

Gadang Holdings Berhad



Sustainability Statement



GROWING FUTURE IN SUSTAINABILITY

Gadang Holdings Berhad (“Gadang”), hereinafter referred to as the “Company” or the “Group”, is pleased to present its Sustainability Statement for the financial year ended 31 May 2025. This report highlights our sustainability initiatives aimed at creating long-term value while minimising environmental impact, promoting social well-being and upholding good governance practices.

We recognise the importance of good Environmental, Economic and Social (“EES”) practices in driving sustainable growth. Moving forward, we aim to focus more on managing climate risks and opportunities in line with the National Sustainability Reporting Framework (“NSRF”) regulations. Our commitments reflect our dedication to protect the environment, supporting communities and delivering long-term value across our operations. This report outlines our key achievements, material matters and contributions to the United Nations Sustainable Development Goals (“UNSDGs”).

We believe that sustainable practices are essential to long-term success, contributing not only to financial performance but also to the well-being of communities and the preservation of our planet. We strive to create lasting value that goes beyond short-term achievements.

Annual Report 2025

Sustainability Statement

GADANG SUSTAINABILITY FRAMEWORK



Our Vision

To be the preferred leader in all our core businesses, recognised for our high standards and commitment to excellence



Our Mission

To perpetually pursue value for all our stakeholders

To build an effective management team that emphasises on productivity and innovation

To drive a holistic approach to business management, incorporating Economic, Environment, Social and Governance considerations alongside financial goals, to support business continuity and competitiveness over the long term

Gadang's Sustainability Pillars

Economic

Business Front

Deliver quality products & services and maintain good corporate governance

Environmental

Environment

Manage the environmental impact in the areas that we operate

Social

Workplace

Develop talent & recognise employees' contributions and provide a safe and conducive workplace

Community

Giving back to the communities

In alignment with **UNSDG**



REPORTING PERIOD

This Statement covers the Group's sustainability management and performance data from 1 June 2024 to 31 May 2025 and the comparative data where applicable.

REPORT AVAILABILITY

www.gadang.com.my

REPORTING CYCLE

Annually

REPORTING GUIDES

- Bursa Malaysia's Main Market Listing Requirements
- Bursa Malaysia's Sustainability Reporting Guide – 3rd Edition
- United Nations Sustainable Development Goals

FEEDBACK

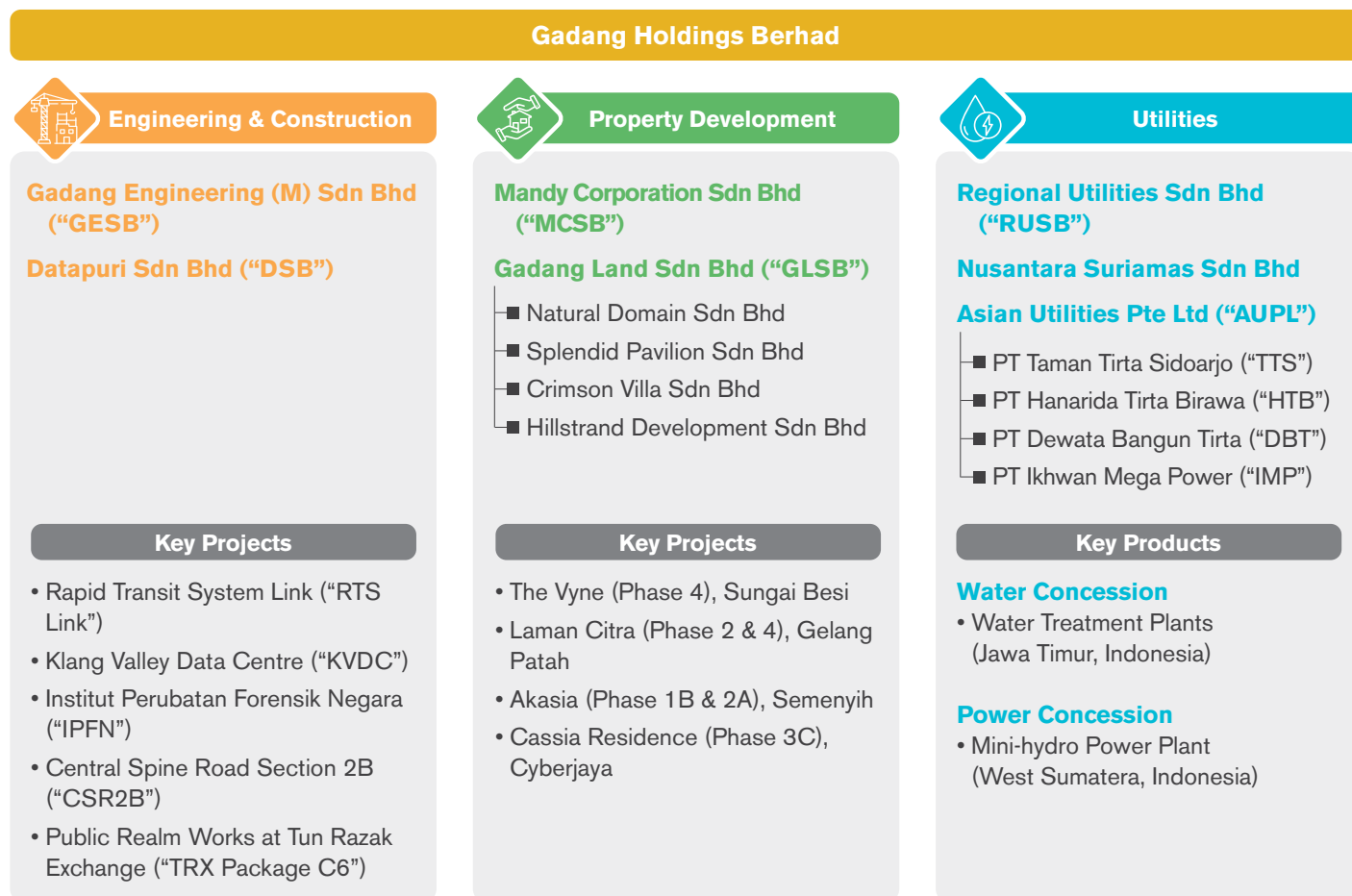
Risk Management and Sustainability Department
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Off Jalan Persiaran Utama
Sri Damansara
52200 Kuala Lumpur
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REPORTING SCOPE

The reporting scope includes Gadang and our active subsidiaries in Malaysia and Indonesia. Below is the list of covered entities and projects / products.



STATEMENT OF ASSURANCE

An internal review was undertaken by the internal audit function. The subject matter covered the whole report across all companies within the Group's operational control.

SUSTAINABILITY GOVERNANCE

The Board of Directors leads the sustainability governance by setting the Group's strategic direction and overseeing key sustainability matters. To support this, the Board has established the Board Risk and Sustainability Committee ("BRSC"), with implementation oversight delegated to the Risk Management and Sustainability Committee ("RMSC") at the management level. ESG-related Key Performance Indicators ("KPIs") are also embedded in the performance appraisals of executive directors and senior management to enhance accountability.

The governance structure defines clear roles and responsibilities across all levels of the Group. In line with the National Sustainability Reporting Framework ("NSRF"), the Group is enhancing its capacity and capabilities to focus on climate-related disclosures and long-term sustainability performance.

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SUSTAINABILITY GOVERNANCE STRUCTURE

Board of Directors ("Board")

- ➔ Sets the strategic direction and oversees the sustainability framework for the Group whilst maximising stakeholders' value through the management of financial (business growth, profitability, etc) and non-financial indicators, including economic, environmental and social ("sustainability") related matters arising from its business activities
- ➔ Reviews and approves the outcome of biennial materiality assessment
- ➔ Reviews the Board and senior management performance evaluation against sustainability KPIs
- ➔ Approves the Sustainability Statement for inclusion in the Annual Report

Board Risk & Sustainability Committee ("BRSC")

- ➔ Supports the Board by monitoring the implementation of the strategic plans by Management

Risk Management & Sustainability Committee ("RMSC")

- ➔ Chaired by the Group Managing Director
- ➔ Supported by the respective Heads of Business Divisions to achieve the Group's sustainability objectives
- ➔ Accountable for the development and implementation of sustainability strategies
- ➔ Provides status updates on sustainability performance
- ➔ Reviews the sustainability statement prior to approval by the Board

Risk & Sustainability Facilitator ("RSF")

- ➔ Supports the RO & SWG
- ➔ Facilitates ESG data collection and reporting while driving progress towards the Group's ESG goals
- ➔ Monitors regulatory updates and reports key changes to the RMSC and BRSC

Risk Owners ("RO") & Sustainability Working Group ("SWG")

- ➔ SWG chaired by the Chief Financial Officer ("CFO") and represented by risk owners i.e. Heads of Departments ("HODs") and representatives from various departments across all business divisions
- ➔ Sets the scope of sustainability management measures and drive the day-to-day implementation and monitoring of sustainability management, across all business divisions whilst promoting interdepartmental collaboration
- ➔ Identifies, assesses and reports on sustainability risks and opportunities relevant to the Group's operations including climate change and provides regular updates on sustainability performance
- ➔ Manages the reporting on sustainability-related KPIs

STAKEHOLDER ENGAGEMENT

We engage our stakeholders continuously through various communication channels. These engagements provide valuable insights into their focus areas, allowing us to align them with the Company's strategies and business operations.

Stakeholder Group	Form of Engagement	Areas of Focus	Outcome
 Board of Directors	• Board Meetings • Board Sub-committees Meetings • Annual General Meeting • Corporate/Company Events • Stakeholder Engagement Surveys	• Business Strategy • Sustainable Profitability and Growth • Financial Performance • Compliance with ESG Practices • Human Capital Management • Workplace Health and Safety	Strategic plans that maximise shareholders' value and drive long term sustainability performance

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Stakeholder Group	Form of Engagement	Areas of Focus	Outcome
 Investors/ Shareholders	• Annual General Meeting • Investor Relation Activities • Public Announcements • Corporate Website • Annual Report	• Sustainable Profitability and Growth • Product Innovation to Meet Changing Demand • Image and Reputation • Compliance with ESG Practices • Timely & Transparent Disclosure • Business Ethics & Compliance	Positive reputation amongst investors/ shareholders
 Employees	• Internal Communications • Face-to-face meetings • Learning & Development Programme • Sports Club Activities • Community Programmes • Employee Handbook • Code of Ethics & Conduct • Performance Review • Stakeholder Engagement Surveys	• Training, Guidance and Support • Fair Treatment of Employees • Workplace Health and Safety • Employee Well-Being • Competitive Remuneration (Benefits) • Career Development • Job Satisfaction • Anti-Bribery and Corruption • Human Rights	Enhanced employee engagement and satisfaction
 Clients/ Customers	• Client/Customer Satisfaction Surveys • Sales & Marketing Channels • Events, Exhibitions • Social Media • Corporate Website • Stakeholder Engagement Surveys • Mobile and Email Communications	• Quality Product and Services • Timely and Responsive Communication • Design to Meet Customers Needs • Fair Product Pricing • Personal Data Protection • Workplace Health and Safety	Enhanced satisfaction Recurring business opportunities
 Government/ Regulatory Authorities	• Ad Hoc Public Invitations • Site Visits • Seminar and Training Sessions • Conferences/industry events • Participation in Organised Programmes • Stakeholder Engagement Surveys	• Compliance with laws and regulations • Business Ethics & Compliance • Supporting Government Policies and Objectives • Information Security	Better understanding of Company's sustainability commitment Compliance with laws and regulations
 Contractors, Vendors, Suppliers	• Virtual/Face-to-face Meetings • Supplier/Subcontractor Evaluations • Stakeholder Engagement Surveys	• Clear Contract Terms and Fulfilment • Good Governance Practices • Ethical Business Conduct • Fair Price • Client Satisfaction • Timely and Responsive Communication • Workplace Health and Safety • Human Rights • Sustainable Procurement	Better understanding of Company's sustainability commitment

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Stakeholder Group	Form of Engagement	Areas of Interest	Outcome
 Business Partners	• On-going Communication & Visits	• Collaboration & Market Synergy • Ethical Business Conduct • Sustainability Policy • Human Rights Policy	Recurring business opportunities
 Media/Analyst	• Press Conferences • Media Releases/Interviews • Ad Hoc Meetings	• Timely & Transparent Disclosure • Environmental Practices	Better understanding of Company's financial & sustainability performance
 Local Communities/NGOs	• Meetings & Visits • Community Development Programmes	• Accessible & Affordable Housing • Environmental Practices • Community Development • Contributions to Society	Better social relationship

MATERIALITY ASSESSMENT

In FYE 2025, we conducted a materiality assessment to update the FYE 2023 findings and ensure our sustainability strategies remain aligned with evolving stakeholder expectations. The assessment aimed to validate existing material matters, identify new ones and reprioritise stakeholder concerns based on relevance. It was carried out through engagement with internal stakeholders, including our Sustainability Working Group ("SWG") as well as external stakeholders.

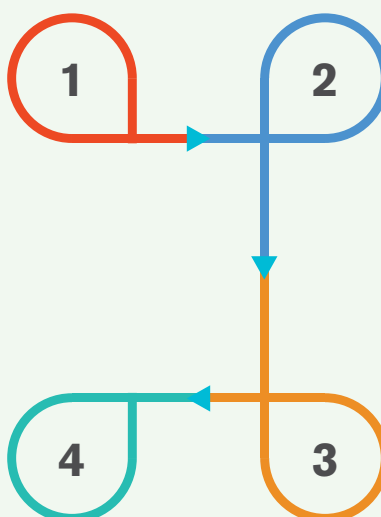
MATERIALITY ASSESSMENT PROCESS

REVIEW

We reviewed the relevancy of ESG topics by considering internal inputs and external references such as regulatory frameworks, industry practices and global trends. Key stakeholders are identified to ensure a balanced internal and external perspective in shaping material topics.

UPDATE

We updated our materiality parameters periodically in light of changes against the business landscape, emerging global & national trends, regulatory development, as well as stakeholders' opinions.



PRIORITISE

We prioritised material matters through structured stakeholder engagement, surveys and workshops with internal and external stakeholders and assess the material matters based on stakeholders' concerns, potential impact on the Group's business performance and alignment with our long-term strategic objectives.

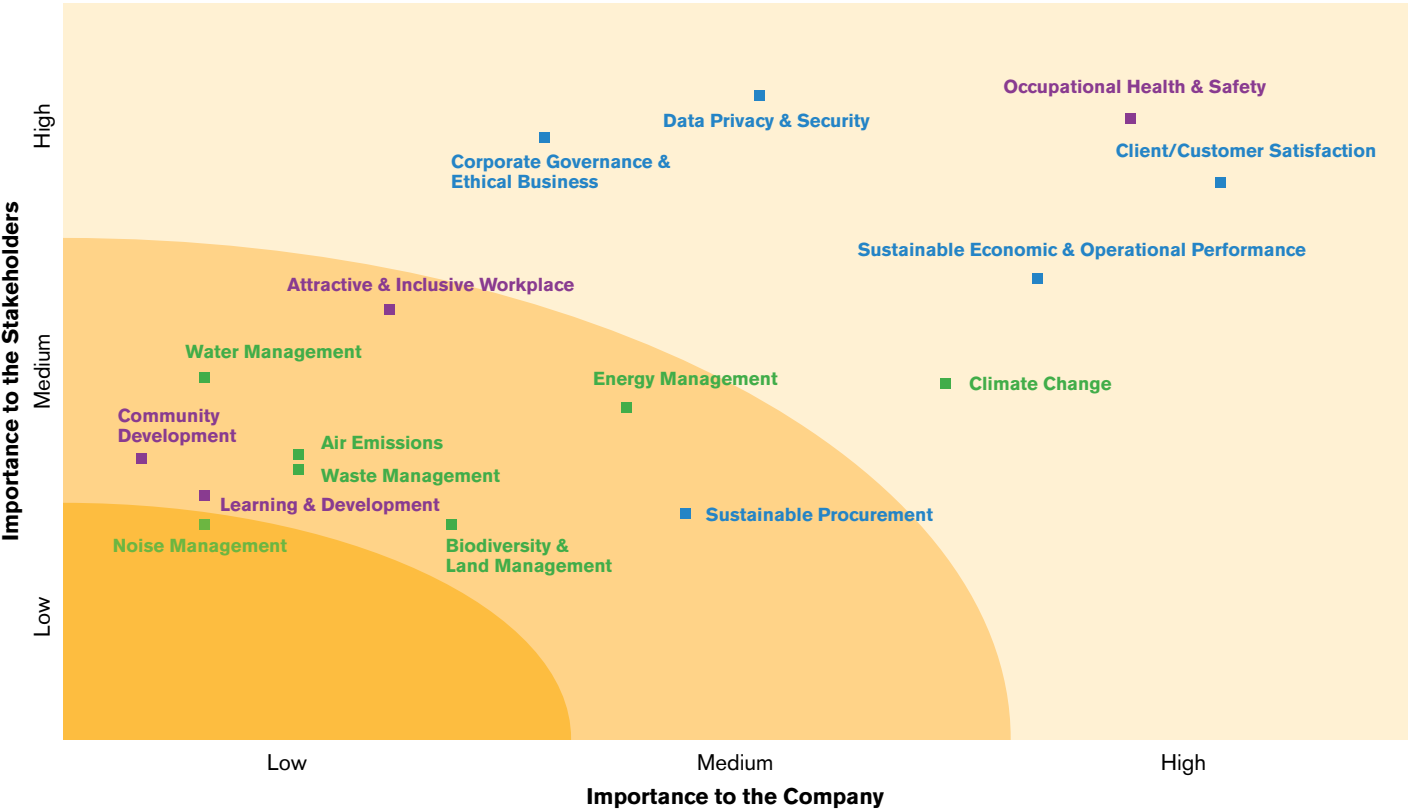
INTEGRATE

We examined the results of prioritisation and validated material matters with the Risk Management & Sustainability Committee and the Board. The outcome of the materiality assessment is presented in a matrix and approved by the Board.

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MATERIALITY MATRIX



Economic
➔ Sustainable Economic & Operational Performance* ➔ Client/Customer Satisfaction* ➔ Data Privacy & Security* ➔ Corporate Governance & Ethical Business ➔ Sustainable Procurement

Environmental
➔ Climate Change* ➔ Waste Management ➔ Biodiversity & Land Management ➔ Air Emission ➔ Water Management ➔ Energy Management ➔ Noise Management

Social
➔ Occupational Health & Safety* ➔ Attractive & Inclusive Workplace ➔ Learning & Development ➔ Community Development

*high priority matters

In our FYE 2025 materiality assessment, we identified five (5) high priority matters that required more focus and attention. These matters have been evaluated and we have set sustainability targets and performance metrics to track the progress. Further details on each priority matter are provided within the respective Economic, Environmental and Social sections of this Sustainability Statement.

Sustainability Statement

AWARDS & RECOGNITION

In FYE 2025, we obtained the following awards and recognitions, which served as a testament to our commitment to ESG best practices and industry standards:

NACGSA

("National Corporate Governance and Sustainability Awards") by MSWG. Recognised among the Top 50 Public Listed Companies in Malaysia for excellence in governance and sustainability.

QUEST

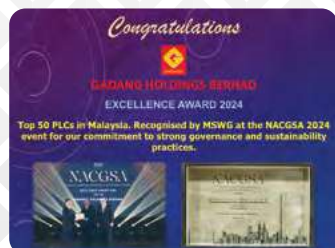
QUEST Awards (by CIDB) – ECRL project received the Infrastructure Category Award, recognising excellence in construction quality.

SHASSIC

Achieved a 5-Star Rating (Highest Award) for outstanding site safety and health performance for the RTS and IPFN projects.

MiSHA

Recognised for our commitment to OSH principles, with a Platinum Award for the RTS project and Gold Awards for the CSR2B, IPFN and KVDC projects.



2024

- **MiSHA Excellence Award (Gold)** – OSH Risk Management in Construction & Heavy Engineering Sector (CSR2B Project)
- **MSOSH Recognition** – Very Good OSH Performance (RTS-LINK Project)

2023

- **MSOSH Gold Class 1** – ECRL Section 6
- **MOSHPA Gold Award** – ECRL Section 6
- **SHASSIC 5-Star Rating** – RTS LINK
- **QA/QC Certificate of Appreciation** – MRT V206
- **Safety Certificate of Appreciation** – RTS LINK

2022

- **MiSHA Golden Safety Award** – Cyberjaya
- **Best Emergency Response Team** – TRX C3

2022 (Cont'd.)

- **Best Labour Quarter Management** – MRT V206
- **Best Environmental Management** – TRX C6 & MRT V206
- **Best Safety & Health Committee** – ECRL, TRX C3 & TRX C6
- **SHASSIC 5-Star Rating** – ECRL
- **SHASSIC 5-Star Rating** – TRX C6

2021

- **MSOSH Silver Award** – TRX C6

2020

- **Employee of Choice (Silver Award)** – Human Resources
- **Best CEO Award** – Corporate Governance, Billion Awards by Focus Malaysia

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FYE 2025 SUSTAINABILITY TARGETS & PERFORMANCE

ECONOMIC		
     		
Category	Sustainability Targets FYE 2025	Achievement
 Quality	Quality Assessment System in Construction ("QLASSIC") Average > 75% score	78.5%
	To obtain CIDB SCORE rating - 5 Star	3 Star
 Corporate Governance	To have 30% women directors in the Board	33% women directors
 Anti-Corruption	100% employees trained on anti-bribery and corruption	100% trained
	100% of operations assessed for corruption-related risks	100% assessed
	No confirmed corruption incident	No confirmed corruption incident
 ISO Standards	To renew ISO 14001 : 2015 Environmental Management System for GESB	ISO renewed
	To renew ISO 45001 : 2018 Occupational Health & Safety Management System for GESB	ISO renewed
 Data Privacy & IT Security	Zero data breaches	Zero data breaches
 Supply Chain Management	To obtain at least 95% of purchases from local suppliers	99%
 Client/Customer Satisfaction	Target to achieve 75% and above	E&C - 82% Property - 83% Utilities - 86%
ENVIRONMENT		
     		
Category	Sustainability Targets FYE 2025	Achievement
 Waste Management	To achieve waste recycling of 15% for Engineering and Construction	19%
	To recycle 3,000 kg of waste at Gadang HQ	3,439 kg waste recycled
 Water Management	To achieve total water consumption below 50,000 m ³	49,781 m³
 Energy Management	Solar Renewable Energy Harnessing 15% of Gadang HQ's energy from renewable energy	16.0% or 85,258 kWh clean energy RM44,000 saved
	To achieve total energy consumption below 6,000 MWh	5,467MWh

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ENVIRONMENT (Cont'd.)



Category	Sustainability Targets FYE 2025	Achievement
Environment Management	Zero summons from Departmental of Environment ("DOE")	Zero summons
Climate Change & Biodiversity	Plant 1,500 trees to offset carbon footprint	1,769 trees planted Equivalent to 38,918 kgCO₂ absorption
Carbon Emission	Scope 1 To achieve direct emissions intensity of < 0.0100 tCO ₂ e from diesel-powered plant and machinery	0.0072
	Scope 2 To achieve indirect emissions intensity of < 0.0075 tCO ₂ e from purchased electricity	0.0057
	Scope 3 To achieve indirect emissions intensity of < 0.0017 tCO ₂ e per employee from commuting and business travel	0.0015

SOCIAL



Category	Sustainability Targets FYE 2025	Achievement
Health & Safety	To obtain at least one safety award in recognition of promoting a strong safety culture	7 Safety Awards Obtained
	To have 80% of staff receive health and safety training	87.5% (641 employees trained)
	Zero fatality	Zero fatality
	Incident Rate < 4 per 1,000 workers	Zero incident rate
	Loss Time Injury Frequency Rate ("LTIFR") < 8	Zero LTIFR
Attractive & Inclusive Workplace	School aid support to employees' children. Target 100 students	RM 29,400 contributed to 147 children
	To provide average 10 training hours per employee	15 hours
	Zero complaint on human rights violation	Zero human rights violation
Community Development	Supporting at least two needy scholars for college/university education	5 students awarded scholarship Contributed RM115,000
	Supporting Corporate Social Responsibility ("CSR") activities amounting to RM100,000	Contributed RM130,000

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BUSINESS
FRONT

SUSTAINING BUSINESS PERFORMANCE

 To sustain revenue and profit

Financial Performance	FYE 2025 (RM'000)	FYE 2024 (RM'000) Restated	FYE 2023 (RM'000)
Revenue	779,812	591,923	496,073
Profit/(Loss) Before Tax	18,027	14,465	(27,897)
Profit/(Loss) After Tax	6,998	495	(41,196)
Shareholders' Funds	816,542	791,862	792,452
Total Assets	1,350,398	1,388,284	1,389,173
Total Cash & Bank Balances, and Investment Securities	263,397	171,405	218,390
Share Price (RM)	0.25	0.44	0.29
Net Assets Per Share (RM)	1.02	1.09	1.09

Specific details of the Group's financial performance are provided in the Management Discussion & Analysis section of this annual report.



Large-Scale Solar Project, Tawau



Laman Citra, Gelang Patah



RTS-Link, Johor Bahru

QUALITY ASSURANCE

 To score **above 75%** for QLASSIC assessments

 To maintain ISO certifications

 To obtain CIDB SCORE **5 Star rating**

Project quality and workmanship are always our top priorities. We strive to deliver high quality building and infrastructure construction.

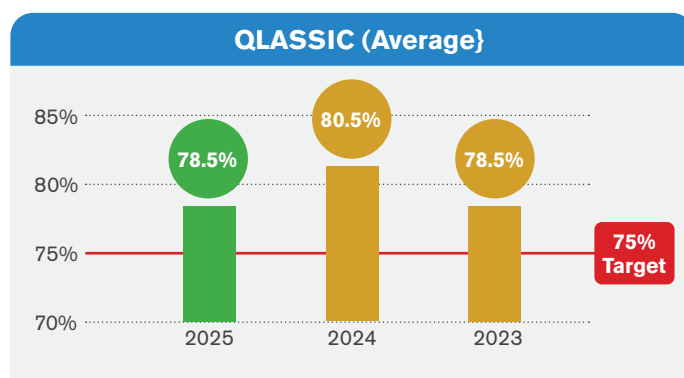
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QLASSIC (Quality Assessment System in Construction)

In FYE 2025, we participated in three QLASSIC assessments for our property projects, namely Semenyih (Taman Akasia Phase 2A), Gelang Patah (Laman Citra Phase 2) and Cyberjaya (Cassia Residence Phase 3C). We set a minimum target QLASSIC score of 75% and we successfully achieved an average score of 78.5%.

QLASSIC is a system developed by CIDB to measure and evaluate the quality of workmanship in building construction based on the Construction Industry Standard ("CIS").

**ISO Quality Standards**

We remain committed to upholding high-quality standards through the continued maintenance of our ISO certifications.

This year, we successfully renewed ISO 14001 : 2015 and ISO 45001 : 2018 certifications for our subsidiary, Gadang Engineering, while maintaining ISO 9001 : 2015 and ISO 39001 : 2012 through our regular surveillance audits.

**CURRENT ISO MANAGEMENT SYSTEM HELD BY GADANG****GESB, DSB, Utilities
(TTS, HTB, DBT)****ISO 9001 : 2015**

Quality Management
System

GESB**ISO 14001 : 2015**

Environmental
Management System

GESB**ISO 45001 : 2018**

Occupational Health
& Safety Management
System

GESB**ISO 39001 : 2012**

Road Transport Safety
Management System

CIDB SCORE Rating

To achieve a 5-star SCORE rating from the Construction Industry Development Board ("CIDB"), a minimum of 85 points and 15 points for each parameter are required.

In our latest assessment, GESB received a 3-star SCORE rating. This was mainly due to ongoing challenges in the construction industry, including work disruptions, supply chain issues, minimum wage increases and rising raw material costs which affected our financial performance. We recognise the importance of this rating and are taking steps to improve in key areas, with the goal of achieving a 5-star rating in the next assessment.

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HANDLING CLIENT / CUSTOMER EXPECTATIONS

To score at least 75% on our Client/Customer satisfaction for all Divisions

We frequently engage our clients/customers through meetings, incorporating their feedbacks, conducting site visits, surveys and utilising other platforms to gauge their satisfaction levels. We are committed to respond in a timely manner whenever issues are raised by them.

Based on client satisfaction surveys conducted across Engineering and Construction, Property Development and Utilities divisions, we successfully achieved our target of 75% customer satisfaction this year.

Engineering & Construction	Property Development	Utilities
2025: 82%	2025: 83%	2025: 86%
2024: 78% 2023: 78%	2024: 79% 2023: 73%	2024: 90% 2023: 87%

CORPORATE GOVERNANCE

To uphold ethical business conduct and corporate integrity

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2025	FYE 2024	FYE 2023
Anti-Corruption	Employees trained on anti-bribery & corruption	100%	100%	100%	100%
	Percentage of operations assessed for corruption risks	100%	100%	100%	100%
	No confirmed corruption incidents	0	No confirmed corruption incidents	No confirmed corruption incidents	No confirmed corruption incidents

A strong and effective corporate governance ensures corporate success, cultivates a culture of integrity and maintains investors' confidence. We are governed in a structured manner whereby policies are in place to promote good corporate governance, accountability and integrity in the workplace.

Governance Policies for Directors and Employees

Board Charter

Code of Ethics and Conduct

No Gift Policy

Sustainable Procurement Policy

Business Continuity Plan

Biodiversity Policy

Remuneration Policy of Directors and Employees

Anti-Bribery and Corruption Policy

Risk Management Policy

Human Rights Policy

ISO Standards

Conflict of Interest Policy

Directors' Fit and Proper Policy

External Auditor Policy

Board Diversity Policy

Sustainability Reporting Framework

Whistleblowing Policy and Procedure

Health and Safety Policy

Sustainability Statement

Anti-Corruption and Integrity

Zero Tolerance for Bribery and Corruption

We are committed to upholding the highest standards of ethics and integrity in our operations. In line with Section 17A of the Malaysian Anti-Corruption Commission ("MACC") Act 2009, the Company adopts a zero-tolerance policy towards all forms of bribery and corruption. Our approach is guided by the TRUST principles outlined in the Guidelines on Adequate Procedures.

Strengthening Governance Framework

Annually, we review the Standard Operating Policies and Procedures ("SOPPs") across the Group to ensure they remain relevant and aligned with regulatory requirements. This supports operational efficiency, quality delivery and compliance while minimising risks of miscommunication or non-compliance.

Conflict of Interest ("COI") Declarations

Under the enhanced Conflict of Interest policy, all directors and employees must disclose any actual or potential conflict of interest. A risk assessment was conducted based on these declarations and the results were presented to the Audit Committee ("AC") and the Board.

Corruption Risk Assessment

We conduct annual corruption risk assessments to identify and address potential risks across our operations. The outcomes of these assessments, including mitigation controls, are presented to the Risk Management and Sustainability Committee ("RMSC") and the Board for review.

Third-Party Compliance

To extend our ethical standards beyond internal operations, all third-party business partners including suppliers, vendors and service providers are required to sign the ABC declaration form.

Communication, Training and Awareness

All employees, including new hires during onboarding, are required to acknowledge their understanding and commitment to our anti-bribery and corruption ("ABC") policies. In addition, all directors and employees submit an annual declaration to reaffirm their adherence to these policies.

We continue to strengthen awareness and promote a culture of integrity through regular training, internal communications and policy briefings. Our objective is to ensure that every employee clearly understands their role in upholding ethical conduct.

Whistleblowing

We provide a secure and confidential whistleblowing channel for stakeholders to report any unethical or unlawful activities. Reports can be made through the Whistleblowing Reporting Procedures available at www.gadang.com.my.

In FYE 2025, there were no reported whistleblowing cases or incidents of corruption.



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PROTECTING DATA PRIVACY AND ENHANCING IT SECURITY

 To protect Company's data

 To uphold Personal Data Protection Act 2010 ("PDPA") rules and regulations

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2025	FYE 2024	FYE 2023
Data Privacy & IT Security	Data breaches, complaints concerning breaches of customer data and privacy	Zero	Zero data breaches	Zero data breaches	Zero data breaches

Gadang is committed to safeguarding the privacy and confidentiality of stakeholder information, in line with the Personal Data Protection Act ("PDPA") 2010. All personal data collected is handled with informed consent and used strictly for legitimate business purposes. The PDPA Notice for customers is also made publicly available on our Property Division website at www.gadangland.com.my.

To uphold data integrity and defend against cybersecurity threats, the Group continuously strengthens its internal IT infrastructure. Throughout the year, we implemented various enhancements to improve data security, including regular reviews and updates of our IT Policies and Procedures as well as the Disaster Recovery Plan. These measures ensure that our systems remain relevant and effective in a rapidly evolving digital environment.

We have implemented multiple layers of cybersecurity safeguards, including advanced email protection, robust firewalls, threat detection and response systems. In addition, continuous IT security awareness is provided to all employees to foster a culture of cyber vigilance as cyber risks and scams are on the rise.

As a result of these ongoing efforts, Gadang recorded no incidents of cyberattacks or data breaches in FYE 2025.

SUSTAINABLE PROCUREMENT

 To maximise the proportion of spending on local suppliers

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2025	FYE 2024	FYE 2023
Supply Chain Management	Proportion of spending on local suppliers	95%	99%	99%	99%

Gadang is committed to sourcing responsibly and sustainably. We prioritise local suppliers to reduce our carbon footprint, support communities and promote economic growth.

Our procurement approach is guided by clear evaluation criteria including quality, pricing, delivery timeliness and sustainability. Through our Sustainable Procurement Policy, we promote ESG principles and engage suppliers who uphold high ethical, environmental and social standards.

We recognise that poor sourcing and supplier practices can lead to risks such as delays, substandard quality and reputational impact. As such, we emphasise strong supplier management and responsible procurement to ensure long-term value creation and resilience in our supply chain.

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ENVIRONMENT



RESPONDING TO CLIMATE CHANGE

 Minimising the environmental impact

Managing and reducing our environmental footprint remains a key focus in our journey toward environmental sustainability. In FYE 2025, we continued our efforts to reduce the environmental impact of our business through various initiatives.

In line with the National Sustainability Reporting Framework ("NSRF") and recognising climate change as a key focus under IFRS S2, we are progressively working towards disclosing and managing our climate-related risks and opportunities. As we are still in the early stages of transition, this section outlines our current efforts and our commitment to strengthen climate-related practices moving forward.

ENERGY MANAGEMENT

Across our business divisions, we implemented energy-saving initiatives to reduce energy consumption to combat climate change.



Energy Saving Methods:

- 1 Using energy-efficient lighting ("LED") lights and equipment
- 2 Switching off electronics, lights and air conditioners when not in use
- 3 Periodic maintenance on air conditioners and equipment
- 4 Educating staff on energy conservation
- 5 Transitioning to solar PV whenever possible

PERIOD	GROUP ENERGY CONSUMPTION				
	ENGINEERING	PROPERTY	UTILITIES	HQ	TOTAL
	Electricity (kWh)				
FYE 2025	513,182	191,129	4,311,569	451,528	5,467,408
FYE 2024	319,210	183,479	4,724,141	552,747	5,779,577
FYE 2023	214,435	173,153	4,527,465	553,929	5,468,982

Note:

FYE 2025 consumption for Engineering division was higher due to the inclusion of site workers' accommodations.

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SOLAR ENERGY

To reduce reliance on grid electricity, we have installed solar photovoltaic ("PV") systems at Gadang HQ and project sites. This supports our carbon reduction efforts and is in line with the government's National Energy Transition Roadmap ("NETR") towards a low-carbon future.

In FYE 2025, solar energy contributed approximately 16% of our HQ's total energy usage, reflecting our ongoing efforts to improve energy efficiency and reduce our environmental impact. We remain committed to expanding the use of renewable energy and supporting the shift toward a cleaner, greener future.

PERIOD	GADANG HQ SOLAR PV GENERATION		
	Target Savings	Energy Savings	Solar PV Generation (kWh)
FYE 2025	15%	16.0%	85,258
FYE 2024		17.1%	94,164
FYE 2023		17.3%	95,818



Gadang HQ and project sites solar PV

SUPPLYING CLEAN ENERGY TO COMMUNITIES

As part of our commitment to sustainable development, we ventured into renewable energy projects that provide clean energy and support the transition to a low-carbon future.

Our current initiatives include:



Lintau, Indonesia

Operating a 9MW mini hydro plant that supplies electricity to approximately 27,000 rural homes, benefiting over 100,000 people.



Tawau, Sabah

Will soon commence operations for a 5.9MW_{a.c.} solar project, supplying clean energy to nearly 2,400 households, supporting Malaysia's shift to low-carbon energy.

We remain committed to expanding our renewable energy footprint through solar and hydro projects that promote long-term environmental sustainability.

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WATER MANAGEMENT

We monitor water usage across our operations to improve efficiency and reduce wastage. Employees are regularly reminded to use water responsibly as part of our ongoing conservation efforts.

To support sustainable water use, rainwater harvesting systems have been installed at several project sites, including RTS Link and the Institute Perubatan Forensik Negara ("IPFN"). Collected rainwater is used for wheel washing, dust control and general cleaning, reducing reliance on treated water.

PERIOD	GROUP WATER CONSUMPTION				
	ENGINEERING	PROPERTY	UTILITIES	HQ	TOTAL
	Water (m ³)				
FYE 2025	39,158	4,102	1,200	5,321	49,781
FYE 2024	18,576	1,665	1,200	5,056	26,497
FYE 2023	19,703	1,667	1,200	4,713	27,283

Notes:

1. Engineering's FYE 2025 water consumption was higher as it included site workers' accommodations. For FYE 2024 and FYE 2023, the data for site workers' accommodations were not available.
2. Property's FYE 2025 water consumption was higher due to the opening of the Sales Gallery at the Vyne (Phase 4), Sungai Besi.



Installed rainwater harvesting at IPFN and RTS Link project sites

SUPPLYING CLEAN WATER TO INDONESIA COMMUNITIES

As part of our commitment to UN Sustainable Development Goal 6 (Clean Water and Sanitation), we support efforts to expand access to safe and clean water in Indonesia.

Our water treatment operations in Kabupaten Sidoarjo and Kabupaten Gresik supply clean water to local communities in collaboration with government agencies:

Operation	Coverage Area	Population Coverage	Household Coverage
TTS & HTB	Kabupaten Sidoarjo	44%	250,000 households
DBT	Kabupaten Gresik	10%	35,000 households

We treat raw water from rivers and surface sources to remove pollutants, sediments and bacteria. Water samples are tested every two hours to ensure compliance with WHO guidelines and Indonesia's Permenkes No. 492/2010.

Sludge and sediments from treatment processes are properly handled before discharge, while solid waste is disposed at approved sites to ensure environmental compliance.

Gadang Holdings Berhad

Sustainability Statement

SUSTAINABLE BUILDING CERTIFICATIONS

We continue to integrate sustainability into our construction projects by pursuing recognised green building certifications such as the Green Building Index (“GBI”), MyCREST and LEED. These certifications reflect our commitment to energy efficiency, resource conservation and reducing environmental impact.

Project Name	Certification Type	Status	Key Features
Residensi Hana @ The Vyne	GBI (Certification)	In Progress	Energy-efficient systems, low-VOC materials, sustainable site planning
Institute Perubatan Forensic Negara (“IPFN”)	MyCREST (Certification)	In Progress	Solar panels, rainwater harvesting, efficient HVAC, eco-friendly materials
Klang Valley Data Centre (“KVDC”)	LEED (Silver)	In Progress	Energy management systems, green power, water-saving fixtures
Cyberjaya Hospital	GBI (Platinum)	Certified in 2023	Solar panels, green roof, rainwater harvesting, IBS, sustainable materials



Environmental benefits of our Green Building Projects.

- **Reducing energy use** through solar panels, efficient lighting and HVAC systems
- **Conserving water** with rainwater harvesting systems and water-saving fixtures
- **Minimising construction waste** via IBS and sustainable construction practices
- **Improving indoor air quality** with low-VOC and non-toxic materials
- **Lowering carbon emissions** by using sustainable building materials and energy-efficient designs

ENVIRONMENTAL MANAGEMENT SYSTEM

➤ To comply to all rules and applicable environmental regulations

➤ Zero summons from Department of Environment (“DOE”)

We are committed to protect the environment through our certified ISO 14001 : 2015 Environmental Management System (“EMS”). Our projects follow the Environmental Quality Act 1974 and other relevant laws at every stage of construction.

Each project is guided by an Environmental Management Plan (“EMP”) and our internal Health, Safety and Environment (“HSE”) Manual, which helps us manage environmental risks effectively.

To maintain high environmental standards, we regularly monitor air, noise and water quality at our project sites.

These monitoring activities follow established national guidelines:

- Malaysian Ambient Air Quality Standard
- Guidelines for Environmental Noise Limits and Control
- National Water Quality Standards

Sustainability Statement

Environment Practices at Project Sites

Air Pollution Control

We implement proactive measures to control air pollution at our project sites to minimise impact on the surrounding environment and communities. Natural buffer zones are preserved or established to act as filters for dust control. To manage dust dispersion, wheel washing systems, water bowsters and road sweepers are used along haul roads and access points. These measures help prevent the spread of dust and ensure that soil and dirt are not carried onto public roads.

The ambient air quality is regularly monitored and the results are in compliance with the Malaysia Ambient Air Quality Standard 2020 ("MAAQS").



Noise Pollution Control

We actively monitor noise levels at our project sites to ensure compliance with environmental standards and to minimise disturbance to nearby communities. To manage noise effectively, we adopt good site practices such as maintaining equipment in proper working condition, scheduling high-noise activities during appropriate hours and provide awareness training to workers. Our noise monitoring devices are powered by solar energy, reflecting our commitment to sustainable practices while ensuring continuous environmental compliance. These proactive measures help reduce noise pollution, promote community well-being and contribute to a safe and comfortable working environment for all.

All recorded noise levels have remained within the recommended limits as outlined in the Guidelines for Environmental Noise Limits and Control.



Gadang Holdings Berhad

Sustainability Statement

Environment Practices at Project Sites

Water Pollution Control

We are committed to ensuring that all water discharged from our project sites meet the required quality standards and regulations. Regular water sampling is carried out and tested by accredited laboratories to monitor compliance.

At sites with low water discharge, we use standard control measures such as silt traps and sediment basins. For sites with higher discharge volumes, we install water treatment systems with filtration to ensure the discharged water is clean and within regulatory limits.



Erosion & Sediment Control

We take erosion and sediment control seriously, especially with heavier rainfall becoming more frequent due to climate change. Without proper measures, these risks can harm the environment and nearby communities.

To manage this, we apply Best Management Practices ("BMPs") at our construction sites, such as silt fences, silt traps and slope protection to control surface runoff and prevent sediment from entering nearby water bodies. These efforts help protect waterways, reduce flooding risks and preserve surrounding ecosystems.



In FYE 2025, there were no summons from DOE from any of our project sites.

Sustainability Statement

WASTE MANAGEMENT



To reduce environmental pollution

Waste management is a key part of our environmental efforts, especially with limited landfill space, rising pollution and the impact of climate change. Construction waste is a growing environmental concern.

We manage waste at our project sites through proper planning, segregation and reuse. Waste is categorised into hazardous (e.g. scheduled waste under the Environmental Quality Regulations 2007) and non-hazardous (e.g. construction and domestic waste). We aim to divert materials such as timber, concrete and steel away from landfills through reuse and recycling, in line with the 3R principles of Reduce, Reuse, Recycle.

Our adoption of sustainable construction frameworks like GBI, LEED and MyCREST supports structured waste management practices, including material efficiency, on-site segregation and responsible disposal. These frameworks guide our teams to minimise waste throughout the building lifecycle.

To support these efforts, we provide designated waste bins on-site and conduct awareness sessions to promote responsible waste handling among workers and subcontractors.

Engineering & Construction

Waste generated (Tonne)	FYE 2025	FYE 2024	FYE 2023
Total waste generated	1,423	1,296	693
Waste directed to disposal	1,160	1,097	445
Waste diverted from disposal	263	199	248

Sustainability Indicator	Metric	Target	2025 KPI achievement	2024 KPI achievement
Waste Management	Waste diverted from disposal (Recycle)	15%	19%	15%



Waste separation at source promotes responsible disposal and landfill reduction

Gadang Holdings Berhad

Sustainability Statement

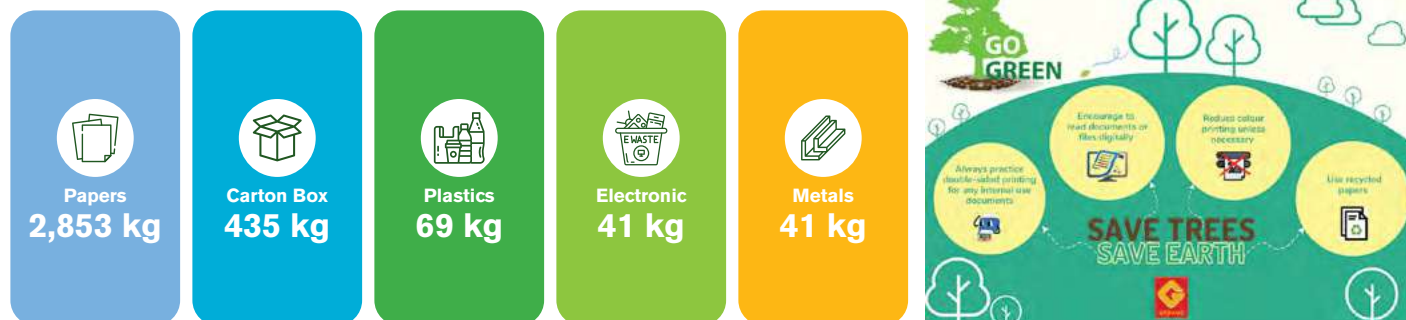
Recycling and Waste Reduction at HQ

Recycling at Gadang HQ	Recycling Target	Achievement		
		FYE 2025	FYE 2024	FYE 2023
Recycled amount	3,000kg	3,439 kg	5,457 kg	4,606 kg

At Gadang HQ we are shifting our focus from just recycling to prioritising waste reduction at the source. Our aim is to reduce consumption wherever possible followed by reuse and recycling efforts.

We continue to cultivate a recycling culture by providing recycling bins on every floor for paper, plastic, metal and other materials. Recyclable items are collected and periodically sold to licensed recycling vendors.

As at May 2025, we successfully collected 3,439 kilograms of recyclable materials. The figure was lower compared to FYE 2024 because last year the IT Department carried out an e-waste campaign which collected approximately 2,000 kg of e-waste. Moving forward, we are planning more initiatives to reduce overall waste generation and promote responsible consumption among employees.



BIODIVERSITY AND TREE PLANTING

To sustainably utilise and conserve the ecosystems

We recognise the value of nature and the importance of preserving natural ecosystems for future generations. Protecting biodiversity is part of our environmental responsibility and supports our long-term business resilience.

We are committed to reducing our environmental impact and following the requirements of the approved Environmental Impact Assessment ("EIA"). Through our Best Management Practices ("BMPs"), we put in place strict controls to manage biodiversity at our project sites.

While tree clearing is sometimes unavoidable in construction and property development, we are mindful of the impact on nature. To reduce this impact, we incorporate tree planting and landscaping into our projects, including the creation of parks, walkways and green spaces to meet local greenery requirements.

As part of our response to climate change, we recognise the importance of trees in absorbing carbon, improving air quality and helping to cool the environment. Tree planting is a key part of our efforts to support climate resilience.



Annual Report 2025

Sustainability Statement

Tree Planting Initiatives

We work together with Jabatan Perhutanan, local authorities and community partners to promote tree planting. Some of our key activities include employee-led planting and mangrove restoration which help raised awareness and encourage a lasting culture of tree planting.

This year, Gadang Engineering and Gadang Property successfully planted a total of 1,769 trees as part of our ongoing commitment to environmental sustainability.

Gadang is proud to be a corporate supporter of the 100 Million Tree-Planting Campaign by Jabatan Perhutanan, with efforts that begin within our own organisation.

Tree Planting Initiative	Target	Achievement		
		FYE 2025	FYE 2024	FYE 2023
Number of Trees Planted	1,500 Trees	1,769 Trees	1,678 Trees	1,895 Trees
Tree planting CO ₂ carbon absorption (KgCO ₂)	33,000 KgCO ₂ carbon absorption	38,918 KgCO₂	36,916 KgCO ₂	41,690 KgCO ₂



Gadang Holdings Berhad

Sustainability Statement

CLIMATE CHANGE AND GHG EMISSION



To combat climate change, global warming



To reduce GHG emission

Climate change remains one of the most urgent global challenges, with extreme weather events, rising sea levels, heatwaves, floods and droughts affecting communities and economies worldwide. Recognising that greenhouse gas (“GHG”) emissions are a key driver of climate change, we are committed to minimising our environmental impact across our operations.

In line with Malaysia’s National Sustainability Reporting Framework (“NSRF”) and the new sustainability regulations under IFRS S1 and S2, we are gradually enhancing our climate-related disclosures and aligning our practices to meet these updated requirements.

Our Climate Action Journey

- **2024 Baseline Year:** We have set FYE 2024 as our baseline year for GHG emissions. Our inaugural GHG inventory captured emissions across key business operations.
- **Scope Expansion:** In this year’s inventory review, we adopted the operational control approach and included additional assets such as employees’ accommodations to improve completeness.
- **Progress Review:** This data not only helps us understand our emissions profile but also serves as a benchmark for future reduction efforts.
- **Transition to IFRS S2:** We are gradually transitioning towards IFRS-aligned climate reporting, building the internal capacity needed to meet its requirements in the years ahead.

Moving forward, we will continue to strengthen our understanding of GHG emissions and enhance our climate-related practices in line with evolving standards. Climate change will remain a key priority in our sustainability journey.

Absolute GHG Emissions (tCO₂e)

Description	Scope	2025 Emissions	2024 Emissions
Direct Emissions (Owned machinery)	Scope 1	5,593	6,103
Indirect Emissions (Purchased electricity)	Scope 2	4,427	4,617
Indirect Emissions - Category 6 (Business Travel) - Category 7 (Employee Commuting)	Scope 3	1,165	1,038

GHG Emission Intensity (tCO₂e/RM'000)

Description	Scope	Target	2025 intensity	2024 intensity
Direct Emissions (Owned machinery)	Scope 1	< 0.0100	0.0072	0.0103
Indirect Emissions (Purchased electricity)	Scope 2	< 0.0075	0.0057	0.0078
Indirect Emissions - Category 6 (Business Travel) - Category 7 (Employee Commuting)	Scope 3	< 0.0017	0.0015	0.0018

Sustainability Statement

WORKPLACE



OCCUPATIONAL HEALTH & SAFETY (“OHS”)

• To prevent and reduce workplace accidents and illness

• Zero fatality

At Gadang, health and safety are our top priorities. We are committed to continuously improve our HSE policies and practices to ensure a safe and responsible working environment. In FYE 2025, we successfully renewed our ISO 45001 : 2018 certification by SIRIM, reaffirming our dedication to upholding internationally recognised safety standards.

We conduct annual HSE Management Reviews to evaluate performance, ensure regulatory compliance and identify areas for improvement. A range of safety initiatives such as safety inductions, daily toolbox briefings, refresher trainings and regular site meetings are carried out to promote a strong safety culture throughout the Group.

Over the years, we have received several awards for our excellence in health and safety. A key milestone was our achievement of four consecutive years with Zero Non-Conformance Reports (“NCRs”), reflecting the maturity of our HSE management system. We are also proud of our perfect safety record, having maintained zero fatalities to date.

OHS awareness and trainings

In FYE 2025, a total of 641 workers attended safety training. In addition, we also extended training to other employees, site personnel and subcontractors at project sites as part of our ongoing efforts to foster a strong and consistent safety culture across all operations.

Occupational Safety & Health
(Amendment) Act 2022

Fire Prevention

Environmental Quality Act
(Amendment) 2024

ESG For Implementer

HQ – Emergency Evacuation
Drill

Working at Height

Fire Fighting

Chemical Handling

Waste Management

Building a Reporting Safety
Culture & You See You Act



Gadang Holdings Berhad

Sustainability Statement

World OSH Day

This year, we launched our World Occupational Safety and Health Day 2025 campaign with the theme “Building a Reporting Safety Culture & You See, You Act.” Led by the Managing Director of Gadang Engineering, the campaign reflects our strong commitment to safety and complying with the Occupational Safety and Health (Construction Work) Regulations 2024.

We believe a safe construction site starts with truly caring for our people's well-being. The campaign involved all Gadang HQ staff and project sites, with time set aside for safety training, discussions and sharing best practices. These activities encouraged active safety reporting and quick action on unsafe conditions, helping to build a stronger and safer work environment for everyone.



Annual Report 2025

Sustainability Statement

Gadang Employee Health Check

In collaboration with PERKESO, we organised a free health screening at our office, making it convenient for employees to monitor their health. This initiative reflects our belief that health is a priority and that early detection and regular check-ups are key to long-term well-being. It is part of Gadang's ongoing effort to ensure our people stay healthy and cared for.



Fire Evacuation Drills

In FYE 2025, we carried out a fire drill at our HQ to familiarise employees with emergency procedures and strengthen their response in the event of an actual emergency. We also conducted fire safety training for all HQ staff to raise awareness and readiness.

Every project site, including our HQ, is supported by an Emergency Response Team ("ERT") made up of trained personnel ready to act during emergencies. These ongoing efforts reflect our commitment to maintaining a safe and prepared working environment for all.



HSE Internal Audit

Annual compliance audits are conducted by our in-house HSE auditors to ensure our construction projects continue to meet ISO 14001 : 2015 and ISO 45001 : 2018 standards. In FYE 2025, these audits supported our efforts to continuously improve safety practices across all sites.

After many years in the construction industry, safety has become deeply embedded in our daily operations, it is part of our culture and second nature to our people. Prioritising safety is no longer just a requirement, it has become the norm, helping us maintain a strong safety track record and an accident-free work environment.



Regular audits ensure that safety remains Gadang's top priority



Gadang Holdings Berhad

Sustainability Statement

Health and Safety Performance

Safety Trainings

Indicator	Target	FYE 2025
Number of staff trained for Health and Safety	500 employees	641 employees



Safety Statistics

Engineering and Construction	Target	FYE 2025	FYE 2024	FYE 2023
Zero life loss		No fatalities	No fatalities	No fatalities
Incident rate of less than 4 per 1000 workers		0	0	4.52
LTI frequency rate of less than 8		0	0	1.42

Property Development	Target	FYE 2025	FYE 2024	FYE 2023
Zero life loss		No Fatalities	No Fatalities	No Fatalities
Incident rate of less than 4 per 1000 workers		0	0	0
LTI frequency rate of less than 8		0	0	0

Utilities	Target	FYE 2025	FYE 2024	FYE 2023
Zero life loss		No Fatalities	No Fatalities	No Fatalities
Incident rate of less than 4 per 1000 workers		0	0	0
LTI frequency rate of less than 8		0	0	0

Gadang HQ	Target	FYE 2025	FYE 2024	FYE 2023
Zero life loss		No Fatalities	No Fatalities	No Fatalities
Incident rate of less than 4 per 1000 workers		0	0	0
LTI frequency rate of less than 8		0	0	0

Sustainability Statement

HUMAN CAPITAL DEVELOPMENT

To enhance employee performance, boost employee productivity and reduce employee turnover

To achieve 30% women directors' representation in the Board

To support education through scholarship

Talent Development and Training

At Gadang, we recognise that our people are our greatest asset. Investing in their growth is essential not only for the Group's success but also for individual fulfilment and long-term career development.

In today's fast evolving work environment, continuous learning helps our employees stay up to date with industry trends, sharpen their skills and adapt to new challenges. It also promotes greater job satisfaction, engagement and internal career mobility.



Every year, Group Human Capital will identify relevant training opportunities that support both organisational needs and personal development goals. These programmes are tailored to enhance technical expertise, leadership and soft skills, ensuring our workforce continues to grow with the business.

In FYE 2025, the training hours are as follow:

Description	FYE 2025	FYE 2024	FYE 2023
Total number of training hours	10,800	5,705	8,039
Average training hours per employee	15	8	14

Scholarship

During the year, we awarded five (5) scholarships amounting to RM115,000 to support deserving students in their tertiary education. This initiative reflects our belief that education is a powerful tool to uplift lives, break the cycle of poverty and nurture future talent.

Since the inception of our scholarship programme, we have disbursed a total of RM1.3 million, reinforcing our long-term commitment to empowering the next generation through education.

By providing access to education, we aim to create opportunities for young individuals to build better lives while also developing a pipeline of capable and skilled talent.



Gadang Holdings Berhad

Sustainability Statement

Human Capital Policies

We are guided by the following policies to ensure fair and equitable treatment for all employees:

Gadang Employee Handbook

Flexi Working Hours Policy

Leave Policy

Medical Benefits Policy

Group Insurance Scheme Policy

Learning and Development Policy

Human Rights Policy

Conflict of Interest Policy

Domestic Inquiry Guideline (DI Panel)

Grievance and Disciplinary Policy

Managing Employee Performance

Subsistence Allowance (Local & International)

Anti-Bribery and Corruption Policy

Code of Ethics and Conduct

Whistleblowing Policy and Procedures

Human Rights and Labour Practices

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2025	FYE 2024	FYE 2023
Human Rights	Zero complaint on human rights violation	Zero	Zero human rights violation	Zero human rights violation	Zero human rights violation

Gadang believes that everyone has the right to be treated with fairness, dignity and respect in the workplace. Our Human Rights Policy serves as a guiding principle for both Gadang and our Third Parties to uphold and protect fundamental rights, covering areas such as:

Diversity and Inclusion

Freedom of Association

No Child Labour/
No Force Labour/
No Human Trafficking

Minimum Wages, Working Hours and Benefits

Health and Safety

Women’s Rights

Prohibition of Inhumane Treatment

Compliance with the Workers’ Minimum Standards of Housing and Amenities Act 1990 (Act 446)

Reporting and Grievance Channels

To uphold our commitment to human rights, employees and stakeholders can report concerns via the whistleblowing platform or through Group Human Capital. These channels ensure misconduct or violations of human rights or our Code of Ethics can be reported confidentially and without fear of retaliation.

In FYE 2025, there were no reported incidents pertaining to violation of human rights.

Annual Report 2025

Sustainability Statement

Diversity and Equal Opportunity

We are committed to provide equal opportunity, ensuring employment decisions are based on merit and performance, regardless of religion, political belief, gender, age, ethnicity, sexual orientation, nationality or disability. While the construction industry remains male-dominated, particularly in site roles, we continue to welcome and support capable women in our workforce. We remain committed to fostering a more inclusive environment across all levels.

For FYE 2025, 33% of our Board members are women.



Women
Directors
33%



Total Employees
as at 31 May 2025
733
440 (Malaysian)
293 (Foreign)



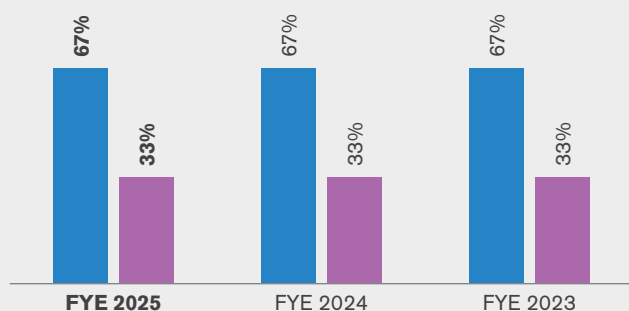
Retention rate
80%



Number of
new hires
163

BOARD GENDER DIVERSITY

Male Female



BOARD AGE GROUP

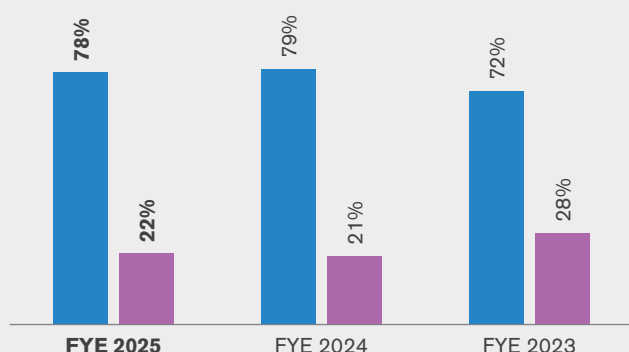
Age 35-60 Age 61-70 Age 71-80



Workforce Profile

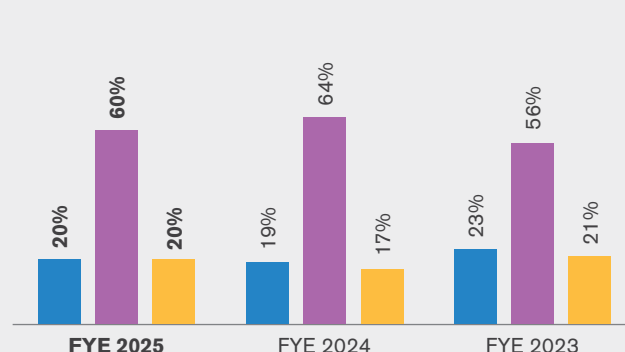
GENDER DIVERSITY

Male Female

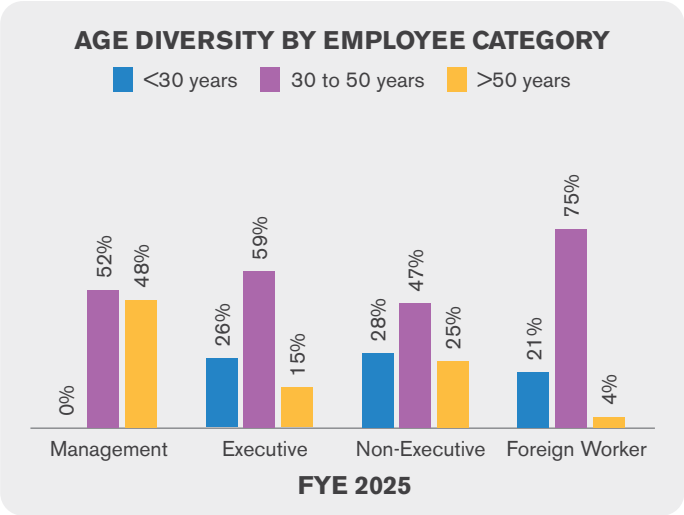
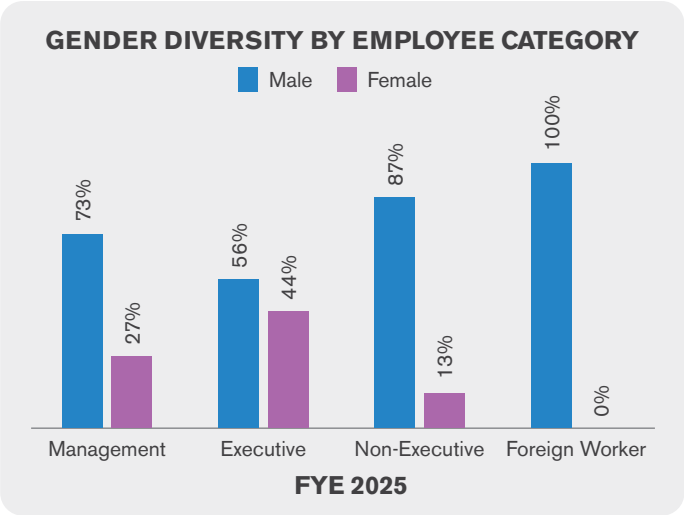
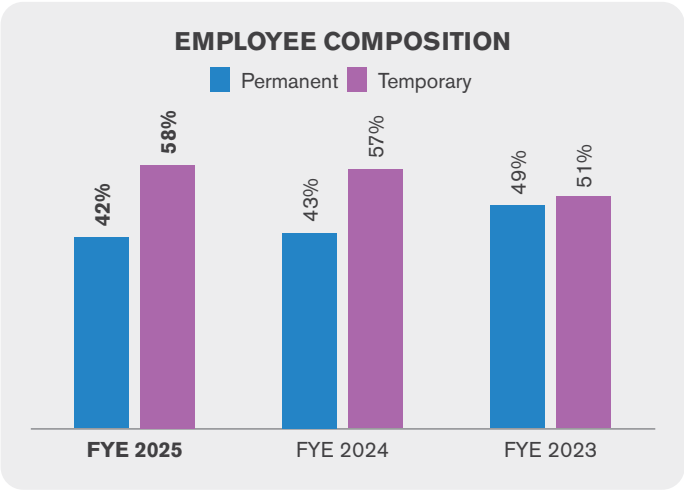
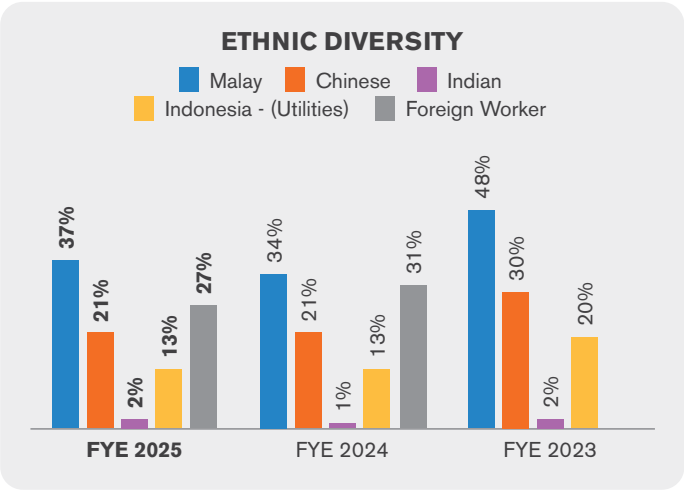


AGE DIVERSITY

<30 years 30 to 50 years >50 years



Sustainability Statement



Note: Data for FYE 2024 and FYE 2025 included foreign workers and is not comparable with FYE 2023

Annual Report 2025

Sustainability Statement

EMPLOYEE WELL BEING : CARING FOR OUR PEOPLE



To promote togetherness, Diversity, Equity & Inclusion ("DEI")



To encourage a healthy lifestyle

At Gadang, we believe our employees are our greatest asset. Their happiness, health and well-being are key to our success. We strive to create a supportive and inclusive workplace where everyone feels respected, valued and empowered.

In FYE 2025, we organised a range of employee engagement activities to promote a sense of belonging, unity, and team spirit. From festive celebrations and Sports Club activities to various company-wide events, these efforts reflect our strong focus on the Social pillar of ESG and our dedication to building a healthy, motivated and connected workforce.

Employee Wellbeing and Its Value to Gadang

Focus Area	Contribution
Positive workplace culture	Positive workplace culture where employees feel respected and valued
Improved communication	Employees communication becomes more effective which results in better collaboration and team work
Increased productivity	Happy employees are more productive which results in higher quality output
Improved retention	Employees feel valued resulting in lower staff turnover
Better client/customer satisfaction	Provide better service, resulting in higher client/customer satisfaction rates and repeat business

In FYE 2025, a range of employee engagement activities were successfully carried out.



Chinese New Year Gathering



Hari Raya Celebration



Fruit Feast



Movie Day



Family Outing Day (Fun Run)



Paintball



Bowling



Futsal



KL East Park Hike



Team Building

Gadang Holdings Berhad

Sustainability Statement

FESTIVES SEASONS GATHERING



Multi-racial festivities are celebrated consistently every year, fostering the spirit of unity.



FRUIT FEAST



A fun fruit feast to celebrate health, happiness and time together.



GADANG MOVIE DAY



Movie Day brought laughter, popcorn and quality time with colleagues and family.



Annual Report 2025

Sustainability Statement

PAINTBALL TOURNAMENT



Dodging, aiming and laughing our way to teamwork and fitness at this year's paintball tournament. #TeamSpirit #ActiveLifestyle



GADANG FUTSAL



Futsal was more than a game, it built focus, fitness and teamwork, showing that true wins come together.



BOWLING TOURNAMENT



More than just a game, the bowling tournament brought everyone together for fun, teamwork and lasting memories.



HIKING AT KL EAST PARK



A refreshing hike at KL East Park reminded us how nature keeps things cool and supports a healthier planet.



Gadang Holdings Berhad

Sustainability Statement

FAMILY OUTING DAY (FUN RUN)



A morning of running, laughter and good vibes.



BANGI WATERPARK



Splashing into fun while staying cool under the sun, with a reminder of our warming planet.



PROJECT TEAM FAMILY DAY - TASIK KENYIR



The project team took time to relax, reset and refresh at Tasik Kenyir, a peaceful escape that reminded us great minds need great rest. We returned recharged, focused and ready to drive project progress.



Annual Report 2025

Sustainability Statement

TEAM BUILDING AT AVILLION PORT DICKSON & LIVING KOMUNE



Our team building sessions at Avillion Port Dickson and Living Komune were more than just fun trips. They were meaningful experiences that helped us learn and grow together. Through each game and activity, we discovered valuable lessons that we can apply in real life and at work.

We learned to recognise our blind spots, understand each other's strengths and appreciate how different people can bring different skills. More importantly, we realised that success comes from placing people where they can shine.

These moments reminded us that while we can go far alone, we can go even further together. It was a great time to enjoy ourselves, reflect and return to work with renewed focus and stronger connections.



FITNESS ACTIVITIES, BADMINTON, YOGA, JAZZERCISE & GYM



As the famous saying goes, "health is wealth." Hence, Gadang's regular activities, including badminton, yoga and jazzercise, serve to enhance our employees' health and fitness, increasing their energy levels, burn calories and promote overall well-being.

Gadang Holdings Berhad

Sustainability Statement

COMMUNITY



TAKING CARE OF OUR COMMUNITIES

✦ To foster a caring community

✦ To help the needy

ROAD TRAFFIC SAFETY CAMPAIGN IN SCHOOL



In collaboration with the Malaysian Institute of Road Safety Research ("MIROS"), we conducted a Road Traffic Safety Campaign this year to promote road safety awareness among school children. Recognising that children are the community's future, we are committed to reducing road accidents through early education. By dedicating time and resources to safety and health education in schools, we aim to nurture a culture of safety-conscious behaviour from a young age.

As part of this initiative, we carried out the Safety Campaign at SK Taman Tun Dr. Ismail (2). The campaign focused on instilling safety values and practices among students, reinforcing our goal to prevent accidents and promote safer communities.



Annual Report 2025

Sustainability Statement

FOOTBALL COMMUNITY CHALLENGE – BUILDING PARTNERSHIP

A fun match with TM, DOSH Selangor, MiSHA and Gadang, more than just friendly competition, it was a chance to connect, promote wellness and build stronger partnerships through play.



CHARITY RUN FOR YAYASAN JANTUNG

A meaningful charity run at University Malaya supporting Yayasan Jantung Negara in helping children with congenital heart disease. It was a 2-in-1 effort: running for a cause and running for our own health. A reminder that staying healthy is valuable and every step we take makes a difference.



SUPPORTING UNSDG #2 : ZERO HUNGER

We are committed to alleviating hunger by supporting NGOs that provide food and aid to those in need within the community.



Gadang Holdings Berhad

Sustainability Statement

CARE FOR THE ELDERLY

We are committed to supporting the elderly community and this year we visited several old folks' homes to offer care, connection and comfort. Our aim is to enhance their quality of life and promote inclusivity.



Annual Report 2025

Sustainability Statement

CARE FOR INDIVIDUALS WITH SPECIAL NEEDS

We are committed to caring for and empowering individuals with special needs. This year, we visited Insan Istimewa Cheras to offer support and encouragement, with the hope of enriching lives and fostering a more inclusive community.



CARE FOR THE OKU COMMUNITY

A small but meaningful CSR visit to Pusat Pemulihan & Latihan Anak-Anak OKU, Shawal Kalumpang showing support for the OKU community who should never be left behind.



BLOOD DONATION - EVERY DROP COUNTS

Contributing to our community's health with every drop. This year, we organised two blood donation drives in support of the National Blood Centre and contributed a total of 89 bags to help those in need.



Gadang Holdings Berhad

Sustainability Statement

CHARITY DANCE FOR KIDNEY CARE

We danced not just for our own well-being, but in support of a greater cause. Participating in a fundraising initiative by Persatuan Dialisis to help dialysis patients. A meaningful way to stay active while standing in solidarity with those in need.



DONATION AND SPONSORSHIP

In FYE 2025, our Corporate Social Responsibility (“CSR”) program actively contributed to the society. This ongoing initiative aims to create a lasting and sustainable impact in the communities we serve, reflecting our commitment to giving back.

	FYE 2025	FYE 2024	FYE 2023
Donation and Sponsorship (RM)	130,000	131,000	219,000
Number of Beneficiaries	1,459	1,207	Data Not Available

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Sustainability Statement

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	100.00	100.00
Executive	Percentage	100.00	100.00
Non-executive	Percentage	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	131,000.00	130,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1,207	1,459
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	60.00	52.00
Management Above 50	Percentage	40.00	48.00
Executive Under 30	Percentage	20.00	26.00
Executive Between 30-50	Percentage	66.00	59.00
Executive Above 50	Percentage	14.00	15.00
Non-executive Under 30	Percentage	17.00	28.00
Non-executive Between 30-50	Percentage	59.00	47.00
Non-executive Above 50	Percentage	24.00	25.00
Foreign Workers Under 30	Percentage	22.00	21.00
Foreign Workers Between 30-50	Percentage	76.00	75.00
Foreign Workers Above 50	Percentage	2.00	4.00
Gender Group by Employee Category			
Management Male	Percentage	75.00	73.00
Management Female	Percentage	25.00	27.00
Executive Male	Percentage	58.00	56.00
Executive Female	Percentage	42.00	44.00
Non-executive Male	Percentage	85.00	87.00
Non-executive Female	Percentage	15.00	13.00
Foreign Workers Male	Percentage	99.00	100.00
Foreign Workers Female	Percentage	1.00	0.00

Internal assurance

External assurance

No assurance

(*)Restated

Gadang Holdings Berhad

Sustainability Statement

Indicator	Measurement Unit	2024	2025
Bursa (Diversity)			
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	67.00	67.00
Female	Percentage	33.00	33.00
Age 35-60	Percentage	3.00	3.00
Age 61-70	Percentage	1.00	1.00
Age 71-80	Percentage	2.00	2.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	5,779.00 *	5,467.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,368	641
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Management	Hours	1,886	4,212
Executive	Hours	2,964	4,607
Non-executive	Hours	444	1,444
Foreign Workers	Hours	411	537
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	57.00	58.00
Bursa C6(c) Total number of employee turnover by employee category			
Management	Number	17	17
Executive	Number	75	55
Non-executive	Number	59	59
Foreign Workers	Number	67	17
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00	99.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	26.500000 *	49.800000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	1,296.00 *	1,423.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	199.00 *	263.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	1,097.00 *	1,160.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	6,103.00 *	5,593.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	4,617.00 *	4,427.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	1,038.00 *	1,165.00

Internal assurance

External assurance

No assurance

(*)Restated