an estimated avoidance of 334.1 tCO₂e of emissions, based on the Malaysia grid emission factor. This reflects Pekat’s continued contribution towards reducing reliance on conventional energy sources and supporting the transition to cleaner electricity generation.

Social

Material Matters:

- Employee Training and Talent Retention
- Community Engagement
- Diversity and Equal Opportunity
- Labour Practices and Standards
- Product Safety, Accessibility and Customer Welfare
- Occupational Health and Safety

Key Stakeholder Groups:

- Capital Providers
- Customers
- Suppliers
- Government Regulators/Authorities
- Employees
- Media/Analyst
- Local Communities

Employee Training and Talent Retention

Cultivating a Culture of Continuous Learning

Pekat fosters a culture of continuous learning by investing in a comprehensive suite of development programmes designed to equip our employees with the knowledge and skills needed to thrive in an ever-evolving business environment. We leverage both internal expertise and external subject-matter experts to deliver leadership development, technical skills training, and soft skills workshops, ensuring our workforce remains competitive and adaptable in a rapidly evolving environment. These programmes address current and emerging skills trends, ensuring our employees gain valuable knowledge relevant to our core business and broader sustainability goals.

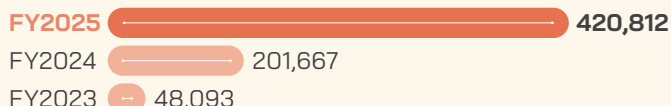
In FY2025, we reaffirmed this commitment by offering a range of programmes including leadership development and upskilling courses aligned with job functions. To support our expanded workforce following the acquisition of EPE, we significantly increased our investment in human capital.

Our total training expenditure reached RM420,812, representing an average investment of RM788 per employee, a 20.7% increase from the RM653 per employee recorded in FY2024. This ensures that even as the Group grows to 534 employees, the quality and accessibility of training remain a top priority.

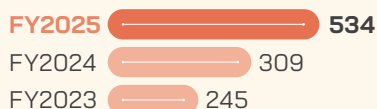


Training Expenses

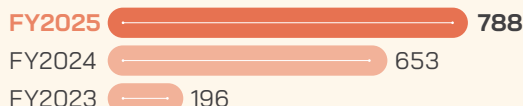
Training expenses (RM)



Number of employees



Training expenses per employee (RM)



Sustainability Statement

A summary of FY2025 employee training programmes is presented below:

List of Training /Seminars Provided by the Group In FY2025	Programme Training Hours	No. of Employees Attended
11KV Substation Maintenance & Testing	28	1
2025 Commuting Safety : Road Safety Heroes	14	4
4th Conference on Innovation & Intervention For QHSZE Continual Improvement: Prevention Through Design	14	1
Air Selangor-NIOSH Safety Passport	28	6
Analytic Thinking & Creative Problem Solving	35	3
Applied Project Management Training	21	19
AutoCAD Electrical Essential Training	21	2
Basic Occupational First Aid	14	2
Basic Occupational First Aid, CPR & AED Course	14	1
Basic Occupational First Aid, CPR & AED Training	14	29
Bim Coordinator Part 1: Setup	21	2
Bim Coordinator Part 2 : Coordination	28	2
Budget Tax Conference 2026	7	1
Certified Construction Project Manager (CCPM) Training Package 1	49	1
Construction Project Manager (CPM) Programme - Method 2 Interview Preparedness Training	21	1
Construction Project Manager (CPM) Programme Method 2 Preparedness Training	1	3
Construction Work Design & Management (CDM) Trained Person	14	20
Curious To Confident: Transforming Managerial Productivity With AI & ChatGPT	14	37
Cybersecurity Wizards: Mastering The Basics	7	97
Drone-Based Ir Solar PV Inspection Using Droneeye	21	1
Ergonomic Trained Person For Initial Ergonomics Risk Assessment	14	1
ESG Consultant	14	10
ESG Master Class	21	5
ESG Scope 3 & 4	14	7
Everyday AI For HR	7	1
Expressway Operations Safety Passport	49	13
Forklift Operator Habitual Safety	14	24
GCPV For Wireman And Chargeman	35	1
Industrial First Aid And CPR AED	14	23
ISO 9001:2015 Internal Auditor Training	14	15
lwk Safety Passport	4	14

List of Training /Seminars Provided by the Group In FY2025	Programme Training Hours	No. of Employees Attended
Kursus Etika Dalam Sektor Pembinaan Dan Kejuruteraan-Zoom	14	1
Kursus Kesedaran Awam Siri 53/2025	14	15
Kursus Modul Enakmen Bekalan Elektrik	14	1
Kursus Modular Talian Atas Voltan Rendah	70	1
Kursus Pengurusan Kontrak Pembinaan	14	3
Kursus Penilaian Pengurusan Risiko- Zoom	14	2
Kursus Sistem Solar Fotovolta (PV) Tersambung Grid Untuk Penjaga Jentera Elektrik Dan Pendawai	35	1
Lifting Planning And Management	28	30
Nebosh International General Certificate In Occupational Health And Safety	56	1
New Requirements Of OSHA1994 And Its Impacts To The Industries In Managing Risks Based On OSHPOP	14	4
NIOSH- Tenaga Safety Passport (Inhouse)	7	23
NIOSH-Tenaga Safety Leader Pasport	14	4
Oil And Gas Safety Passport	7	1
Pengelaras Keselamatan Dan Kesihatan Pekerjaan	21	29
Permit To Work & Operational Safety Improvement (PTOS)	21	1
Permit To Work And Operational Safety Improvement (PTOS)	21	3
PMP Certification Exam Preparation Course	35	1
Presentation Skills (Speak With Confident)	14	1
Procurement, Contract Management	14	13
Project Based Management	14	17
Project Management & Team Leadership	14	1
QC Inspector (Online)	14	6
Safe Handling Of Forklift Truck Training	7	7
Sarawak Energy Safety Passsport	7	2
SEDA Malaysia Grid -Connected Photovoltaic (GCPV) For Wireman & Chageman	35	1
Seda Malaysia Grid-Connected Photovoltaic PV Systems Design Course	224	5
SEDA Malaysia Off-Grid Photovoltaic (PV) Systems Design Course	70	1
Seminar KKP 2025	14	2
Seminar Pengurusan Pekerja & Pemahaman Akta Kerja 1955	7	2
Steering Effective Organisational Development (OD)	14	2
Strategic Human Resources Management	14	1
The Future Of OSH : Trends And Transformation In Occupational Health (OH) (Ergonomic Hazard)	14	1
World Osh Day 2025 Seminar	14	1
World Osh Day 2025 Seminar: The Impacts Of Digitalization And Artificial Intelligence (AI) On Workers Safety And Health	14	1

Sustainability Statement

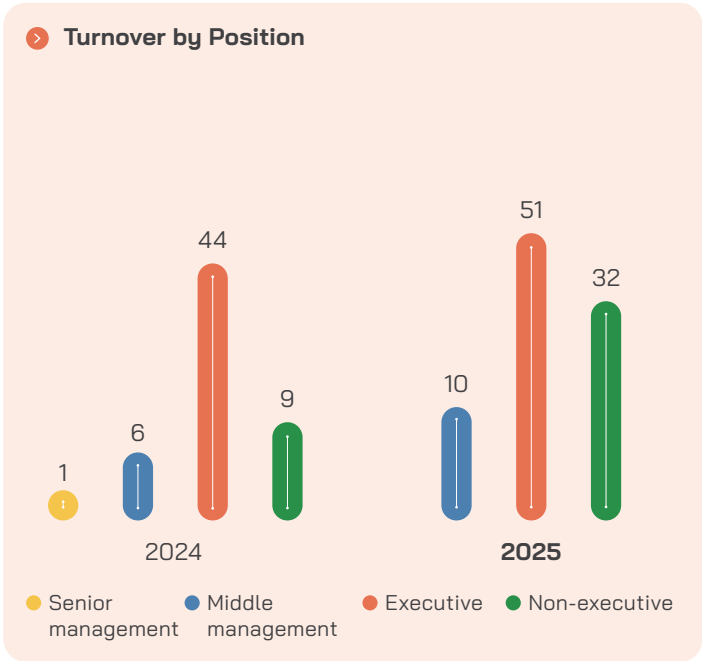
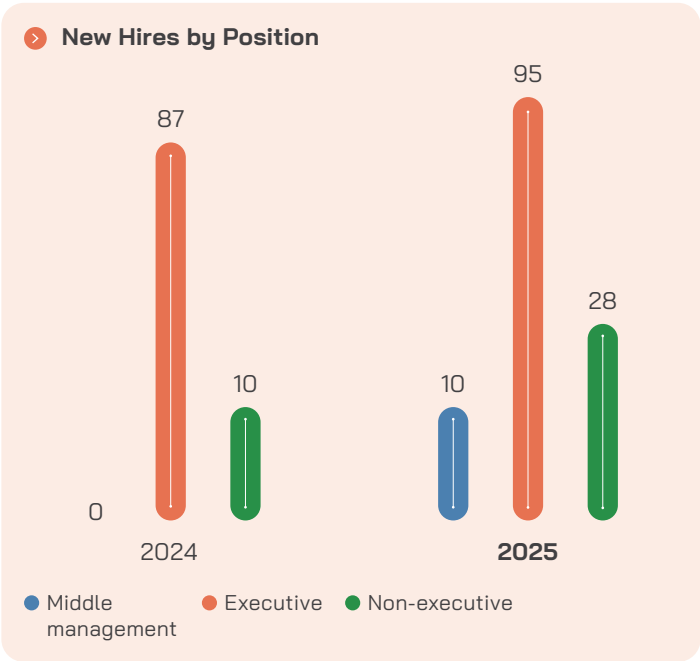
Talent Retention and Organisational Stability

We believe that a well-supported and fairly compensated workforce is essential to ensuring equal opportunities for all employees to grow. Our success in talent retention is evidenced by a Group average employee tenure of 6.5 years, reflecting high levels of satisfaction with our benefits and career development pathways.

While our total new hires increased to 133 and turnover reached 93 in FY2025, these figures primarily reflect the integration of EPE into our reporting framework. Despite the increase in headcount, our turnover rate remains healthy, indicating strong organisational loyalty and a stable work environment.



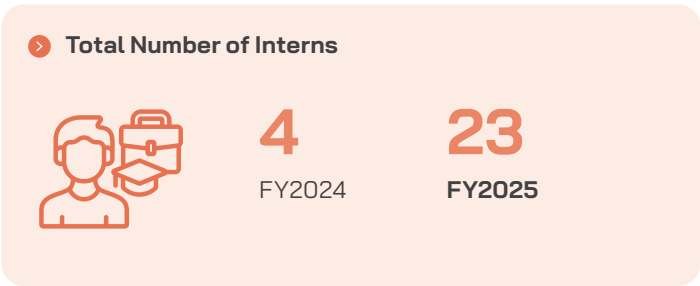
Employee tenure
6.5 years



Internship Programme

In FY2025, the Group significantly expanded its Internship Programme, offering 23 placements across various functions. These internships provide participants with hands-on exposure to professional workflows, technical problem-solving and organisational practices, enabling them to better understand the dynamics of a real-world business environment.

By integrating interns into active projects and daily operations, the Group equips them with practical experience and industry-relevant knowledge while nurturing the next generation of professionals.



Community Engagement

In 2025, Pekat reaffirmed its commitment to being more than just a provider of clean energy and protection solutions; the Group acted as a catalyst for positive change. Our community outreach strategy is built on the belief that true sustainability must benefit both the environment and people who inhabit it. By integrating our core technical expertise with social responsibility, we aim to build a resilient future for all Malaysians.

This commitment is institutionalised through #PekatCares, our continuous dedication to creating meaningful impact through community-driven initiatives that reflect our Environmental, Social, and Governance (ESG) values. At the core of #PekatCares is CARES, the principle that inspires our commitment to community and impact.

Caring & Responsible Pekatian	Fostering a supportive environment where employees feel valued and empowered.
Accountability in Governance & Practices	Operating with integrity, transparency, and responsibility.
Resilient Environmental Leadership	Actively promoting eco-conscious actions to protect our planet.
Engaged Communities, Enriched Lives	Building stronger communities through volunteerism, outreach, and education.
Sustainable Growth for a Better Tomorrow	Aligning business goals with long-term societal and environmental benefits.



In FY2025, Pekat implemented a rigorous assessment process to select partner organisations and community projects. This ensures that every initiative we support resonates with the #PekatCares pillars and our core values of sustainability.

Gopeng KITA Project



Pekat deployed solar-powered LED and Pico Solar PV technology to provide renewable energy solutions for indigenous villages. By providing reliable lighting, the project directly enhanced community safety, enabled night activities, and improved the overall wellbeing and livelihoods of low-income families.

No. of beneficiaries:

Around **100 villagers** (Solar Light Installation)
5 families (Pico Solar PV Technology)
10 female villagers (Chili Agricultural initiative)

Amount invested:

RM 3,000

Sustainability Statement

Sungai Kayu Ara River Clean Up



Pekat’s commitment to environmental preservation in 2025 was demonstrated through a dual-action initiative focusing on water health and waste upcycling. Employees (“**Pekatiens**”) conducted a physical river clean-up activity at Sungai Kayu Ara on 14 June 2025, clearing approximately 1km of the waterway to waste in collaboration with EcoKnights. Through this collective effort, Pekat has successfully removed 50.8kg of plastic, 5kg of aluminium, 2.3kg of Tetra Pak, and 30kg of textiles. All collected waste was handed over to licensed waste collectors for proper recycling and disposal.

Total Waste Diverted:
88.1kg of waste removed from the river ecosystem.

Amount invested:
RM 9,000

Biodiversity & Climate Action: Mangrove Planting at Kuala Selangor



Recognising the critical role of mangroves in coastal protection and carbon sequestration, Pekat participated in mangrove planting initiative in Kuala Selangor Nature Park in collaboration with Malaysia Nature Society on 26 July 2025. During the rehabilitation project, Pekatiens planted 100 mangrove trees to restore degraded areas and conserve natural biodiversity. This project serves as a long-term climate action initiative, as these trees will actively absorb atmospheric CO2 throughout their growth cycle.

Following six months of planting, the trees recorded a 98% survival rate. Based on an estimated carbon absorption rate of 12.3 kg CO₂ per tree annually, the initiative is expected to achieve an estimated carbon sequestration potential of approximately 1.21 tCO₂ per year.

Environmental Impact Trees Planted:
100 trees with a 98% survival rate after 6 months

Sequestration Potential:	Amount invested:
Estimated 1.21 tCO ₂ per year	RM 5,940

Social Welfare: Food Distribution to Homeless



In an effort to address immediate social needs within urban areas, Pekat collaborated with the Lions Club to organise a food distribution drive at Jalan Sayur. This initiative provided essential nutrition and basic necessities to the homeless population, reflecting the core value of #PekatCares.

Number of Beneficiaries:
300 individuals

Amount invested:
RM3,600

Social Welfare: Daily Essentials Contribution to Cancer Patients



On 24 December 2025, Pekat focused on supporting essential needs by contributing to the Jing Yuan Home for Cancer Patients. Funded through employee self-contributions, the initiative provided daily essentials to aid patients during their daycare treatment. This grassroots effort highlights the strong culture of volunteerism and social responsibility fostered among Pekatians.

Number of Beneficiaries:
1 organisation

Amount invested:
RM1,500

Health Awareness: Blue Cap Run 2025 Sponsorship



In 2025, Pekat demonstrated its commitment to community health and wellbeing by serving as a Silver Sponsor for the Blue Cap Run 2025. The event is organised by Universiti Malaya (UM) and supported by the Yayasan MR D.I.Y. Foundation, and aims to bridge the gap in prostate cancer awareness in Malaysia. Pekat's sponsorship contributed to a collective fund dedicated to advancing medical research, enhancing patient care, and facilitating early screening programs for those in need.

Number of Beneficiaries:
1 organisation

Amount invested:
RM 20,000

Sustainability Statement

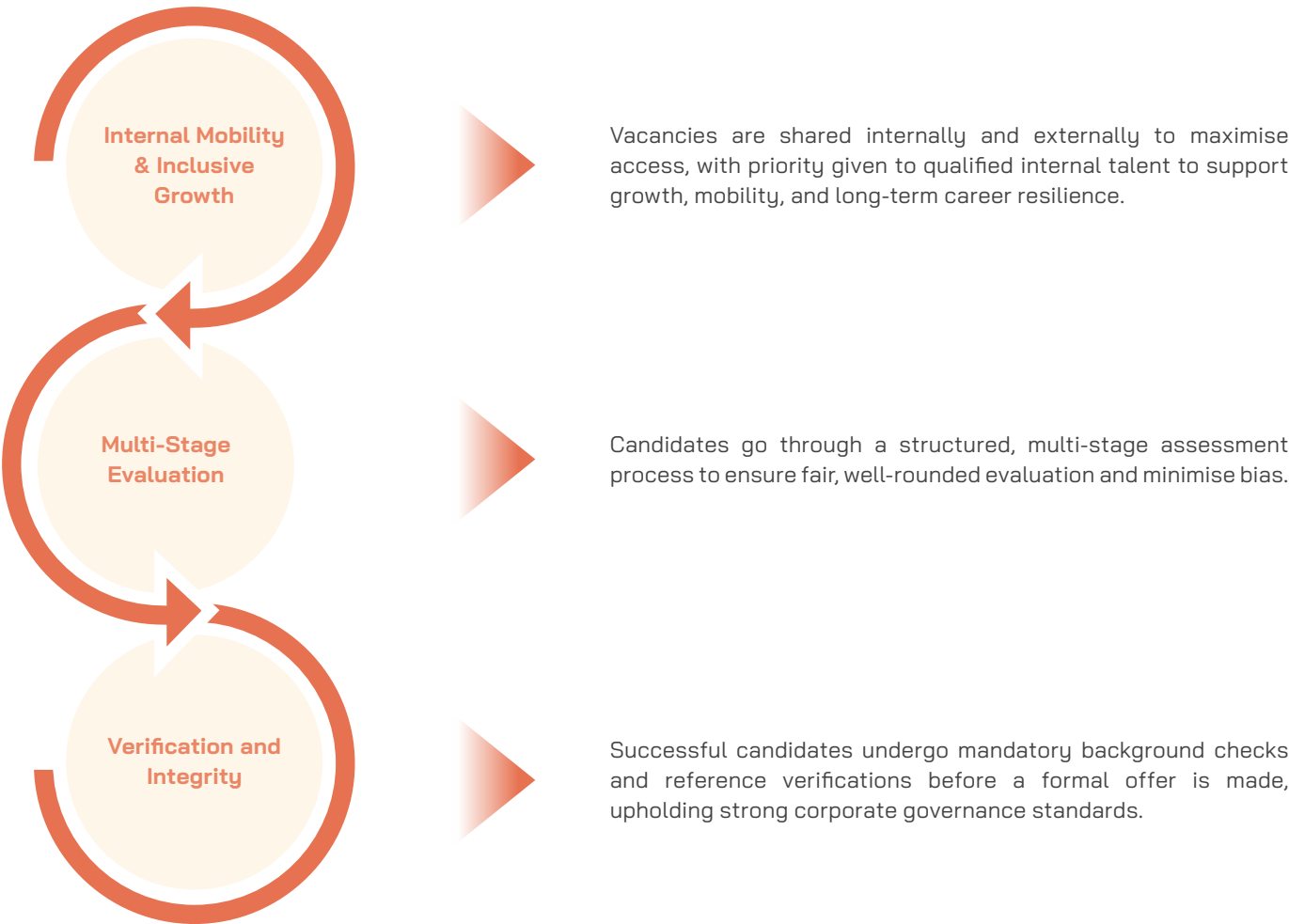
➤ Diversity and Equal Opportunity

We are committed to upholding fair and transparent employment practices that promote equal opportunity, merit-based recruitment and career progression. The Group’s hiring, selection and promotion practices are governed by internal Human Capital policies to ensure consistency, fairness and alignment with the Group’s values.

Fair and Inclusive Workplace

Pekat is committed to fostering an inclusive workplace by promoting equal employment opportunities for all candidates. We are committed to inclusive hiring practices, ensuring individuals with disabilities are given equal opportunities and considered fairly throughout the recruitment process, with roles aligned to their strengths and capabilities.

Interview and Selection Framework

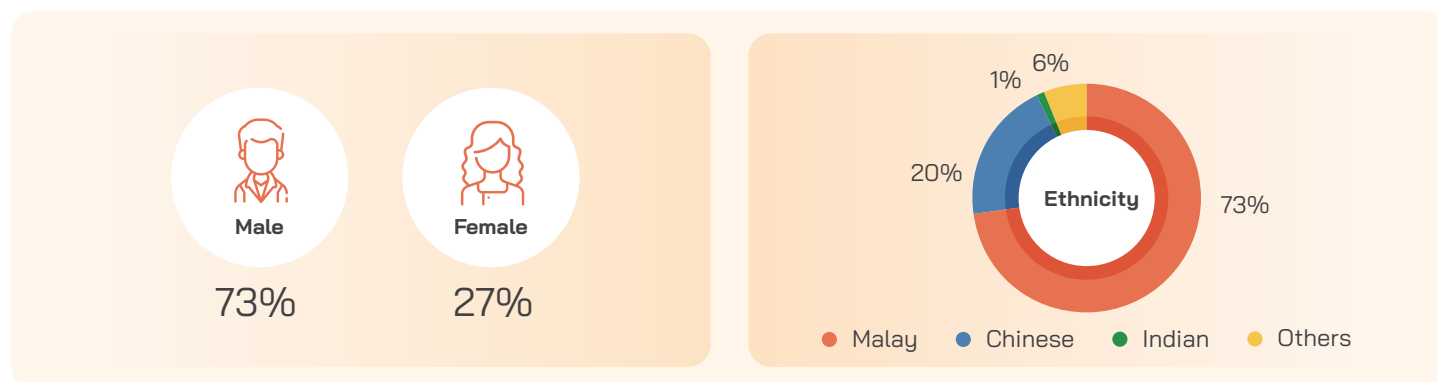


Merit-Based Career Advancement

We view internal promotion as a critical instrument for talent retention and leadership stability. Our advancement framework is strictly meritocratic, where eligibility for higher-level roles is determined by objective performance appraisals and the achievement of outstanding work ratings. By empowering Department Heads to recommend candidates based on technical suitability and demonstrated competency, we ensure that every employee has an equitable trajectory for professional growth.

Pekat is committed to fostering a diverse and inclusive workplace. The Group values diversity across gender, age, ethnicity and job roles, recognising that a diverse workforce contributes to innovation, balanced decision-making and sustainable organisational growth.

As of FY2025, the Group employed a total of 534 individuals from diverse backgrounds. The demographic profiles of our staff are outlined below:



FY2025					
Gender	Non-Executive	Executive	Middle Management	Senior Management	Total
Male	144	195	46	7	392
Female	23	103	16	-	142
	167	298	62	7	534

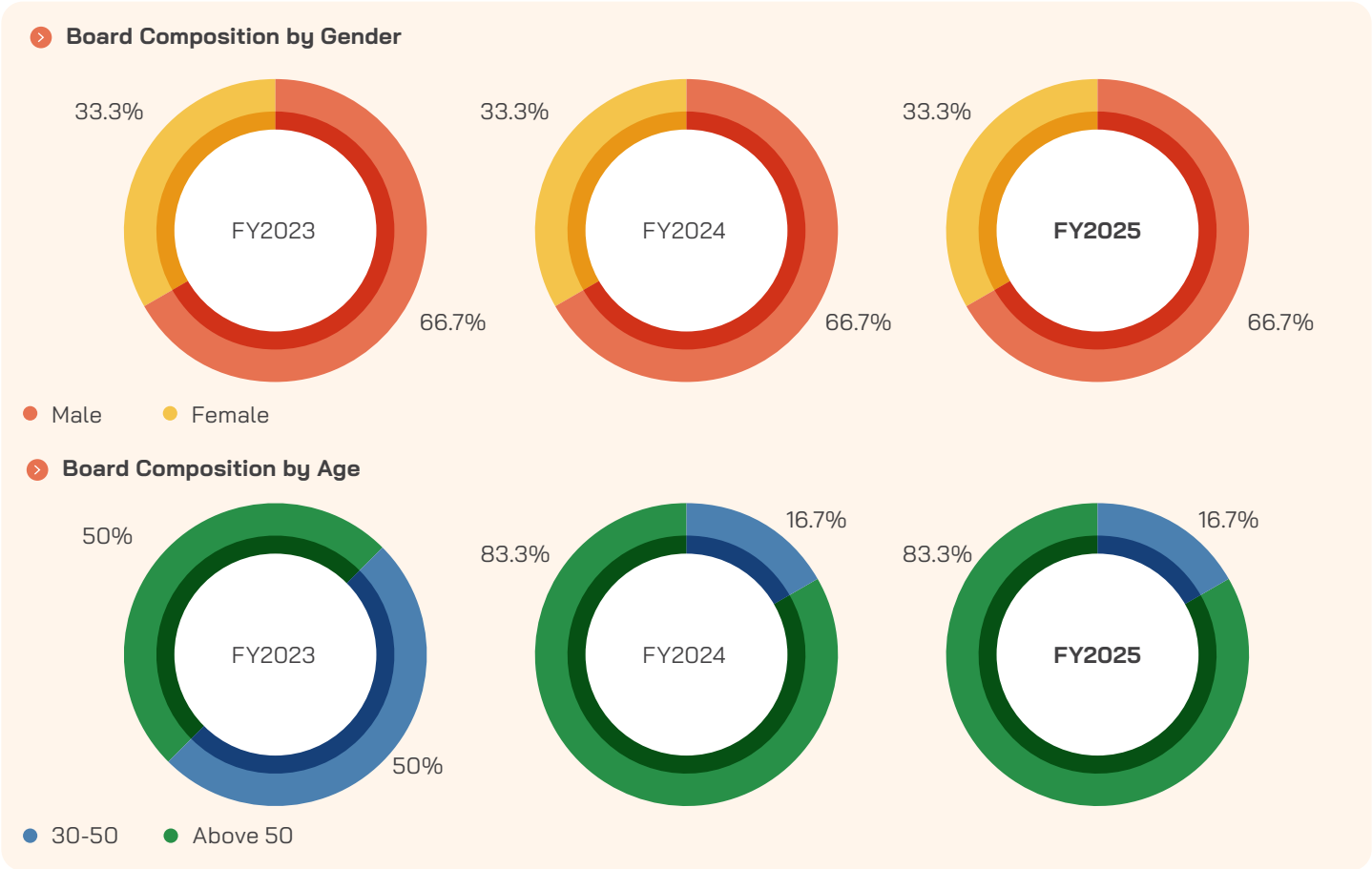
FY2024					
Gender	Non-Executive	Executive	Middle Management	Senior Management	Total
Male	45	128	27	12	212
Female	8	75	14	-	97
	53	203	41	12	309

FY2025					
Gender	Non-Executive	Executive	Middle Management	Senior Management	Total
< 30 years old	70	148	1	-	219
30-50 years old	65	136	51	-	252
> 50 years old	32	14	10	7	63
	167	298	62	7	534

FY2024					
Gender	Non-Executive	Executive	Middle Management	Senior Management	Total
< 30 years old	29	86	1	-	116
30-50 years old	20	113	39	9	181
> 50 years old	4	4	1	3	12
	53	203	41	12	309

Sustainability Statement

The Board diversity continues to meet the Malaysian Code on Corporate Governance (MCCG) recommendation of maintaining at least 30% women representation.



② Labour Practices and Standards

Pekat continue to prioritise fair and ethical employment practices, safeguarding the human and labour rights of all employees. Below is the breakdown of type of employment of Pekat in FY2025:

> Type of Employment



Permanent

448
84%



Contract

86
16%

**Total of
Employment**

534
100%

Our dedicated Human Capital department oversees compliance with relevant laws and regulations, ensuring adherence goes beyond minimum wage and maximum working hours. We strictly prohibit child and forced labour, adhering to all employment regulations and local laws wherever we operate. During FY2025, the Group recorded zero instances of human rights violations within our operations.



ZERO human
rights violations

For our foreign workforce, Pekat strictly employs individuals with valid work permits and prohibits the illegal withholding of wages, passports, or personal documents. We do not require monetary deposits or charge recruitment fees, and we fully comply with minimum wage mandates while refraining from disciplinary wage deductions. All foreign employees are provided with comprehensive contracts and benefits equal to those of local employees.

Pekat is also committed to maintaining a safe, respectful and inclusive workplace. The Group enforces a zero-tolerance policy towards sexual harassment and workplace misconduct, recognising that such behaviour undermines employee wellbeing and workplace harmony. Any form of inappropriate behaviour, including verbal, physical or visual harassment, is strictly prohibited under the Group's employment policies.

Pekat continues to foster a workplace culture that promotes fairness, integrity and mutual respect, contributing to a safe and equitable working environment for all employees.



Sustainability Statement

Employee Wellbeing and Engagement

Pekat recognises that employee wellbeing and engagement are essential to building a resilient, productive and motivated workforce. The Group is committed to fostering a supportive work environment that promotes physical health, mental wellbeing and positive employee relationships. Through various initiatives and engagement programmes, Pekat encourages employees to maintain a healthy work-life balance while strengthening teamwork and organisational culture.

Sports Activities



Wellness Programme



Employee Appreciation



In FY2025, Pekat partnered with the National Kidney Foundation to conduct an annual health screening programme for employees. The initiative aims to promote preventive healthcare and encourage healthy lifestyle practices among employees, with 83 employees participating in the programme.

Employee Cultural Programme



The #PekatCares Community Passport is an internal initiative designed to encourage employee engagement in corporate social responsibility (CSR) activities. Throughout the year, employees can collect #PekatCares stamps by participating in various community, environmental, and company-driven initiatives. Employees who achieve the required number of stamps by the end of the year are recognised and rewarded for their active contributions towards making a positive impact.

Plastic-free July Campaign



Pekat actively promotes environmental awareness among employees through internal initiatives such as the Plastic Free July campaign. The campaign encourages employees to reduce single-use plastics in their daily routines by adopting simple practices such as bringing reusable water bottles, using reusable food containers, and avoiding plastic cutlery and straws. Through this initiative, employees are empowered to make environmentally responsible choices both at work and in their personal lives.

Product Safety, Accessibility and Customer Welfare

Product Design and Lifecycle

Pekat is committed to delivering products and services that meet the highest standards of quality, safety, and reliability. Our operations comply fully with industry standards and are supported by an extensive range of licenses and certifications, including:

- G7 Contractor CIDB
- G7 Contractor with TNB
- Registered PV Service Provider (RPVSP) with SEDA Malaysia
- Registered Vendor and Service Contractor with TNB
- Registered as Work Contractor with TNB
- Registered Electrical Service Contactor with Energy Commission Malaysia
- Registered Electrical Contractor with Energy Commission Malaysia
- Registered Switchboard Manufacturer with Energy Commission Malaysia
- International Organization for Standardization (ISO) Certifications:
 1. ISO 14001:2015 Environmental Management Systems
 2. ISO 45001:2018 Occupational Health and Safety Management Systems
 3. ISO 9001:2015 Quality Management Systems
 4. ISO 50001:2018 Energy Management System

Pekat has achieved an 87% customer satisfaction rate, reflecting the high quality and reliability of our solutions. This rating is derived from customer survey covering key dimensions such as product and service performance, staff responsiveness, after-sales service, price competitiveness and overall expectation fulfilment.

Separately, EPE ensures rigorous system safety and operational quality through a formal Corrective Action Request ("CAR") process. Any complaint logged under EPE is investigated thoroughly, and corrective actions are implemented promptly.

Our commitment to customers extends beyond project delivery. We provide comprehensive after-sales support and warranty services, along with detailed manuals for clients. A dedicated customer service team is always available to assist with inquiries, ensuring optimal performance and ongoing satisfaction with our products and services.

Sustainability Statement

Occupational Health & Safety

Pekat prioritises the safety and wellbeing of its workforce through a structured governance framework overseen by a dedicated Health and Safety Committee. The committee meets on a regular basis to review safety performance, discuss emerging Occupational Health and Safety (“OHS”) issues, and update protocols to ensure a harmonious and safe working environment. Our commitment is further reinforced by comprehensive certifications, including ISO 45001 for Occupational Health and Safety Management Systems, ISO 9001 for Quality Management Systems (QMS), and ISO 14001 for Environmental Management Systems (EMS).

Hazard Identification and Risk Control

To proactively safeguard our employees, we have institutionalised the Hazard Identification, Risk Assessment and Risk Control (HIRARC) methodology. This systematic approach allows us to:

- Identify potential workplace hazards before they result in accidents.
- Evaluate associated risks and their impact on employee safety.
- Implement effective control measures to eliminate or minimise risks.

Safety Training and Awareness

To further strengthen safety awareness and preparedness among employees, Pekat conducts various OHS-related training and awareness programmes throughout the year. These include safety briefings, specialised safety training programmes, and emergency preparedness exercises such as fire drills. These initiatives aim to equip employees with the knowledge and competencies required to identify hazards, respond effectively to emergencies, and maintain a safe working environment.

Mandatory Fire Drills: Conducted annually to ensure emergency preparedness.



FY2025 Health & Safety Programme

- Penyelaras Keselamatan Dan Kesihatan Pekerjaan (OSH-C)
- World OSH Day Seminar
- Lifting Planning and Management (In-House)
- NEBOSH International General Certificate in OHS
- Basic Occupational First Aid, CPR and AED Training
- Occupational Safety and Health Revolution In Construction
- Safe Handling of Forklift Truck Training
- Industrial First Aid and CPR AED
- Kursus Kesedaran Awam - ERT
- Simulation Fire, Evacuation and First Aider with BOMBA Nilai
- Hearing Protection, Wearing Glove and Ergonomics

Occupational Health and Safety Performance

Pekat Group Berhad is committed to maintaining a safe and healthy working environment for all employees, contractors and stakeholders through the effective implementation of its Health, Safety and Environment (“HSE”) policies and procedures. The Group continues to promote a proactive safety culture by requiring employees to comply with established safety protocols, utilise appropriate Personal Protective Equipment (“PPE”), and promptly report any unsafe conditions or incidents at the workplace.

In FY2025, the Group maintained transparency in reporting workplace safety performance in accordance with the requirements of the Occupational Safety and Health Act 1994. The table below summarises the Group's work-related injury performance for the financial year.

	FY2023	FY2024	FY2025
Number of work-related fatalities	-	-	1
Number of high consequences work-related injuries	-	-	-
Number of recorded work-related injuries	-	-	2
Lost Time Incident Rate*	-	-	0.1
Number of employees trained on Health and Safety standards	160	60	66

Note:

* LTIR is calculated based on the Bursa Malaysia Sustainability Reporting Guide, per 200,000 hours worked annually.

In FY2025, the Group recorded several workplace safety incidents which were reported to the relevant authorities in accordance with the requirements of the Occupational Safety and Health Act 1994. The Group conducted investigations for each incident and implemented corrective measures to prevent recurrence.

Incident Category	Description	Consequence	Corrective Action Taken
Fatality	A foreign worker on site was struck by lightning	1 Fatality - Reported to DOSH	- Immediate investigation conducted. - Enhanced on-site weather monitoring and lightning. - Protection protocols implemented.
Lost Time Injury (LTI)	Employee fell while climbing stairs at the main security post	5 Days medical leave - Reported to DOSH	- Immediate investigation conducted. - Safety briefing on stairwell safety. - Installed additional anti-slip grip/signage at high-traffic points.
Medical Treatment	Worker's elbow hit a sharp cover edge	2 Days medical leave - Reported to DOSH	- Conducted HIRARC assessment for the area. - Installed protective padding/filing on sharp equipment edges.

Occupational Illness

Pekat also monitors occupational health risks arising from workplace exposure to physical hazards such as noise. In FY2025, one employee from EPE was diagnosed with Noise-Induced Hearing Loss (NIHL). The case was reported to the relevant authorities in accordance with the requirements of the Occupational Safety and Health Act 1994.

Occupational Health Indicator	Performance Data	Corrective & Preventive Actions Taken
Recordable Ill-Health Cases	1	Conducted a formal Noise Risk Assessment at the production facility.
Medical Surveillance	Complete	Provided professional diagnosis and medical treatment for the affected staff.
Zone Enforcement	100% Compliance	Strictly enforced mandatory "Hearing Protection Zones" requiring hearing protection equipment.

Sustainability Performance Prescribed Table

PEKAT GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-24_11:39:44

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Corporate Governance and Ethics	Anti-Bribery and Corruption (ABC) Training	Number of employees	120	Not Applicable	External (Limited)	
Corporate Governance and Ethics	Cases of Non-compliance with Laws and Regulations	Number of cases	0	Not Applicable	External (Limited)	
Business Performance and Developments	Group Revenue	MYR million	609.5	Not Applicable	External (Limited)	
Business Performance and Developments	Profit After Tax and Minority Interest ("PATAMI")	MYR million	45.1	Not Applicable	External (Limited)	
Business Performance and Developments	Profit After Tax and Minority Interest ("PATAMI") Growth	Percentage	104.8	Not Applicable	External (Limited)	
Supply Chain Management	Proportion of Spending on Local Suppliers	Percentage	49.6	Not Applicable	External (Limited)	
Supply Chain Management	Proportion of Spending on Foreign Suppliers	Percentage	50.4	Not Applicable	External (Limited)	
Data Security and Privacy	Incidents of Data Breaches	Number of cases	0	Not Applicable	External (Limited)	
Business Impact to Environment	Cumulative Capacity of Completed Solar PV Systems	Megawatt-peak	230.7	Not Applicable	External (Limited)	
Business Impact to Environment	Estimated Annual Electricity Generated by the Solar PV Systems	Megawatt-hour	336,857	Not Applicable	External (Limited)	
Business Impact to Environment	Avoidance In CO ₂ Emission	Tonnes	260,727	Not Applicable	External (Limited)	
Business Impact to Environment	Number of Tree Seedlings Grown for 10 Years	Number	4,345,451	Not Applicable	External (Limited)	
Energy and Water Consumption	Total Electricity Consumption	Kilowatt-hour	58752	Not Applicable	External (Limited)	
Energy and Water Consumption	Water Consumption	Cubic meter	18,778	Not Applicable	External (Limited)	

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Energy and Water Consumption	Revenue	MYR million	609.5	Not Applicable	External (Limited)	
Energy and Water Consumption	Electricity Consumption per Revenue	Kilowatt-hour per year per MYR million revenue	963.7	Not Applicable	External (Limited)	
Energy and Water Consumption	Water Consumption per Revenue	Cubic meter per year per MYR million revenue	30.8	Not Applicable	External (Limited)	
Energy and Water Consumption	Total Fuel Consumption	Litre	79,545.0	Not Applicable	No assurance	
Energy and Water Consumption	Total Energy Consumption	Gigajoule	4,994.9	Not Applicable	No assurance	
Energy and Water Consumption	Purchased Electricity	Kilowatt-hour	58,752	Not Applicable	No assurance	
Energy and Water Consumption	Energy Intensity	Gigajoule per MYR million revenue	8.2	Not Applicable	No assurance	
Waste Management	Waste Diverted (Recycling & Reuse)	Tonnes	12.4	Not Applicable	External (Limited)	
Waste Management	Waste Directed to Disposal (Landfill)	Tonnes	3.2	Not Applicable	External (Limited)	
Waste Management	Total Group Recorded Waste	Tonnes	15.6	Not Applicable	External (Limited)	
GHG Emissions	Scope 1 GHG Emissions	Tonnes of carbon dioxide equivalent	194.4	Not Applicable	No assurance	
GHG Emissions	Scope 2 GHG Emissions	Tonnes of carbon dioxide equivalent	454.9	Not Applicable	No assurance	
GHG Emissions	Total Solar Electricity Generated	Kilowatt-hour	431,716	Not Applicable	No assurance	
GHG Emissions	Total Emissions Avoidance	Tonnes of carbon dioxide equivalent	3341	Not Applicable	No assurance	

Sustainability Performance Prescribed Table

PEKAT GROUP BERHAD
BMLR Transition Period

Date & Time: 2026-04-24_11:39:44
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Employee Training and Talent Retention	Training Expenses	MYR per employee	788	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Training Expenses	MYR	420,812	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Number of Employees	Number of employees	534	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Total Training Hours by All Employees	Hours	4,365	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Number of Employees Attended	Number of employees	161	Not Applicable	External (Limited)	
Employee Training and Talent Retention	New Hires by Position	Number of employees	133	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Turnover by Position	Number of employees	93	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Group Average Tenure	Years	6.5	Not Applicable	External (Limited)	
Employee Training and Talent Retention	Number of Interns	Number of interns	23	Not Applicable	External (Limited)	
Community Engagement	Total Amount Invested in Community	MYR	43,040	Not Applicable	External (Limited)	
Community Engagement	Total Number of Beneficiaries	Number	417	Not Applicable	External (Limited)	Beneficiaries include number of persons, organisations and families
Diversity and Equal Opportunity	Total Employees by Gender-Male	Percentage	73	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Total Employees by Gender-Female	Percentage	27	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Total Employees by Gender-Male	Number of employees	392	Not Applicable	External (Limited)	

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity and Equal Opportunity	Total Employees by Gender- Female	Number of employees	142	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Total Employees by Ethnicity- Malay	Percentage	73	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Total Employees by Ethnicity- Chinese	Percentage	20	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Total Employees by Ethnicity- Indian	Percentage	1	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Total Employees by Ethnicity- Others	Percentage	6	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Male Non-Executive	Number of employees	144	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Male Executive	Number of employees	195	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Male Middle Management	Number of employees	46	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Male Senior Management	Number of employees	7	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Female Non-Executive	Number of employees	23	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Female Executive	Number of employees	103	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Female Middle Management	Number of employees	16	Not Applicable	External (Limited)	

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Sustainability Performance Prescribed Table

PEKAT GROUP BERHAD
BMLR Transition Period

Date & Time: 2026-04-24_11:39:44
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity and Equal Opportunity	Number of Employees by Gender by Level- Female Senior Management	Number of employees	0	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Board Composition by Gender- Male	Percentage	66.7	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Board Composition by Gender- Female	Percentage	33.3	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Board Composition by Age- 30-50	Percentage	16.7	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Board Composition by Age- Above 50	Percentage	83.3	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- < 30 Non-Executive	Number of employees	70	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- < 30 Executive	Number of employees	148	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- < 30 Middle Management	Number of employees	1	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- < 30 Senior Management	Number of employees	0	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- 30-50 Non-Executive	Number of employees	65	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- 30-50 Executive	Number of employees	136	Not Applicable	External (Limited)	

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Diversity and Equal Opportunity	Number of Employees by Position by Age- 30-50 Middle Management	Number of employees	51	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- 30-50 Senior Management	Number of employees	0	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- > 50 Non-Executive	Number of employees	32	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- > 50 Executive	Number of employees	14	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- > 50 Middle Management	Number of employees	10	Not Applicable	External (Limited)	
Diversity and Equal Opportunity	Number of Employees by Position by Age- > 50 Senior Management	Number of employees	7	Not Applicable	External (Limited)	
Labour Practices and Standards	Type of Employment Permanent	Percentage	84	Not Applicable	External (Limited)	
Labour Practices and Standards	Type of Employment Contract	Percentage	16	Not Applicable	External (Limited)	
Labour Practices and Standards	Type of Employment Permanent	Number of employees	448	Not Applicable	External (Limited)	
Labour Practices and Standards	Type of Employment Contract	Number of employees	86	Not Applicable	External (Limited)	
Labour Practices and Standards	Number of Cases of Human Rights Violations	Number of cases	0	Not Applicable	External (Limited)	
Product Safety, Accessibility and Customer Welfare	Customer Satisfaction	Percentage	87	Not Applicable	External (Limited)	

Sustainability Performance Prescribed Table

PEKAT GROUP BERHAD

BMLR Transition Period

Date & Time: 2026-04-24_11:39:44

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance	Remarks
Occupational Health and Safety	Number of Work-related Fatalities	Number	1	Not Applicable	External (Limited)	
Occupational Health and Safety	Number of High Consequences Work-related Injuries	Number	0	Not Applicable	External (Limited)	
Occupational Health and Safety	Number of Recorded Work-related Injuries	Number	2	Not Applicable	External (Limited)	
Occupational Health and Safety	Lost Time Incident Rate	Rate	0.1	Not Applicable	External (Limited)	
Occupational Health and Safety	Number of Employees Trained on Health and Safety Standards	Number of employees	66	Not Applicable	External (Limited)	

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GRI Content Index

Statement of use	Pekati has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	19
	2-2 Entities included in the organisation's sustainability reporting	19
	2-3 Reporting period, frequency and contact point	19
	2-4 Restatements of information	No restatement of information in this report
	2-5 External assurance	19, 67-71
	2-6 Activities, value chain and other business relationships	19
	2-7 Employees	50-52
	2-9 Governance structure and composition	22
	2-10 Nomination and selection of the highest governance body	Corporate Governance Overview Statement ("CGOS") (77-89)
	2-11 Chair of the highest governance body	CGOS (77-89)
	2-12 Role of the highest governance body in overseeing the management of impacts	22
	2-13 Delegation of responsibility for managing impacts	22
	2-14 Role of the highest governance body in sustainability reporting	22
	2-16 Communication of critical concerns	23-26
	2-17 Collective knowledge of the highest governance body	CGOS (77-89)
	2-18 Evaluation of the performance of the highest governance body	CGOS (77-89)
	2-19 Remuneration policies	CGOS (77-89)
	2-20 Process to determine remuneration	CGOS (77-89)
	2-22 Statement on sustainable development strategy	Management Discussion and Analysis (12-18)
	2-23 Policy commitments	CGOS (82-83)
	2-24 Embedding policy commitments	CGOS (77-89)
	2-26 Mechanisms for seeking advice and raising concerns	23-26
	2-27 Compliance with laws and regulations	31
	2-29 Approach to stakeholder engagement	23-26
GRI 3: Material Topics 2021	3-1 Process to determine material topics	27
	3-2 List of material topics	27-29
	3-3 Management of material topic	27-29
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	32
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	36

GRI Content Index

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	31
	205-3 Confirmed incidents of corruption and actions taken	31
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	40-41
	302-3 Energy intensity	41
	302-4 Reduction of energy consumption	40-41
GRI 303: Water and Effluents 2018	303-5 Water consumption	40
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	42
	305-2 Energy indirect (Scope 2) GHG emissions	42
	305-5 Reduction of GHG emissions	42
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	39
	306-2 Management of significant waste-related impacts	39
	306-3 Waste generated	39
	306-4 Waste diverted from disposal	39
	306-5 Waste directed to disposal	39
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	46
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	56
	403-2 Hazard identification, risk assessment, and incident investigation	56
	403-4 Worker participation, consultation, and communication on occupational health and safety	56
	403-5 Worker training on occupational health and safety	56-57
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	57
	403-9 Work-related injuries	57
	403-10 Work-related ill health	57
GRI 404: Training and Education 2016	404-2 Programmes for upgrading employee skills and transition assistance programmes	44-45
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	50-52
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	53
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	53
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	47-49
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	37



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Independent Limited Assurance Report on Subject Matter Information in Pekati Group Berhad's Sustainability Statement 2025

We, UHY Malaysia PLT ("UHY") were engaged by Pekati Group Berhad ("Pekati Group") to provide limited assurance on selected sustainability indicators ("Subject Matter Information") as reported by Pekati Group in its Sustainability Statement for the year ended 31 December 2025 ("Sustainability Statement").

The scope of our work was limited to the selected sustainability matters presented in the Sustainability Statement and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter Information below and their related disclosures; nor did it include information reported outside of the Sustainability Statement.

Limited Assurance Conclusion

Based on the work we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information presented in the Sustainability Statement has not been prepared, in all material respects, in accordance with the Reporting Criteria.

This conclusion is to be read in the context of what we say in the remainder of this report.

Subject Matter Information

The scope of our work was limited to assurance over selected sustainability indicators reported in the Pekati Group's Sustainability Statement, as presented below.

Underlying Subject Matter	Units
Corporate Governance and Ethics	
Anti-Bribery and Corruption (ABC) Training	Number of employees
Confirmed incidents of corruption and action taken	Number of Cases
Community Engagement	
Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR
Total number of beneficiaries of the investment in communities	Number



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Independent Limited Assurance Report on Subject Matter Information in Pekat Group Berhad's Sustainability Statement 2025 (cont'd)

Subject Matter Information (cont'd)

The scope of our work was limited to assurance over selected sustainability indicators reported in the Pekat Group's Sustainability Statement, as presented below (cont'd).

Underlying Subject Matter	Units
Business Impact on the Environment	
Cumulative capacity of completed solar PV systems for our customers	MWp
Estimated annual electricity generated by the PV systems installed for our customers	MWh
Avoidance in carbon dioxide emissions through the PV systems installed for our customers	tCO2e
Equivalent number of Tree Seedlings Grown for 10 years	Number
Energy and Water Consumption	
Electricity consumption	kWh
Water consumption	m3
Revenue	RM in million
Electricity consumption per revenue	kWh per RM million
Water consumption per revenue	m3 per RM million
Diversity and Equal Opportunity	
Employee by gender and age group, for each employee category	Percentage % and Number
Directors by gender and age group	Percentage %
Occupational Health and Safety	
Number of work-related fatalities	Number
Number of high consequences work-related injuries	Number
Number of recorded work-related injuries	Number
Lost time incident rate	Rate
Number of employees trained on health and safety standards	Number
Labour Practices and Standards	
Number of employees by type of employment	Percentage % and Number
Substantial complaints concerning human rights violations	Number of cases
Supply chain management	
Proportion of spending on local suppliers	Percentage %
Proportion of spending on foreign suppliers	Percentage %
Data privacy and security	
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number
Waste Management	
Total waste generated, and breakdown of the following:	
Total waste diverted from disposal	Metric tonnes
Total waste directed to disposal	Metric tonnes

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Independent Limited Assurance Report on Subject Matter Information in Pekat Group Berhad's Sustainability Statement 2025 (cont'd)

Subject Matter Information (cont'd)

The scope of our work was limited to assurance over selected sustainability indicators reported in the Pekat Group's Sustainability Statement, as presented below (cont'd).

Underlying Subject Matter	Units
Product Safety, Accessibility and Customer welfare	
Customer satisfaction	Percentage
Employee Trainings and Talent Retention	
Training expenses, number of employees and expenses per employee	RM, Number, RM per employee
Total training hours and employee attendance	Hours and Number of employees
Group average tenure	Number of years
New hires by position	Number of employees
Turnover by position	Number of employees
Number of interns	Number of interns
Business Performance and Developments	
Group Revenue	RM in million ^
Profit After Tax and Minority Interest ("PATAMI")	RM in million ^
Profit After Tax and Minority Interest ("PATAMI") Growth	Percentage ^

^ indicates that the subject matters disclosed has been assured by another assurance provider.

Our assurance is with respect to the year ended 31 December 2025 Subject Matter Information only and we have not performed any procedures with respect to earlier periods or any other information included in the Pekat Group's Sustainability Statement and, therefore, do not express any conclusion thereon.

Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which Pekat Group is solely responsible for selecting and applying.

The reporting criteria adopted for reporting the Subject Matter Information are based on Pekat Group's application of sustainability reporting frameworks, standards and guidelines along with their definitions and calculation methodologies as disclosed within the Sustainability Statement ("Reporting Criteria").

Board of Directors and Management's Responsibilities

The Directors and Management of Pekat Group are responsible for:

- the design, implementation and maintenance of internal control relevant to the preparation and presentation of Subject Matter Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or establishing suitable Reporting Criteria;
- measuring or evaluating and presenting the Subject Matter Information in accordance with the Reporting Criteria; and
- the preparation of the Sustainability Statement and the Reporting Criteria and their contents.



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Independent Limited Assurance Report on Subject Matter Information in Pekat Group Berhad's Sustainability Statement 2025 (cont'd)

Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Subject Matter Information has been prepared in accordance with the Reporting Criteria;
- forming an independent limited assurance conclusion based on the work we have performed and the evidence we have obtained; and
- reporting our limited assurance conclusion to Pekat Group.

Our Quality Management and Independence

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Assurance standards and level of assurance

We performed a limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements 3000 (Revised), *"Assurance Engagements other than Audits and Reviews of Historical Financial Information"* ("ISAE 3000 (Revised)"). This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Subject Matter Information is free from material misstatement.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks which vary in nature from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not report a reasonable assurance conclusion.

Work performed

Considering the circumstances of the engagement our work included, but was not restricted to:

- assessing the suitability of the Reporting Criteria as the basis of preparation for the Subject Matter Information;
- conducting interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategies and policies for material issues, and the implementation of these across the business operations;
- assessing the risk of material misstatement of the Subject Matter Information, whether due to fraud or error, and responding to the assessed risk as necessary in the circumstances;
- conducting interviews with relevant management of Pekat Group and examining selected documents to obtain an understanding of the processes, systems and controls in use for measuring or evaluating, recording, managing, collating and reporting the Subject Matter Information;
- conducting interviews with sites, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria;



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Independent Limited Assurance Report on Subject Matter Information in Pekat Group Berhad's Sustainability Statement 2025 (cont'd)

Work performed (cont'd)

- performing analytical procedures for consistency of data with trends and our expectation;
 - performing selected limited substantive testing including agreeing a selection of the Subject Matter Information to corresponding supporting information;
 - considering the appropriateness of a selection of selected unit conversion factor calculations and other calculations used by Pekat Group to prepare the Subject Matter Information including by reference to widely recognised and established conversion factors;
 - considering the organisational boundary of Pekat Group for the reporting of Subject Matter Information;
 - evaluating the overall presentation of the Subject Matter Information; and
- reading the Sustainability Statement and narrative accompanying the Subject Matter Information in the Sustainability Statement with regard to the Reporting Criteria, and for consistency with our findings.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Sustainability Statement may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Sustainability Statement, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Intended use of this report

This limited assurance report, including our conclusion, has been prepared solely for the Board of Directors of Pekat Group in accordance with the terms of the letter of engagement between us. Our work has been undertaken so that we might state to Pekat Group those matters we are required to state to them in an independent limited assurance report and for no other purpose. We have not considered the interest of any other party in the Subject Matter Information.

To the fullest extent permitted by law, we do not accept nor assume responsibility and deny any liability to any party other than Pekat Group for our work or this report, or for the conclusion we have reached.

Our report is released to Pekat Group on the basis that it shall not be copied, referred to or disclosed, in whole (save for inclusion in the Pekat Group's Sustainability Statement 2025) or in part, without our prior written consent.

UHY Malaysia PLT

Firm Number: 202406000040 (LLP41391-LCA) & AF 1411
Chartered Accountants

Kuala Lumpur

Date: 22 April 2026