

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 2026 ("FYE 2026"). This Statement outlines how sustainability considerations are integrated into our business strategy, operations and decision-making to support sustainable business growth and deliver value to our stakeholders.

As a diversified group with interests in engineering and construction, property development and utilities, we recognise that sustainable business success depends on balancing economic performance with environmental stewardship, social responsibility and sound governance. We remain committed to delivering quality developments, infrastructure and utility solutions while responsibly managing the environmental and social impacts of our operations.

During the financial year, we continued to strengthen our sustainability governance, risk management and reporting practices in preparation for Malaysia's National Sustainability Reporting Framework ("NSRF"). As part of this journey, we enhanced our approach towards identifying, assessing and managing sustainability-related risks and opportunities, including climate-related matters, while progressively aligning our disclosures with the principles of IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).

Sustainability remains integral to the way we conduct our business. Beyond regulatory compliance, we seek to create positive and lasting outcomes through responsible business practices, meaningful stakeholder engagement and the continuous enhancement of our sustainability performance. These efforts strengthen business resilience, support sustainable growth and contribute positively to the communities in which we operate.

Our sustainability framework is built on three (3) sustainability pillars: Economic, Environmental and Social ("EES"), with governance embedded across each pillar to promote accountability, effective oversight and sound risk management. This Statement provides an overview of our material sustainability matters, key initiatives, performance and achievements during the financial year, including our contribution towards the United Nations Sustainable Development Goals ("UNSDGs").



Gadang Holdings Berhad

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

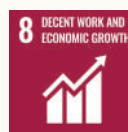
Develop talent & recognise employees' contributions and provide a safe and conducive workplace

Community

Giving back to the community

Governance is embedded across all Economic, Environmental and Social pillars

In alignment with **UNSDG**



REPORTING PERIOD

This Statement covers the Group's sustainability management and performance for the period from 1 June 2025 to 31 May 2026 ("FYE 2026"). Comparative information is provided where applicable.

REPORT AVAILABILITY

www.gadang.com.my

REPORTING CYCLE

Annually

REPORTING FRAMEWORKS AND GUIDELINES

- Bursa Malaysia's Main Market Listing Requirements ("MMLR")
- National Sustainability Reporting Framework ("NSRF")*
- United Nations Sustainable Development Goals ("UNSDGs")
- IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*
- IFRS S2 Climate-related Disclosures*

**The Group is progressively enhancing its sustainability disclosures with reference to the principles of IFRS S1 and IFRS S2 in support of its preparation for the NSRF.*

FEEDBACK

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Sustainability Statement

REPORTING BOUNDARIES

This Sustainability Statement covers Gadang and its operating subsidiaries in Malaysia and Indonesia that are under the Group's operational control, unless otherwise stated. The reporting boundaries encompass the entities, projects and operations set out below.

GADANG HOLDINGS BERHAD

 ENGINEERING & CONSTRUCTION	 PROPERTY DEVELOPMENT	 UTILITIES
Gadang Engineering (M) Sdn Bhd ("GESB") Datapuri Sdn Bhd ("DSB") Key Projects • Rapid Transit System Link ("RTS Link") • Klang Valley Data Centre ("KVDC") • Institut Perubatan Forensik Negara ("IPFN") • Central Spine Road Section 2B ("CSR 2B") • KL-Karak Package 1A & 2A ("KLK")	Mandy Corporation Sdn Bhd ("MCSB") Gadang Land Sdn Bhd ("GLSB") ◆ Natural Domain Sdn Bhd ◆ Splendid Pavilion Sdn Bhd ◆ Crimson Villa Sdn Bhd Key Projects • The Vyne (Phase 4), Sungai Besi • Laman Citra (Phase 3 & 4), Gelang Patah • Akasia (Phase 1B), Semenyih	Regional Utilities Sdn Bhd ("RUSB") Nusantara Suriamas Sdn Bhd ("NSSB") Tenaga Aspirasi Sdn Bhd ("TASB") Asian Utilities Pte Ltd ("AUPL") ◆ PT. Taman Tirta Sidoarjo ("TTS") ◆ PT. Hanarida Tirta Birawa ("HTB") ◆ PT. Dewata Bangun Tirta ("DBT") ◆ PT. Ikhwan Mega Power ("IMP") Key Products Water Concession • Water Treatment Plants (Jawa Timur, Indonesia) Power Concession • Mini-hydro Power Plant (West Sumatera, Indonesia) • Solar Power Plant (Tawau, Sabah, Malaysia)

STATEMENT OF ASSURANCE

An internal review of this Sustainability Statement and selected sustainability information was undertaken by the Internal Audit Department to assess the accuracy, completeness and consistency of the disclosures. The review covered the sustainability-related information reported by entities within the Group's operational control. No external assurance was obtained for FYE 2026.

SUSTAINABILITY GOVERNANCE

The Board of Directors ("Board") provides oversight of the Group's sustainability agenda by setting the strategic direction and overseeing sustainability-related matters, including sustainability and climate-related risks and opportunities. To support the Board in discharging its responsibilities, the Board

has established the Board Risk and Sustainability Committee ("BRSC"), while management oversight is undertaken by the Risk Management and Sustainability Committee ("RMSC").

Sustainability-related Key Performance Indicators ("KPIs") are incorporated into the performance appraisals of Executive Directors and senior management to strengthen accountability and reinforce the integration of sustainability into business decision-making. The governance structure establishes clear roles and responsibilities across all levels of the Group and supports the effective management of sustainability-related risks and opportunities.

In preparation for the NSRF, the Group continues to strengthen its sustainability governance, risk management and reporting processes, while progressively aligning its sustainability disclosures with the principles of IFRS S1 and IFRS S2.

Gadang Holdings Berhad

Sustainability Statement

SUSTAINABILITY GOVERNANCE STRUCTURE

Board of Directors (“Board”)

- Sets the strategic direction and oversees the Group’s sustainability framework.
- Oversees sustainability-related risks and opportunities, including climate-related matters.
- Reviews and approves the outcome of the biennial materiality assessment.
- Reviews the Group’s sustainability performance and senior management’s performance against sustainability KPIs.
- Approves the Sustainability Statement for inclusion in the Annual Report.

Board Risk & Sustainability Committee (“BRSC”)

- Assists the Board in overseeing the Group’s risk management and sustainability framework.
- Oversees significant and material risks, including sustainability and climate-related risks and opportunities.
- Reviews the effectiveness of the Group’s risk management and sustainability management processes, sustainability performance and sustainability disclosures.
- Reviews the outcome of the biennial materiality assessment and recommends it to the Board for approval.
- Reports and provides recommendations to the Board on key sustainability matters.

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.
- Oversees the development and implementation of sustainability strategies and initiatives.
- Monitors sustainability performance, sustainability-related risks and opportunities across the Group.
- Reviews sustainability disclosures prior to submission to the BRSC and Board.

Risk & Sustainability Facilitator (“RSF”)

- Supports the Risk Owners (“RO”) and Sustainability Working Group (“SWG”).
- Coordinates sustainability data collection and reporting.
- Monitors regulatory developments and sustainability reporting requirements.
- Facilitates reporting to the RMSC and BRSC.

Risk Owners (“RO”) & Sustainability Working Group (“SWG”)

- Chaired by the Chief Financial Officer (“CFO”) and represented by ROs and department representatives across the Group.
- Identifies, assesses and reports sustainability-related risks and opportunities, including climate-related matters.
- Implements sustainability initiatives and monitors sustainability-related KPIs.

STAKEHOLDER ENGAGEMENT

The Group’s sustainability strategy is guided by stakeholder expectations, material sustainability matters and business priorities. Ongoing engagement with our stakeholders provides valuable insights into their interests, concerns and expectations. These insights enable us to identify and prioritise material sustainability matters, assess sustainability-related risks and opportunities and support informed decision-making.

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 • Regulatory Compliance • Human Capital Management • Workplace Health and Safety • Sustainability-related Risks and Opportunities	Strategic plans that maximise shareholders’ value

Sustainability Statement

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Group	Form of Engagement	Areas of Focus	Outcome
Investors/Shareholders 	- Annual General Meeting - Investor Relation Activities - Public Announcements - Corporate Website - Annual Report	- Financial Performance - Long-term Value Creation - Corporate Reputation - Regulatory Compliance - Timely & Transparent Disclosure - Sustainability Performance and Strategy	Positive reputation amongst investors/ shareholders
Employees 	- Internal Communications - Face-to-Face Meetings - Learning & Development Programmes - Sports Club Activities - Community Programmes - Employee Handbook - Code of Ethics & Conduct - Anti-Bribery and Corruption Awareness - 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	- Product and Service Quality - Timely Project Delivery - Customer Satisfaction - Competitive Pricing - Personal Data Protection - Health and Safety Standards	Enhances satisfaction Recurring business opportunities
Government/Regulatory Authorities 	- Ad Hoc Public Invitations - Site Visits - Seminar and Training Sessions - Conferences/Industry Events - Surveys - Participation in Organised Programmes - Stakeholder Engagement Surveys	- Regulatory Compliance - Business Ethics and Integrity - Environmental and Occupational Health and Safety Compliance - Anti-Bribery and Corruption	Better understanding of Company's sustainability commitments Compliance with laws and regulations
Contractors, Vendors, Suppliers 	- Virtual/Face-to-Face Meetings - Supplier/Subcontractor Evaluations - Stakeholder Engagement Surveys	- Timely Payment - Fair and Transparent Procurement - Quality Standards - Timely and Responsive Communication - Health and Safety Standards - Human Rights and Ethical Business	Better understanding of Company's sustainability commitment

Gadang Holdings Berhad

Sustainability Statement

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Group	Form of Engagement	Areas of Focus	Outcome
Business Partners 	On-going Communication & Visits	- Strategic Collaboration - Ethical Business Conduct - Sustainable Business Practices - Project Delivery	Recurring business opportunities
Local Communities/NGOs 	- Meetings & Visits - Community Development Programmes	- Employment and Local Economic Opportunities - Environmental Practices - Community Development - Community Engagement	Better social relationship
Media/Analysts 	- Press Conferences - Media Releases/Interviews - Ad Hoc Meetings	- Sustainability Disclosure - Environmental Practices - Corporate Performance - Corporate Governance	Better understanding of Company's financial & sustainability performance

MATERIALITY ASSESSMENT

Our materiality assessment is conducted once every two (2) years and involves engagement with internal and external stakeholders, including the Sustainability Working Group ("SWG") to identify and prioritise the sustainability matters that are most relevant to the Group and its stakeholders.

The most recent assessment was conducted in FYE 2025. During FYE 2026, Management reviewed the identified material matters taking into consideration business developments, stakeholder expectations and sustainability-related risks and opportunities. Based on the review, the material matters identified in FYE 2025 remained relevant and were retained for FYE 2026.

MATERIALITY ASSESSMENT PROCESS

1

REVIEW

We review the relevance of material sustainability matters by considering internal inputs, external references, regulatory developments, industry practices and emerging trends. Key stakeholders are identified to ensure balanced internal and external perspectives.

PRIORITISE

2

We prioritise material sustainability matters through structured stakeholder engagement, including surveys and workshops with internal and external stakeholders. Material matters are assessed based on stakeholders' concerns, potential business impacts and alignment with the Group's long-term strategic objectives.

3

INTEGRATE

We review and validate the materiality assessment results with the Risk Management & Sustainability Committee before presenting the materiality matrix to the Board for review and approval.

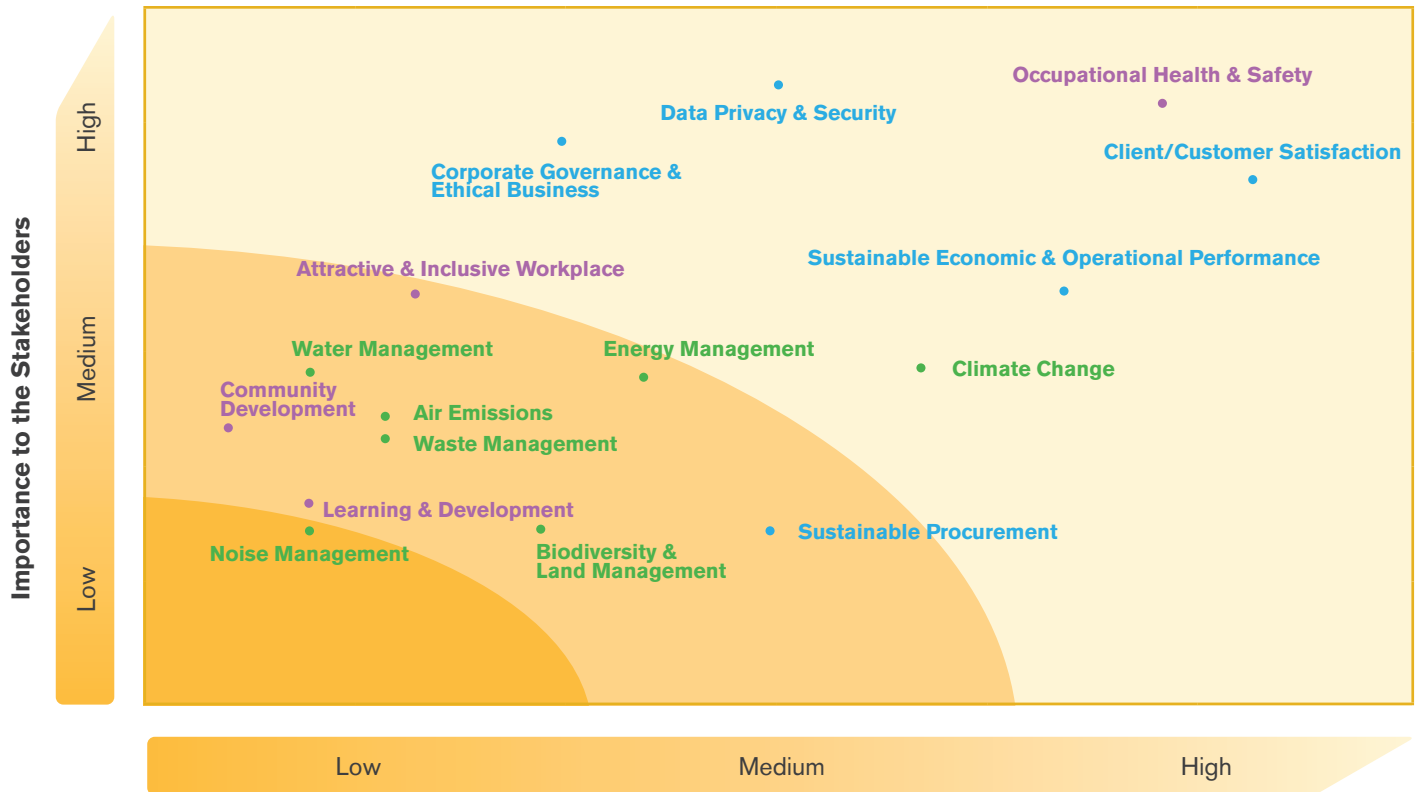
UPDATE

4

We review and update our materiality assessment periodically to reflect changes in the business landscape, emerging global & national trends, stakeholder expectations, regulatory developments and sustainability-related risks and opportunities.

Sustainability Statement

MATERIALITY MATRIX



Economic

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

Environmental

- Climate Change*
- Energy Management
- Water Management
- Air Emissions
- Noise Management
- Waste Management
- Biodiversity & Land Management

Social

- Occupational Health & Safety*
- Attractive & Inclusive Workplace
- Learning & Development
- Community Development

*high priority matters

Five (5) high-priority material matters continue to be the focus of the Group's sustainability efforts and are supported by sustainability targets and performance indicators to monitor progress.

The Group's material matters give rise to sustainability-related risks and opportunities that may affect business performance, stakeholder value and long-term resilience. These risks and opportunities are considered through the Group's sustainability governance and risk management processes and are addressed through the initiatives, targets and action plans disclosed throughout this Sustainability Statement.

Further details on these material matters, including the Group's targets, performance and initiatives, are provided in the respective Economic, Environmental and Social sections of this Sustainability Statement.

Gadang Holdings Berhad

Sustainability Statement

FYE 2026 SUSTAINABILITY TARGETS & PERFORMANCE

ECONOMIC

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

Category	Sustainability Targets (FYE 2026)		Achievement
Quality 	Quality Assessment System in Construction (“QLASSIC”) Average > 75% score		82%
	To achieve a 5-Star CIDB SCORE rating		3-Star
ISO Standards 	To renew ISO 9001:2015 Quality Management System for Utilities (DBT)		ISO renewed
	To renew ISO 9001:2015 Quality Management System for DSB		ISO renewed
Client/ Customer Satisfaction 	To achieve a customer satisfaction score of at least 75%		Engineering - 80% Property - 76% Utilities - 88%
Data Privacy & Security 	Zero data breaches		Zero data breaches
Corporate Governance 	To maintain at least 30% women representation on the Board		33% women directors
	To achieve recognition for good corporate governance and sustainability practices		Recognised as a Top 50 PLCs under the NACGSA
	NACGSA - <i>National Corporate Governance and Sustainability Awards</i>		
Anti-Bribery and 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
Sustainable Procurement 	To procure at least 95% of purchases from local suppliers		99%

Sustainability Statement

FYE 2026 SUSTAINABILITY TARGETS & PERFORMANCE (CONT'D)

ENVIRONMENT

6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND		
Category	Sustainability Targets (FYE 2026)	Achievement
Climate Change & Biodiversity 	Plant 1,000 trees to support biodiversity and carbon sequestration	1,136 trees planted Equivalent to an estimated 24,992 kg CO₂ absorption
Carbon Emission 	Scope 1: To achieve direct emissions intensity of < 0.0100 tCO ₂ e/ RM'000 revenue from diesel-powered plant and machinery	0.0062
	Scope 2: To achieve indirect emissions intensity of < 0.0075 tCO ₂ e/ RM'000 revenue from purchased electricity	0.0057
	Scope 3: To achieve indirect emissions intensity of < 0.0017 tCO ₂ e/ RM'000 revenue from commuting and business travel	0.0012
Energy Management 	To achieve total energy consumption below 6,000 MWh	5,540 MWh
	Solar Renewable Energy Harnessing 15% of Gadang HQ's energy from renewable energy	20% or 91,035 kWh clean energy Approximately RM44,000 electricity cost savings
Water Management 	To achieve total water consumption below 50,000 m ³	46,940 m³
Waste Management 	To achieve waste recycling of 15% for Engineering and Construction <i>Note: 3% achieved as projects neared completion, limiting recycling opportunities (refer to page 90).</i>	3%
	To recycle 3,000 kg of waste at Gadang HQ	6,178 kg recycled
Environmental Management 	Zero summons from the Department of Environment ("DOE")	Zero summons
	To obtain at least one environmental award for promoting environmental stewardship	1 Environment Award Obtained

Gadang Holdings Berhad

Sustainability Statement

FYE 2026 SUSTAINABILITY TARGETS & PERFORMANCE (CONT'D)

SOCIAL



Category	Sustainability Targets FYE 2026	Achievement
Occupational Health & Safety 	To obtain at least one safety award in recognition of promoting a strong safety culture	6 Safety Awards Received
	To have 80% of staff receive health and safety training	100% of employees trained
	Zero fatality	Zero fatality
	Incident Rate < 4 per 1,000 workers	Zero incident rate
	Lost Time Injury Frequency Rate ("LTIFR") < 8	Zero LTIFR
Attractive & Inclusive Workplace 	Zero reported human rights violations	Zero reported human rights violations
Learning and Development 	To provide an average of 10 training hours per employee	17 training hours per employee
	School aid support to employees' children. Target 100 students	School aid provided to 131 children RM 26,200
Community Development 	Support at least two (2) deserving students through scholarships for college/university education	3 students awarded scholarships with total contributions of RM97,750
	Contribute at least RM100,000 towards Corporate Social Responsibility ("CSR") initiatives	Contributed RM131,000

Sustainability Statement

AWARDS & RECOGNITION

In FYE 2026, the Group received the following awards and recognitions from industry and professional bodies, reflecting our commitment to quality, occupational health and safety, environmental stewardship, corporate governance and sustainability:

2026

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.

PMHA

("Prime Minister's Hibiscus Award"). Recognised for excellence in environmental performance and sustainability practices for the RTS project.

MiSHA

("Malaysian Industrial Safety and Health Association"). Received four (4) awards in recognition of the Group's commitment to OSH, comprising one (1) Platinum Award and three (3) Gold Awards for RTS, IPFN and KVDC projects.

SHASSIC

("Safety and Health Assessment System in Construction"). Received SHASSIC Award for the IPFN and KVDC projects in recognition of the Group's occupational safety and health performance.

2025

- **NACGSA** – Top 50 Public Listed Companies in Malaysia
- **MiSHA** – Platinum Award for RTS; Gold Awards for CSR2B, IPFN and KVDC
- **QUEST** – Infrastructure Category Award for ECRL
- **SHASSIC** – 5-Star Rating for RTS and IPFN

2024

- **MiSHA Excellence Award (Gold)** – OSH Risk Management in Construction & Heavy Engineering Sector (CSR2B Project)
- **MSOSH Recognition Award** – 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 Project
- **QA/QC Certificate of Appreciation** – MRT V206
- **Safety Certificate of Appreciation** – RTS Link Project

2022

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



Gadang Holdings Berhad

Sustainability Statement



ECONOMIC

SUSTAINABLE ECONOMIC & OPERATIONAL PERFORMANCE

To sustain revenue and profitability

Through prudent project selection, operational efficiency, quality project delivery and disciplined risk management. These initiatives contribute to the Group's long-term resilience, business performance and value creation for shareholders and other stakeholders.

A summary of the Group's financial performance is presented below.

Financial Performance	FYE 2026 (RM'000)	FYE 2025 (RM'000)	FYE 2024 (RM'000)
Revenue	787,449	779,812	591,923
Profit/(Loss) Before Tax	(56,186)	18,027	14,465
Profit/(Loss) After Tax	(77,044)	6,998	495
Shareholders' Funds	738,616	816,542	791,862
Total Assets	1,197,433	1,350,398	1,388,284
Total Cash and Bank Balance, and Investment Securities	277,041	263,397	171,405
Share Price (RM)	0.19	0.25	0.44
Net Assets Per Share (RM)	0.92	1.02	1.09

Further details 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 AND OPERATIONAL EXCELLENCE

To achieve an average
QLASSIC score of **above 75%**

To maintain ISO certifications

To achieve a
5-Star CIDB SCORE rating

Maintaining high standards of quality and workmanship is integral to sustaining operational excellence and delivering value to our clients and customers. We monitor quality performance through industry-recognised assessment systems and internationally recognised management systems to drive continuous improvement across our projects and operations.

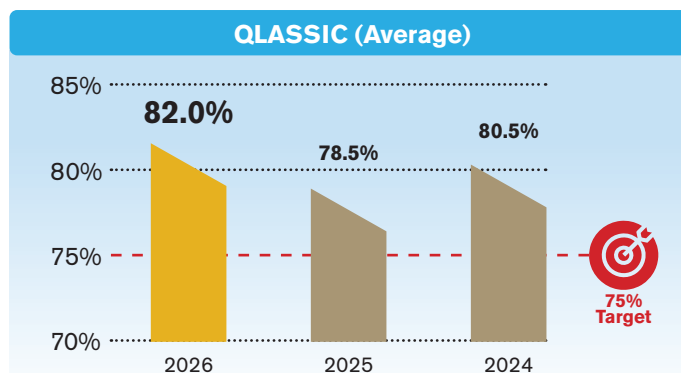
Sustainability Statement

QUALITY AND OPERATIONAL EXCELLENCE (CONT'D)

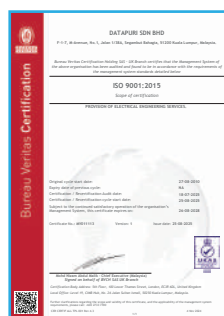
QLASSIC (Quality Assessment System in Construction)

In FYE 2026, one (1) property development project, namely Laman Citra Phase 4 (Gelang Patah), was assessed under QLASSIC and achieved a score of 82%, exceeding our target of 75%.

QLASSIC is an assessment system developed by the Construction Industry Development Board ("CIDB") to evaluate the quality of workmanship in building construction based on the Construction Industry Standard ("CIS").



ISO Management Systems



We remain committed to maintaining internationally recognised management systems that support quality, environmental, occupational health and safety and road traffic safety performance.

During FYE 2026, we successfully renewed the ISO 9001:2015 Quality Management System certifications for Utilities (DBT) and DSB. We also maintained other ISO certifications through regular surveillance audits.

In addition, we are progressing towards ISO 37001 Anti-Bribery Management System ("ABMS") certification to further strengthen our governance and integrity practices.

ISO Certifications Maintained by Gadang

Entity/ Business Unit	Certification	Scope
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 and Safety Management System
GESB	ISO 39001:2012	Road Traffic Safety Management System

Construction Industry Development Board ("CIDB") SCORE Rating

To achieve a 5-Star CIDB SCORE rating, a minimum score of 85 points and at least 15 points for each assessment parameter are required.

In the latest assessment, GESB achieved a 3-Star CIDB SCORE rating. The result was primarily affected by challenges faced by the construction industry during the financial year, including project disruptions, supply chain constraints, minimum wage increases and rising material costs, which impacted the financial performance component of the assessment despite the Group's continued operational and quality performance.

We remain committed to strengthening operational efficiency, enhancing project delivery and improving business performance to achieve a higher CIDB SCORE rating in future assessments.

Gadang Holdings Berhad

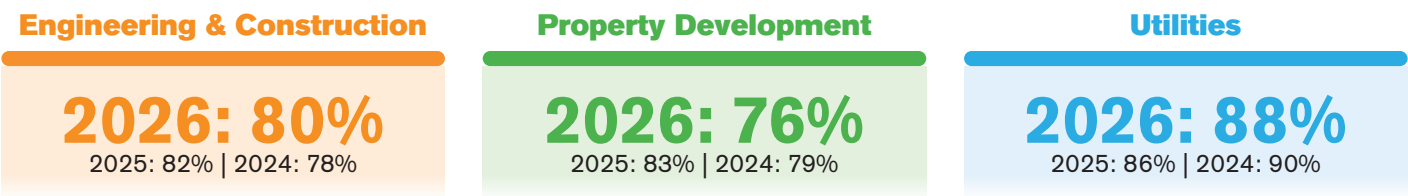
Sustainability Statement

CLIENT/CUSTOMER SATISFACTION

 To achieve a client/customer satisfaction score of at least 75% across all divisions

We engage regularly with our clients and customers through meetings, site visits, surveys and other communication channels to better understand their needs and expectations. Feedback received is reviewed and addressed in a timely manner to drive continuous improvement in service quality and customer satisfaction.

Based on client and customer satisfaction surveys conducted across the Engineering and Construction, Property Development and Utilities divisions, all three (3) divisions exceeded the Group’s target satisfaction score of 75%, achieving scores of 80%, 76% and 88%, respectively.



DATA PRIVACY & SECURITY

 To protect the Group’s data and information assets

 To comply with the Personal Data Protection Act 2010 (“PDPA”)

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2026	FYE 2025	FYE 2024
Data Privacy & Security	Data breaches and complaints concerning customer data privacy	Zero	Zero data breaches	Zero data breaches	Zero data breaches

Gadang is committed to safeguarding the privacy, confidentiality and security of stakeholder information in compliance with the Personal Data Protection Act 2010 (“PDPA”). Personal data collected by the Group is handled responsibly and used only for legitimate business purposes. The PDPA Notice for customers is publicly available on the Property Division website at www.gadangland.com.my.

To safeguard data integrity and strengthen cyber resilience, we continuously enhance our information technology (“IT”) infrastructure and cybersecurity controls. During the financial year, regular reviews and updates were carried out on our IT Policies and Procedures, including the Disaster Recovery Plan, to ensure their continued effectiveness in addressing evolving cybersecurity risks.

We have implemented multiple layers of cybersecurity safeguards, including email security protection, firewalls, threat detection and response mechanisms. In addition, cybersecurity awareness communications and alerts are regularly shared with employees through internal emails to strengthen awareness of cyber threats, scams and other emerging cybersecurity risks.

As a result of these ongoing efforts, the Group recorded zero data breaches and no material cybersecurity incidents during FYE 2026.

Sustainability Statement

CORPORATE GOVERNANCE & ETHICAL BUSINESS

To uphold ethical business conduct and corporate integrity

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2026	FYE 2025	FYE 2024
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	Zero	No confirmed corruption incidents	No confirmed corruption incidents	No confirmed corruption incidents

Strong and effective corporate governance supports sustainable business success, fosters a culture of integrity and strengthens stakeholder confidence. We are guided by a comprehensive governance framework comprising policies, procedures and controls that promote accountability, transparency and ethical conduct across the Group.

Key Governance Policies and Frameworks

Governance & Ethics



Board Charter



Code of Ethics and Conduct



Conflict of Interest Policy



Directors' Fit and Proper Policy



Board Diversity Policy



Remuneration Policy

Risk & Compliance



Risk Management Policy



Anti-Bribery and Corruption Policy



Whistleblowing Policy and Procedure



External Auditor Policy



No Gift Policy

Sustainability & Operations



Sustainability Reporting Framework



Sustainable Procurement Policy



Biodiversity Policy



Business Continuity Plan



ISO Management Systems



Health and Safety Policy



Human Rights Policy

Gadang Holdings Berhad

Sustainability Statement

ANTI-BRIBERY AND CORRUPTION

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, we adopt a zero-tolerance approach towards all forms of bribery and corruption. Our anti-bribery and corruption framework is guided by the TRUST principles outlined in the Guidelines on Adequate Procedures.

Strengthening Governance Framework

We review our Standard Operating Policies and Procedures (“SOPPs”) annually to ensure they remain relevant, effective and aligned with regulatory requirements. This supports operational efficiency, quality project delivery and regulatory compliance while minimising the risk of miscommunication and non-compliance.

Conflict of Interest (“COI”) Declarations

Under our enhanced Conflict of Interest Policy, all directors and employees are required to disclose any actual or potential conflicts of interest. During FYE 2026, a risk assessment was conducted based on these declarations and the results were presented to the Audit Committee (“AC”) and the Board for review. No material conflicts of interest were identified during the financial year.

Corruption Risk Assessment

We conduct annual corruption risk assessments to identify, assess and manage corruption risks across our operations. The assessment results, together with the corresponding mitigation measures, were presented to the RMSC and the Board for review.

Third-Party Compliance

To extend our ethical standards beyond our own operations, suppliers, vendors, service providers and other business partners are required to acknowledge and comply with our Anti-Bribery and Corruption (“ABC”) Policy by signing an ABC Declaration.

Communication, Training and Awareness

All employees, including new hires, are required to acknowledge their understanding of and commitment to our ABC Policy. In addition, all directors and employees submit annual declarations reaffirming their compliance with the policy.

During FYE 2026, anti-bribery and corruption awareness was reinforced through regular training, internal communications and policy briefings to ensure that employees understood their role in upholding ethical conduct.

Progress Towards ISO 37001 ABMS Certification

GESB is progressing towards ISO 37001 ABMS certification to further strengthen our anti-bribery and corruption framework, reinforcing our commitment to integrity, transparency and accountability.

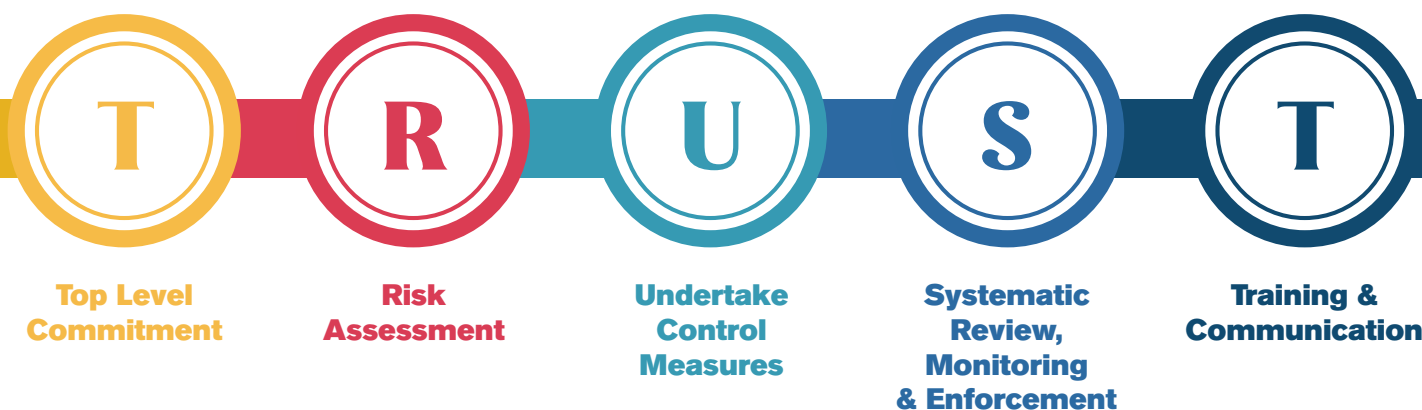
Whistleblowing

We provide secure and confidential whistleblowing channels for employees and external stakeholders to report suspected unethical conduct, fraud, bribery, corruption or other unlawful activities. Reports can be submitted through the channels set out in our Whistleblowing Policy and Procedures, which are available on our corporate website at www.gadang.com.my.

In FYE 2026, there were no reported whistleblowing cases or confirmed incidents of corruption.

Sustainability Statement

ANTI-BRIBERY AND CORRUPTION (CONT'D)



SUSTAINABLE PROCUREMENT

 To maximise the proportion of procurement spend on local suppliers

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2026	FYE 2025	FYE 2024
Supply Chain Management	Proportion of procurement spend on local suppliers	95%	99%	99%	99%

We are committed to responsible and sustainable procurement practices. Where feasible, we prioritise local suppliers to support local economic development, strengthen supply chain resilience and reduce the environmental impacts associated with transportation and logistics.

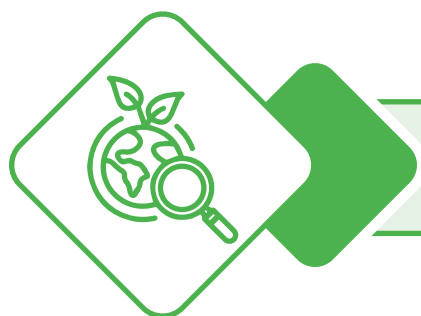
Our procurement decisions are guided by established evaluation criteria, including quality, pricing, delivery performance, regulatory compliance and sustainability considerations. Through our Sustainable Procurement Policy, we encourage our suppliers and business partners to uphold ethical business conduct and responsible environmental and social practices.

We recognise that ineffective supplier management may result in project delays, quality issues, supply disruptions and reputational risks. Accordingly, we maintain robust supplier selection and monitoring processes to support responsible sourcing and sustainable supply chain performance.

In FYE 2026, 99% of the Group's procurement spend was sourced from local suppliers, exceeding our target of 95%.

Gadang Holdings Berhad

Sustainability Statement



ENVIRONMENT

CLIMATE CHANGE

Building Climate Resilience

As part of our preparation for Malaysia's NSRF, we have commenced the early adoption of IFRS S2. During FYE 2026, we continued to strengthen our climate-related governance, risk management and reporting practices in preparation for future climate-related disclosure requirements.

Climate Governance

The Board has overall responsibility for overseeing climate-related matters, supported by the BRSC. At the management level, the RMSC oversees the implementation of climate-related initiatives, while the RSF, together with the SWG, coordinates the assessment, management and reporting of climate-related risks and opportunities across the Group.

Climate Risk and Opportunity Training

To strengthen climate-related awareness and capability, a Climate Risk and Opportunity ("CRO") training session was conducted for Management during FYE 2026. The training covered climate governance, climate-related risks and opportunities, climate scenario analysis and climate-related disclosure requirements, supporting the Group's transition towards IFRS S2-aligned reporting.



Climate Risk and Opportunity Assessment

During the year, we conducted a Climate Risk and Opportunity assessment across our business divisions to identify climate-related risks and opportunities relevant to our operations. The assessment provides an important foundation for strengthening climate-related management practices and disclosures as the Group progresses towards NSRF and IFRS S2 adoption.

Based on the assessment, physical climate risks were identified as the most significant climate-related risks to the Group, particularly for construction, utilities and infrastructure projects that may be affected by extreme weather events, rainfall variability and water availability.

Sustainability Statement

CLIMATE CHANGE (CONT'D)

Climate Risk and Opportunity Assessment (Cont'd)

A summary of the key climate-related physical risks, climate-related opportunities and existing mitigation measures identified during the Group's climate risk and opportunity assessment is presented below.

Project	Risk Level	Key Climate Risk	Key Climate Opportunity	Existing Mitigation Measures
- KL-Karak - CSR2B	High	Extreme rainfall, flooding, landslides, soil erosion and prolonged wet weather	Strengthen climate-resilient construction planning and site management practices	Erosion control measures, temporary drainage systems, slope stabilisation and project schedule planning
- Tawau 5.9MWa.c., 15MWa.c. (Solar Projects) 9MW IMP Mini Hydro	High	Rainfall variability and extreme weather conditions	Growing demand for renewable energy and sustainable infrastructure solutions	Weather monitoring, preventive maintenance and optimisation of plant performance
TTS, HTB, DBT (Water Treatment Plants)	Medium	Drought and reduced water availability	Growing demand for water infrastructure and water security solutions	Alternative water sourcing and operational planning
- Laman Citra Phase 3 & 4 - RTS	Medium	Rainfall variability and soil erosion	Strengthen climate-resilient design and construction practices	Drainage control, sediment management and site monitoring
- IPFN - KVDC - Intel Pelican	Low	No significant climate-related risks currently identified	Improve operational and resource efficiency	Ongoing monitoring and review

The current assessment primarily identified physical climate risks across the Group's operations. As the Group continues to strengthen its climate-related capabilities in preparation for the NSRF and progressive alignment with IFRS S2, transition risks and opportunities will be evaluated and incorporated into future assessments where relevant.

Climate scenario analysis was not conducted during FYE 2026. The Group will continue to enhance its climate-related disclosures and evaluate the implementation of climate scenario analysis as part of its ongoing climate reporting journey.

Climate Focus Areas

Based on the assessment findings, the Group has identified the following climate-related focus areas over the short, medium and long term.

Time Horizon	Key Priorities
Short-term (1–3 years)	Strengthen climate governance, climate risk assessment, GHG reporting and internal capability building.
Medium-term (4–10 years)	Enhance climate-related disclosures, expand Scope 3 emissions assessment and evaluate low-carbon business opportunities.
Long-term (>10 years)	Support climate-resilient and lower-carbon business growth.

Gadang Holdings Berhad

Sustainability Statement

GREENHOUSE GAS (“GHG”) EMISSIONS



Monitoring and Managing GHG Emissions

Our GHG inventory provides a foundation for monitoring emissions performance and supporting climate-related decision-making across the Group.

Key developments in our GHG reporting journey include:



Baseline Year –

FYE 2024 was established as the baseline year for GHG emissions reporting.



Reporting Boundary –

GHG emissions are reported using the operational control approach.



Progress Review –

Ongoing monitoring supports the identification of emissions trends and opportunities for improvement.



Scope 3 Emissions Assessment –

The Group will continue to evaluate additional Scope 3 categories to enhance its understanding of emissions across the value chain.

Absolute GHG Emissions (tCO₂e)

The Group monitors absolute GHG emissions across Scope 1, Scope 2 and selected Scope 3 categories to better understand its emissions profile and support climate-related decision-making.

Description	Scope	2026 Emissions	2025 Emissions	2024 Emissions
Direct Emissions (Fuel consumption from owned plant, machinery and vehicles)	Scope 1	4,905	5,593	6,103
Indirect Emissions (Purchased electricity)	Scope 2	4,478	4,427	4,617
Other Indirect Emissions - Category 6 (Business Travel) - Category 7 (Employee Commuting)	Scope 3	934	1,165	1,038
Total GHG Emissions	Total	10,317	11,185	11,758

The change in emissions was mainly due to lower fuel consumption from reduced project activities and lower Scope 3 emissions resulting from reduced employee headcount.

Sustainability Statement

GREENHOUSE GAS (“GHG”) EMISSIONS (CONT'D)

GHG Emissions Intensity (tCO₂e/RM'000)

In addition to monitoring absolute emissions, the Group tracks GHG emissions intensity to assess emissions performance relative to business activity and enhance continuous improvement in operational efficiency.

Description	Scope	Target	2026 Intensity	2025 Intensity	2024 Intensity
Direct Emissions (Fuel consumption from owned plant, machinery and vehicles)	Scope 1	< 0.0100	0.0062	0.0072	0.0103
Indirect Emissions (Purchased electricity)	Scope 2	< 0.0075	0.0057	0.0057	0.0078
Other Indirect Emissions - Category 6 (Business Travel) - Category 7 (Employee Commuting)	Scope 3	< 0.0017	0.0012	0.0015	0.0018

In FYE 2026, the Group's Scope 1, Scope 2 and Scope 3 GHG emission intensities achieved the targets set, demonstrating continued progress in managing emissions relative to business activity levels.

The Group will continue to monitor emissions intensity against its established targets to drive continuous improvement in emissions performance.

ENERGY MANAGEMENT

◆ To achieve total energy consumption below 6,000 MWh

◆ To harness at least 15% of Gadang HQ's energy from renewable sources

We are committed to improving energy efficiency and managing energy consumption across our operations. Through the implementation of energy-saving initiatives and the adoption of renewable energy solutions, we aim to optimise energy use, reduce GHG emissions and support long-term environmental sustainability.

Energy Efficiency Initiatives:

Use of energy-efficient LED lighting and equipment

Switching off lights, air conditioners and electrical equipment when not in use

Periodic maintenance of air conditioners and equipment

Employee awareness programmes on energy conservation

Adoption of solar photovoltaic (“PV”) where feasible



Gadang Holdings Berhad

Sustainability Statement

ENERGY MANAGEMENT (CONT'D)

	GROUP ENERGY CONSUMPTION				
	ENGINEERING AND CONSTRUCTION	PROPERTY	UTILITIES	HQ	TOTAL
PERIOD	Electricity (kWh)				
FYE 2026	607,772	124,409	4,360,163	448,065	5,540,409
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

Note: FYE 2025 and FYE 2026 electricity consumption for Engineering and Construction Division was higher due to the inclusion of site workers' accommodation, while Property electricity consumption decreased due to the closure of the sales gallery.

In FYE 2026, we achieved our energy consumption target by recording total electricity consumption of 5,540 MWh below the target of 6,000 MWh. The Utilities Division remained the largest contributor to the Group's overall electricity consumption.

SOLAR ENERGY

To support renewable energy adoption and reduce reliance on grid electricity, we have installed solar PV systems at Gadang HQ and selected project sites.

In FYE 2026, solar energy supplied approximately 20% of Gadang HQ's total electricity consumption, exceeding our target of 15%. This contributed to improved energy efficiency, reduced GHG emissions and electricity cost savings of approximately RM44,800 during the financial year.

	GADANG HQ Solar PV Performance		
Period	Energy Savings Target	Energy Savings	Solar PV Generation (kWh)
FYE 2026	15%	20.0%	91,035
FYE 2025		16.0%	85,258
FYE 2024		17.1%	94,164



(Solar PV installations at Gadang HQ and project sites)

Sustainability Statement

ENERGY MANAGEMENT (CONT'D)

EXPANDING OUR RENEWABLE ENERGY PORTFOLIO

As part of our commitment to sustainable development, we continue to expand our renewable energy portfolio and support the transition towards a lower-carbon economy through investments in solar and hydropower projects.

Our key renewable energy initiatives include:

- **Lintau, Indonesia:**

Operation of a 9MW mini hydropower plant supplying electricity to approximately 27,000 rural households, benefiting more than 100,000 people.

- **Tawau, Sabah, Malaysia**

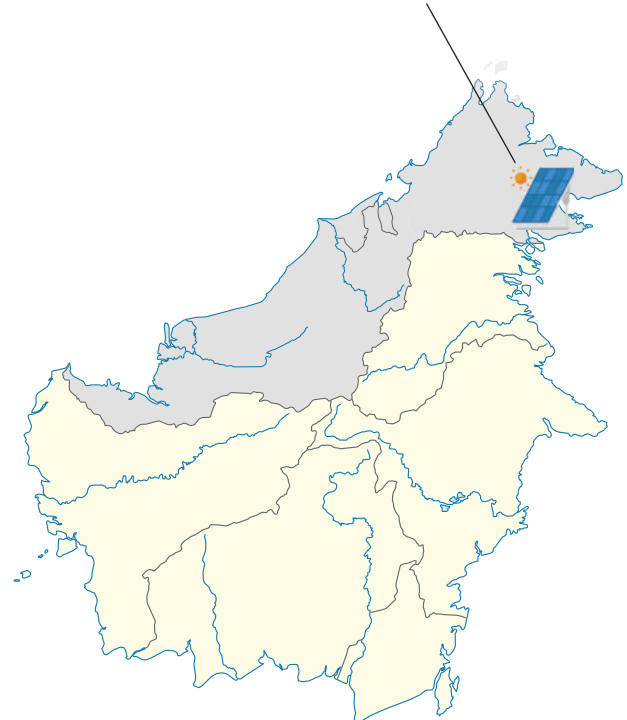
The 5.9MW_{a.c.} solar power plant achieved Commercial Operation Date ("COD") during FYE 2026. Construction of a new 15MW_{a.c.} solar power plant continued during the year and is expected to be completed in FYE 2027.

These renewable energy projects contribute to our long-term growth strategy while supporting clean energy generation, energy security and environmental sustainability.

Lintau, Indonesia



Tawau, Sabah, Malaysia



Gadang Holdings Berhad

Sustainability Statement

WATER MANAGEMENT

✦ To achieve total water consumption below 50,000 m³

We monitor water consumption across our operations and promote responsible water use as part of our ongoing water conservation efforts.

To reduce reliance on treated water where feasible, we have installed rainwater harvesting systems at selected project sites, including the RTS Link and Institut Perubatan Forensik Negara ("IPFN") projects. The harvested rainwater is used for wheel washing, dust suppression and general cleaning activities.

	GROUP WATER CONSUMPTION				
	ENGINEERING AND CONSTRUCTION	PROPERTY	UTILITIES	HQ	TOTAL
PERIOD	Water (m3)				
FYE 2026	38,192	2,508	1,200	5,040	46,940
FYE 2025	39,158	4,102	1,200	5,321	49,781
FYE 2024	18,576	1,665	1,200	5,056	26,497

Note 1: The Engineering and Construction Division's water consumption for FYE 2025 and FYE 2026 was higher due to the inclusion of site workers' accommodation, while Property water consumption decreased due to the closure of the sales gallery.

In FYE 2026, we achieved our water consumption target by recording total water consumption below 50,000 m³. The Engineering and Construction Division accounted for the largest proportion of the Group's water consumption, reflecting the nature of construction activities and site accommodation requirements.



Rainwater harvesting systems installed at the IPFN and RTS Link project sites.

SUPPLYING CLEAN WATER TO INDONESIAN COMMUNITIES

As part of our commitment to UNSDG 6 - Clean Water and Sanitation, our water treatment operations in Kabupaten Sidoarjo and Kabupaten Gresik provide access to safe and clean water for local communities in Indonesia.

Through these operations, we supply treated water to approximately 285,000 households, benefiting an estimated one (1) million people across the two regions. Water quality is regularly monitored and tested to ensure compliance with applicable regulatory and quality standards, supporting public health, sanitation and community well-being.

Sustainability Statement

SUPPLYING CLEAN WATER TO INDONESIAN COMMUNITIES (CONT'D)

Operation	Coverage Area	Population Coverage	Households Served
TTS & HTB	Kabupaten Sidoarjo	44%	250,000 households
DBT	Kabupaten Gresik	10%	35,000 households
Total			285,000 households

SUSTAINABLE BUILDING CERTIFICATIONS

We continue to incorporate sustainability considerations into the design, construction and operation of selected developments through recognised green building certification frameworks. These certifications promote improved energy efficiency, water conservation, resource efficiency and environmental performance throughout a building's lifecycle.

In FYE 2026, three (3) projects achieved recognised sustainable building certifications, namely LEED Silver for KVDC, MyCREST 2-Star for IPFN and GBI Certified for Residensi Hana @ The Vyne.

Project Name	Certification Type	Status	Key Sustainability Features
RTS Link ("Station")	GBI (Gold)	In Progress	Energy-efficient systems, sustainable materials and environmental design features
Klang Valley Data Centre ("KVDC")	LEED (Silver)	Certified in FYE 2026	Energy-efficient systems, efficient cooling technologies and water conservation measures
Institut Perubatan Forensik Negara ("IPFN")	MyCREST (2 Star)	Certified in FYE 2026	Solar PV systems, rainwater harvesting, energy-efficient Heating, Ventilation and Air-Conditioning ("HVAC") systems and eco-friendly materials
Residensi Hana @ The Vyne	GBI Certified	Certified in FYE 2026	Energy-efficient systems, low-Volatile Organic Compounds ("VOC") materials and sustainable site planning
Cyberjaya Hospital	GBI (Platinum)	Certified in FYE 2023	Solar PV systems, green roof, rainwater harvesting, Industrialised Building System ("IBS") and sustainable materials

LEED = Leadership in Energy and Environmental Design | MyCREST = Malaysian Carbon Reduction and Environmental Sustainability Tool | GBI = Green Building Index

The environmental benefits of our green building projects include:

- Reduced energy consumption** through energy-efficient building systems, lighting and HVAC technologies.
- Water conservation** through rainwater harvesting systems and water-efficient fittings.
- Reduced construction waste** through sustainable construction practices.
- Improved indoor air quality** through the use of low-VOC and environmentally friendly materials.
- Reduced GHG emissions** through energy-efficient building designs and sustainable construction materials.



Gadang Holdings Berhad

Sustainability Statement

ENVIRONMENTAL MANAGEMENT SYSTEM



To comply with applicable environmental laws and regulations



Zero summons from the Department of Environment ("DOE")

We are committed to protecting the environment through our ISO 14001:2015 Environmental Management System ("EMS"), which provides a structured framework for identifying, managing and monitoring environmental impacts across our operations.

Our projects operate in accordance with the Environmental Quality Act 1974 and other applicable environmental laws and regulations. Each project is guided by an Environmental Management Plan ("EMP") and our Health, Safety and Environment ("HSE") Manual to support the effective management of environmental risks and impacts.

To maintain environmental compliance and performance, we regularly monitor key environmental parameters, including ambient air quality, noise levels and water quality, in accordance with the following standards and guidelines:

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

In FYE 2026, none of our project sites received any environmental summons from the DOE.

ENVIRONMENTAL PRACTICES AT PROJECT SITES

AIR EMISSIONS

We implement measures to minimise air emissions and dust generation at our project sites to reduce potential impacts on the surrounding environment and neighbouring communities. Natural buffer zones are preserved or established where appropriate to help minimise dust dispersion. Wheel washing facilities, water bowsters and road sweepers are deployed along haul roads and access points to minimise dust generation and prevent soil and debris from being carried onto public roads.

Ambient air quality is monitored regularly and all recorded results remained within the limits prescribed under the Malaysian Ambient Air Quality Standard.



Sustainability Statement

ENVIRONMENTAL PRACTICES AT PROJECT SITES

NOISE MANAGEMENT

We actively monitor noise levels at our project sites to minimise disturbance to nearby communities and ensure compliance with applicable environmental requirements. To manage noise effectively, we maintain equipment in good working condition, schedule high-noise activities during appropriate hours and provide awareness training to workers. Solar-powered noise monitoring devices are also used at selected project sites to support continuous environmental monitoring.

All recorded noise levels remained within the recommended limits set out in the Guidelines for Environmental Noise Limits and Control.



WATER POLLUTION CONTROL

We are committed to ensuring that water discharged from our project sites complies with applicable quality standards and regulatory requirements. Regular water sampling and testing are carried out by accredited laboratories to monitor compliance.

At sites with lower discharge volumes, control measures such as silt traps and sediment basins are implemented. For sites with higher discharge volumes, water treatment systems with filtration are installed to ensure that discharged water meets the required standards before being released.



EROSION & SEDIMENT CONTROL

We recognise that erosion and sediment runoff can increase during periods of heavy rainfall and may adversely affect the surrounding environment if not properly managed.

To minimise these impacts, we implement Best Management Practices ("BMPs") at our construction sites, including silt fences, silt traps and slope protection measures to control surface runoff and prevent sediment from entering nearby waterways. These measures help protect water quality, reduce flood risks and preserve surrounding ecosystems.



Gadang Holdings Berhad

Sustainability Statement

WASTE MANAGEMENT



To reduce environmental pollution and minimise waste sent to landfill

Effective waste management is an important component of our environmental stewardship, particularly within our construction activities where waste generation is inherent to project execution. We are committed to minimising waste generation, promoting resource efficiency and reducing the amount of waste sent to landfill through responsible waste management practices.

Waste is categorised as hazardous and non-hazardous, with appropriate handling, storage and disposal procedures implemented in accordance with applicable regulatory requirements. We also seek opportunities to reuse and recycle materials such as timber, concrete and steel in line with the principles of Reduce, Reuse and Recycle (“3R”).

Sustainable building certification frameworks such as Green Building Index (“GBI”), Leadership in Energy and Environmental Design (“LEED”) and Malaysian Carbon Reduction and Environmental Sustainability Tool (“MyCREST”), further support waste reduction through material efficiency, waste segregation and responsible waste management practices.

To strengthen waste management performance, designated waste collection areas are provided at project sites and awareness programmes are conducted to encourage responsible waste management among employees, workers and subcontractors.

ENGINEERING AND CONSTRUCTION

During FYE 2026, we generated 936 tonnes of construction waste, a reduction from 1,423 tonnes in FYE 2025. The decrease was primarily attributable to lower construction activities as several projects approached completion.

A total of 26 tonnes of waste was diverted from disposal through recycling and recovery initiatives. The waste diversion rate decreased to 3%, compared with 19% in FYE 2025, largely due to the nature of waste generated during the project completion phase, which mainly comprised mixed construction and general waste with limited recycling potential.

Despite the lower waste diversion rate, we remain committed to strengthening waste segregation practices and identifying opportunities to increase material recovery and recycling across our operations.

Waste Generated (tonnes)	FYE 2026	FYE 2025	FYE 2024
Total waste generated	936	1,423	1,296
Waste directed to disposal	910	1,160	1,097
Waste diverted from disposal (Recycle)	26	263	199

Sustainability Indicator	Metric	Target	FYE 2026	FYE 2025	FYE 2024
Waste Management	Waste diversion rate	15%	3%	19%	15%



Waste segregation at source promotes recycling, responsible disposal and reduced landfill waste.

Sustainability Statement

RECYCLING AND WASTE REDUCTION AT GADANG HQ

At Gadang HQ, we promote responsible consumption and waste reduction through reuse and recycling initiatives. Recycling bins are strategically placed throughout the office to facilitate the segregation and collection of recyclable materials, including paper, plastic, metal and other recyclable materials, supporting our efforts to minimise waste sent to landfill.

In FYE 2026, approximately 6,178 kg of recyclable materials were collected, exceeding our target of 3,000 kg. This achievement reflects the active participation of our employees and reinforces our commitment to fostering environmentally responsible practices in the workplace.

Indicator	Recycling Target	Achievement		
		FYE 2026	FYE 2025	FYE 2024
Recycled waste collected (kg)	3,000	6,178	3,439	5,457

Beyond operational environmental management, we continue to promote environmental awareness and encourage sustainable behaviours among our employees and local communities through a range of environmental initiatives.



E-WASTE AWARENESS CAMPAIGN

In collaboration with Jabatan Alam Sekitar ("JAS"), we organised an e-waste awareness campaign to promote the responsible disposal and recycling of electronic waste. The programme included awareness talks and engagement activities to educate employees on the environmental impacts of improper e-waste disposal and encourage responsible e-waste management practices.



E-WASTE COLLECTION

To support responsible e-waste management, our IT Department conducts an e-waste collection initiative once every two (2) years. During FYE 2026, approximately two (2) tonnes of e-waste, including computers, laptops, printers and other electronic equipment, were collected and sent to a licensed e-waste recycler registered with the DOE.

In recognition of this initiative, we received a Certificate of Climate Champion under the e-waste collection programme, demonstrating our commitment to responsible electronic waste management and environmental stewardship.



Gadang Holdings Berhad

Sustainability Statement

ENVIRONMENTAL AWARENESS CAMPAIGNS

We regularly organise environmental awareness initiatives to encourage employees to adopt sustainable practices and contribute to environmental conservation both at work and in their daily lives. These initiatives help foster greater environmental responsibility while supporting our broader sustainability objectives.



BEACH CLEANING

A total of 50 volunteers participated in a beach cleaning programme at Pantai Remis under the theme “Beat the Plastic”. The initiative focused on removing plastic and domestic waste from the coastline, helping to reduce marine pollution and protect the coastal ecosystem.

The programme also raised awareness among participants on responsible waste management, environmental conservation and the importance of protecting our oceans for future generations.



WORLD ENVIRONMENT DAY

Awareness sessions were conducted to promote responsible consumption, waste reduction and sustainable environmental practices.



Sustainability Statement



EARTH HOUR

We participated in Earth Hour across our offices and project sites to support energy conservation and raise awareness of climate change.



EARTH DAY

Awareness and engagement activities were conducted across our offices and project sites to encourage environmentally responsible behaviours and sustainable practices.



BIODIVERSITY & LAND MANAGEMENT



To conserve biodiversity and sustainably manage ecosystems

We recognise the importance of protecting biodiversity and preserving natural ecosystems. Through compliance with Environmental Impact Assessment ("EIA") requirements and the implementation of Best Management Practices ("BMPs"), we seek to minimise the environmental impacts of our projects.

While certain development activities may require land clearing, we seek to minimise impacts on the natural environment through careful planning, landscaping initiatives and tree planting programmes. We incorporate landscaping, parks, walkways and tree planting into our developments to create greener spaces, enhance biodiversity and improve the quality of life within the communities we serve.

As part of our response to climate change, we recognise the important role that trees play in absorbing carbon, improving air quality and helping to cool the environment. Tree planting therefore forms an integral part of our efforts to support climate resilience and biodiversity conservation.

Gadang Holdings Berhad

Sustainability Statement



TREE PLANTING INITIATIVES

We collaborate with Jabatan Perhutanan, local authorities and community partners to support tree planting and environmental conservation initiatives. These initiatives contribute to biodiversity enhancement while raising awareness among employees and local communities about the importance of environmental stewardship.

In FYE 2026, Gadang Engineering (M) Sdn Bhd ("GESB") and Gadang Land Sdn Bhd ("GLSB") planted a total of 1,136 trees, exceeding our target of 1,000 trees. These efforts contributed an estimated 24,992 kg CO₂ of carbon absorption, supporting climate resilience and environmental sustainability.

We are proud to support the 100 Million Tree-Planting Campaign led by Jabatan Perhutanan, demonstrating our commitment to protecting and restoring natural ecosystems for future generations.



Trees Planting Initiatives	Target	Achievement		
		FYE 2026	FYE 2025	FYE 2024
Number of Trees Planted (trees)	1,000	1,136	1,769	1,678
Estimated Carbon Absorption from Trees Planted (kg CO ₂)	22,000	24,992	38,918	36,916



Tree planting activities conducted in collaboration with Jabatan Perhutanan to support biodiversity conservation and climate resilience.

Sustainability Statement



WORKPLACE

OCCUPATIONAL HEALTH & SAFETY (“OHS”)



To prevent and reduce workplace accidents and occupational illness



Zero fatalities

At Gadang, the health, safety and wellbeing of our employees, workers, subcontractors and other stakeholders remain fundamental to the way we operate. As a diversified group with interests in engineering and construction, property development and utilities, we recognise that maintaining a safe workplace is not only a regulatory obligation but also a shared responsibility that protects lives, supports business continuity and strengthens stakeholder confidence.

Over the years, safety has become deeply embedded in our organisational culture and day-to-day operations. Through strong leadership commitment, effective management systems, continuous training and active employee participation, we strive to provide a safe and healthy working environment for everyone working at or visiting our workplaces.

We continuously enhance our Health, Safety and Environment (“HSE”) policies and practices to maintain a safe and responsible working environment. During FYE 2026, we maintained our ISO 45001 Occupational Health and Safety Management System and ISO 39001 Road Traffic Safety Management System certifications, reaffirming our commitment to internationally recognised safety standards and continual improvement.

Health and safety performance is reviewed regularly through monthly Executive Committee (“EXCO”) Safety Review Meetings and annual HSE Management Review Meetings. These reviews provide oversight of safety performance, emerging risks, regulatory compliance, audit findings and improvement initiatives, ensuring the continual enhancement of workplace safety practices across the Group.

We promote a proactive safety culture through regular safety inductions, daily toolbox briefings, refresher training programmes, site inspections and employee engagement sessions. These initiatives encourage employees and workers to identify hazards, report unsafe conditions and take personal ownership of workplace safety.

Over the years, we have received numerous recognitions for excellence in occupational health and safety. A key milestone was the achievement of five (5) consecutive years with zero Non-Conformance Reports (“NCRs”), reflecting the maturity and effectiveness of our HSE management system. We also maintained zero fatalities across all operations during FYE 2026.

Our commitment to safety was further recognised through MiSHA and SHASSIC awards received during the financial year, demonstrating the strong safety culture embedded across our project sites.

Gadang Holdings Berhad

Sustainability Statement



OHS AWARENESS AND TRAINING

Continuous training remains a key component of our safety management approach. During FYE 2026, a total of 653 employees and workers participated in health and safety-related training programmes designed to strengthen competency, improve hazard awareness and enhance emergency preparedness across our operations. In addition, training was extended to site personnel and subcontractors at project sites as part of our ongoing efforts to foster a strong and consistent safety culture across all operations.

Some of the OHS training programmes conducted during the year included:

 Basic Occupational First Aid, CPR & AED	 Working at Height	 Step Ladder Safety
 Emergency Response Team Awareness	 Safety Power Tool	 Hot Work Safety
 Dengue Campaign	 Defensive Driving	 Electrical Safety
 Ergonomic Awareness	 Lifting Operation	 Fire Fighting



Sustainability Statement



WORLD OSH DAY

In conjunction with World Occupational Safety and Health (“OSH”) Day 2026, our HSE Department launched the “Buddy Jaga Buddy” campaign to reinforce the importance of looking out for one another and fostering a strong safety culture across our workplaces. The campaign supports the International Labour Organisation’s (“ILO”) efforts to promote safe and healthy working environments worldwide.

It involved both Gadang HQ employees and project teams through safety awareness sessions, knowledge sharing activities and discussions on best practices. Through active participation and open dialogues, employees were encouraged to identify and report unsafe conditions, reinforcing the principle that workplace safety is a shared responsibility and an integral part of Gadang’s culture.



Employees participating in World OSH Day 2026 activities to promote workplace safety awareness and strengthen safety culture.



GADANG EMPLOYEE HEALTH & WELLNESS SCREENING

Beyond workplace safety, we recognise the importance of supporting employees’ overall health and wellbeing. During the year, we organised a health screening programme featuring InBody body composition analysis and a diabetes awareness talk in collaboration with BookDoc. The programme aimed to encourage preventive healthcare and promote early detection of potential health concerns, supporting the long-term wellbeing of our workforce.



Employee health screening programme promoting preventive healthcare and wellbeing.

Gadang Holdings Berhad

Sustainability Statement



EMERGENCY PREPAREDNESS

In FYE 2026, we collaborated with Angkatan Pertahanan Awam Malaysia ("APM") to conduct emergency preparedness training at our Gadang HQ, enhancing employees' awareness, preparedness and emergency response capabilities.

All project sites, including Gadang HQ, are supported by an Emergency Response Team ("ERT") comprising trained personnel equipped to respond effectively during emergencies. Regular emergency preparedness programmes and drills help ensure employees are prepared to respond to emergency situations while minimising risks to people, property and operations. These ongoing efforts reflect our commitment to maintaining a safe, resilient and prepared working environment.



Emergency preparedness training conducted in collaboration with APM to enhance emergency response capabilities.



FIRST AID, CPR & AED TRAINING

We conducted Basic Occupational First Aid, CPR & AED Training to equip employees with essential life-saving skills. Through both theoretical and practical sessions, participants gained the knowledge and confidence required to respond effectively during workplace emergencies and provide immediate assistance before professional medical help arrives.



Employees receiving practical training in first aid, CPR and AED response.

Sustainability Statement



HSE INTERNAL AUDIT

Annual compliance audits are conducted by trained internal HSE auditors to assess compliance with ISO 14001:2015 and ISO 45001:2018 requirements and identify opportunities for continual improvement.

These audits support the Group's commitment to maintaining high standards of health and safety performance while strengthening risk management, regulatory compliance and operational excellence across our project sites.

Regular audits ensure that safety remains a top priority and reinforce a culture of accountability, vigilance and continuous improvement throughout the Group.



Regular HSE audits support compliance and continuous improvement across project sites.

Gadang Holdings Berhad

Sustainability Statement

HEALTH AND SAFETY PERFORMANCE

During the financial year, 653 employees and workers participated in health and safety-related training programmes, exceeding the Group’s target of 500 participants. These measures strengthen our commitment to maintaining a strong safety culture across the Group.

Safety Training

Indicator	Target	FYE 2026
Number of employees and workers trained for Health and Safety	500	653

The Group maintained a strong safety performance across all business divisions during FYE 2026, recording zero fatalities, zero incident rate and zero Lost Time Injury Frequency Rate (“LTIFR”). These results reflect the effectiveness of our safety management systems, ongoing employee awareness programmes and the collective commitment of employees, workers, subcontractors and management towards maintaining a safe workplace.

Safety Statistics

Engineering and Construction	Target	FYE 2026	FYE 2025	FYE 2024
Fatality	Zero	0	0	0
Incident rate (per 1,000 workers)	Less than 4	0	0	0
LTIFR	Less than 8	0	0	0

Property Development	Target	FYE 2026	FYE 2025	FYE 2024
Fatality	Zero	0	0	0
Incident rate (per 1,000 workers)	Less than 4	0	0	0
LTIFR	Less than 8	0	0	0

Utilities	Target	FYE 2026	FYE 2025	FYE 2024
Fatality	Zero	0	0	0
Incident rate (per 1,000 workers)	Less than 4	0	0	0
LTIFR	Less than 8	0	0	0

Gadang HQ	Target	FYE 2026	FYE 2025	FYE 2024
Fatality	Zero	0	0	0
Incident rate (per 1,000 workers)	Less than 4	0	0	0
LTIFR	Less than 8	0	0	0

Sustainability Statement

ATTRACTIVE & INCLUSIVE WORKPLACE

◆ To foster an inclusive, engaging and supportive workplace

◆ To achieve at least 30% women directors' representation in the Board

At Gadang, we believe that our people are the foundation of our success. We are committed to building a workplace that enables our employees to develop their capabilities, perform at their best and contribute meaningfully to the Group's continued success.

We strive to cultivate a workplace culture that embraces diversity, equal opportunity and professional development. By attracting, developing and retaining talented individuals, we strengthen our organisational capability and support business performance.

We also recognise that employee wellbeing extends beyond physical health to include mental wellbeing, work-life balance, personal development and a sense of belonging. Through our people policies, employee engagement initiatives and wellbeing programmes, we seek to create an environment where our employees can thrive both professionally and personally.

WORKFORCE DIVERSITY & INCLUSION

We are committed to fostering an inclusive workplace where everyone is treated fairly and provided with equal opportunities to grow and succeed. We value diverse perspectives, experiences and backgrounds, recognising that a diverse workforce contributes to innovation, better decision-making and stronger organisational performance.

As at 31 May 2026, we employed 653 employees and workers across our operations in Malaysia and Indonesia, comprising 388 Malaysian employees and 265 foreign workers. During FYE 2026, we welcomed 119 new hires to support business growth and operational requirements.

Employment-related decisions, including recruitment, promotion, training and remuneration, are based on merit, qualifications, capability and performance, regardless of gender, age, ethnicity, religion, nationality, disability or other personal characteristics.

While the construction industry continues to experience gender imbalances in certain technical and site-based roles, we remain committed to encouraging greater participation of women across all levels of our organisation and fostering an inclusive workplace where everyone has the opportunity to succeed.

In FYE 2026, women represented 33% of our Board, exceeding our target of 30%.

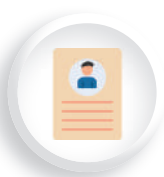


Gadang Holdings Berhad

Sustainability Statement

WORKFORCE DIVERSITY & INCLUSION (CONT'D)

The charts below provide an overview of our workforce composition by gender, age group, nationality and employment category as at 31 May 2026.



Women Directors

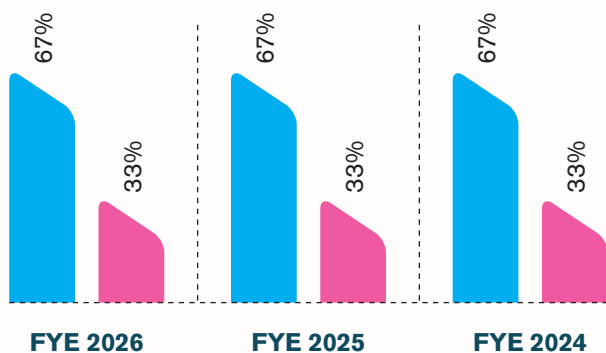
33%Total Employees and workers
as at 31 May 2026**653**388 (Malaysian)
265 (Foreign)

Number of new hires

119

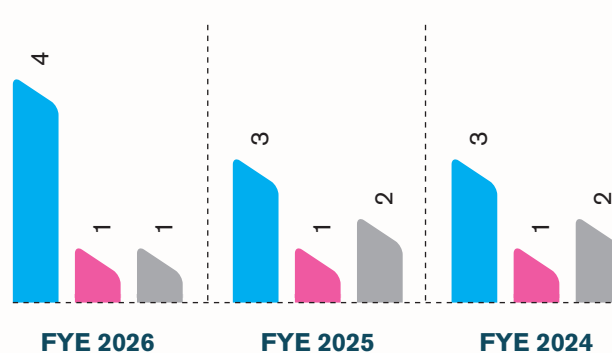
BOARD GENDER DIVERSITY

● Male ● Female



BOARD AGE GROUP

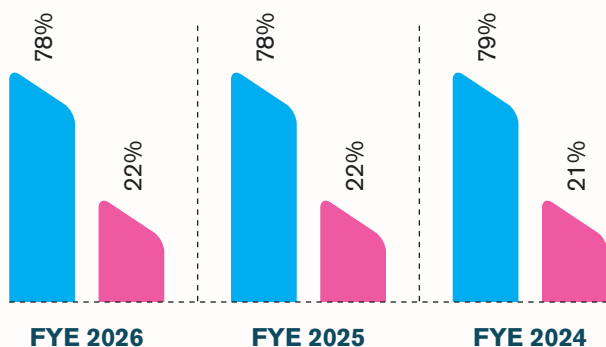
● Age 35-60 ● Age 61-70 ● Age 71-80



WORKFORCE PROFILE

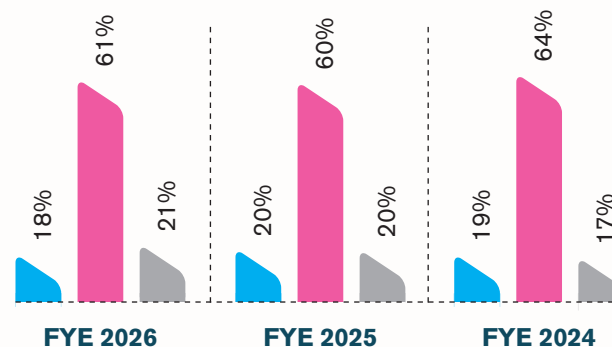
GENDER DIVERSITY

● Male ● Female



AGE DIVERSITY

● <30 years ● 30 to 50 years ● >50 years

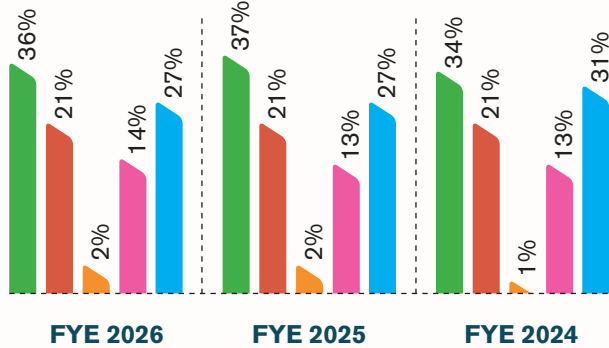


Sustainability Statement

WORKFORCE PROFILE (CONT'D)

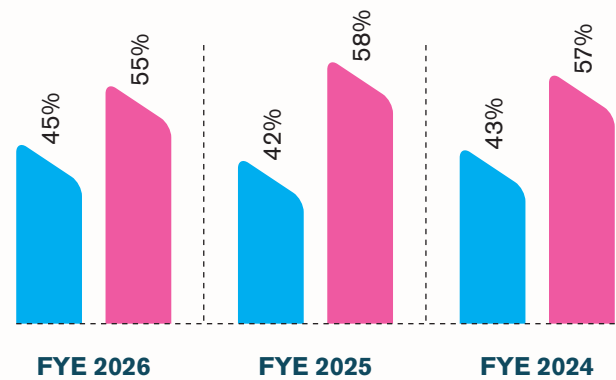
ETHNIC DIVERSITY

- Malay
- Chinese
- Indian
- Indonesia - (Utilities)
- Foreign Worker



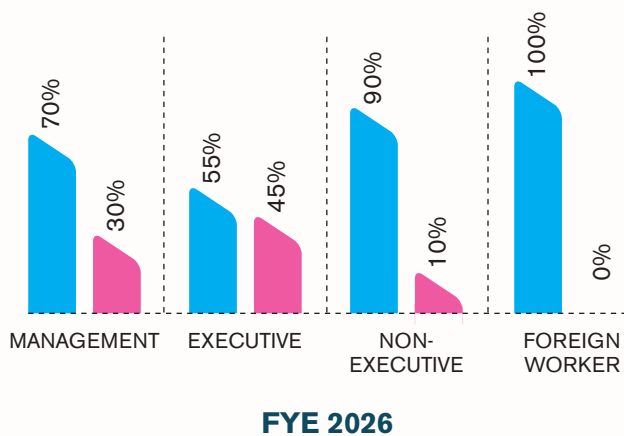
EMPLOYEE COMPOSITION

- Permanent
- Temporary



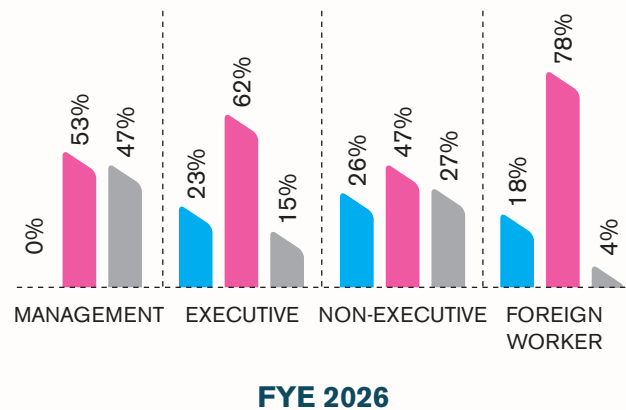
GENDER DIVERSITY BY EMPLOYEE CATEGORY

- Male
- Female



AGE DIVERSITY BY EMPLOYEE CATEGORY

- <30 years
- 30 to 50 years
- >50 years



Gadang Holdings Berhad

Sustainability Statement

HUMAN RIGHTS AND LABOUR PRACTICES

We are committed to upholding human rights and ensuring that all employees are treated with fairness, dignity and respect. We recognise that a safe, inclusive and respectful workplace contributes to employee wellbeing, engagement and productivity.

Our Human Rights Policy guides our approach to protecting fundamental human rights and applies to employees, contractors and business partners. The policy is aligned with applicable labour laws and internationally recognised human rights principles.

The policy addresses the following key areas:



Diversity and Inclusion



**Fair Wages, Working Hours
and Employee Benefits**



**Prohibition of Inhumane
Treatment**



Freedom of Association



**Occupational Health and
Safety**



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



**Prohibition of Child
Labour, Forced Labour
and Human Trafficking**



Women's Rights

We expect all employees, contractors and business partners to uphold these principles and contribute to a workplace that is free from discrimination, harassment, forced labour and other forms of human rights violations.

Reporting and Grievance Channels

To uphold our commitment to human rights, employees and other external stakeholders may report concerns through our whistleblowing channels or directly to Group Human Capital. These channels enable concerns relating to workplace practices, human rights violations or breaches of the Code of Ethics and Conduct to be reported confidentially and without fear of retaliation.

Human rights risks are monitored through employee engagement, grievance mechanisms, whistleblowing channels and compliance monitoring to ensure that concerns are identified and addressed in a timely manner.

In FYE 2026, there were no reported human rights violations across the Group.

Sustainability Indicator	Metric	Target	Achievement		
			FYE 2026	FYE 2025	FYE 2024
Human Rights	Number of reported human rights violations	Zero	No reported human rights violations	No reported human rights violations	No reported human rights violations

HUMAN CAPITAL POLICIES

Our people management practices are guided by policies and procedures that promote employee wellbeing, diversity and inclusion, fair employment practices, learning and development, ethical conduct and workplace harmony. These policies provide the framework for fostering a safe, respectful and supportive workplace while ensuring compliance with applicable laws and regulations.

Sustainability Statement

HUMAN CAPITAL POLICIES (CONT'D)

Key human capital policies include:



Gadang Employee Handbook



Learning and Development Policy



Flexi Working Hours Policy



Human Rights Policy



Leave Policy



Grievance and Disciplinary Policy



Medical Benefits Policy



Code of Ethics and Conduct



Group Insurance Scheme Policy



Whistleblowing Policy and Procedures

EMPLOYEE WELLBEING & ENGAGEMENT



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



To encourage a healthy lifestyle

We recognise that employee wellbeing is fundamental to building a resilient, productive and engaged workforce. Beyond providing a safe workplace, we strive to create an environment where employees feel valued, connected and supported in both their professional and personal lives.

Through a range of employee engagement, wellness and family-oriented initiatives, we seek to strengthen workplace relationships, encourage healthy lifestyles and promote employee engagement and team cohesion across the Group. These efforts support employee wellbeing, teamwork and work-life integration while reinforcing a collaborative and inclusive workplace culture.

Benefits of Employee Wellbeing Initiatives

Focus Area	Contribution
Positive workplace culture	Promotes mutual respect, inclusion and collaboration across the workplace.
Improved communication	More effective communication enhances collaboration and teamwork
Increased productivity	Engaged employees are more productive and contribute to higher quality outcomes
Improved retention	A supportive work environment encourages employee loyalty and retention
Enhanced client/customer satisfaction	Engaged employees are better positioned to deliver quality service and positive customer experiences

During the year, various employee wellbeing and engagement initiatives were organised to strengthen workplace relationships, encourage healthy lifestyles and foster a strong sense of belonging across the Group.

Gadang Holdings Berhad

Sustainability Statement

EMPLOYEE WELLBEING & ENGAGEMENT (CONT'D)

During the year, various employee wellbeing and engagement initiatives were organised to strengthen workplace relationships, encourage healthy lifestyles and foster a strong sense of belonging across the Group.



Chinese New Year Gathering



Hari Raya Celebration



Fruit Feast



Laser Battle



Hiking at Taman Tugu, KL



Health Carnival and Family Day



Company Trip at Indonesia



Company Annual Dinner



Employee Appreciation Day



Sustainability Statement



FESTIVE SEASONS GATHERING

Festive celebrations provide employees with opportunities to appreciate Malaysia's diverse cultural heritage while strengthening workplace relationships and promoting inclusivity across the Group.



FRUIT FEAST

Our annual Fruit Feast provided employees with an opportunity to unwind, socialise and strengthen workplace relationships in a relaxed and informal setting.



LASER BATTLE

The Laser Battle activity encouraged teamwork, communication and strategic thinking while providing employees with an enjoyable platform to build stronger relationships outside the workplace.



Gadang Holdings Berhad

Sustainability Statement



HEALTH CARNIVAL & FAMILY DAY

The Health Carnival and Family Day brought together employees and their families through health awareness programmes, fitness activities and family-oriented engagements. The event promoted healthy living while strengthening bonds among employees and their loved ones.



COMPANY TRIP TO INDONESIA

The company trip provided employees with an opportunity to build stronger relationships, enhance teamwork and recharge outside the work environment, supporting employee wellbeing and work-life balance.



COMPANY ANNUAL DINNER

The Annual Dinner served as an occasion to celebrate achievements, recognise contributions and strengthen connections among employees across the Group.



Sustainability Statement



EMPLOYEE APPRECIATION DAY

Employee Appreciation Day provides an opportunity to recognise and thank employees for their dedication and contributions throughout the year. Through meaningful gestures of appreciation, we aim to foster a culture where employees feel recognised, appreciated and motivated.

In conjunction with National Appreciation Day, corporate umbrellas were distributed as a practical token of appreciation. The initiative encourages employees to stay protected during changing weather conditions.



FITNESS ACTIVITIES, BADMINTON, YOGA, JAZZERCISE & GYM

Regular fitness activities, including badminton, yoga, jazzercise and gym sessions, were organised to encourage healthy lifestyles and support employees' physical and mental wellbeing. These activities help employees stay active, reduce stress and promote overall wellness.

LEARNING & DEVELOPMENT



To develop a competent, adaptable and future-ready workforce



To enhance employee performance, productivity and career development



To support education and talent development through scholarship programmes

At Gadang, we believe that continuous learning is fundamental to both individual growth and organisational success. As industries evolve and stakeholder expectations continue to change, developing a skilled, adaptable and future-ready workforce is increasingly important.

We are committed to providing our employees with opportunities to enhance their technical competencies, leadership capabilities and professional skills. Through continuous learning and development, we aim to empower our employees to realise their full potential while supporting our long-term growth and sustainability.



Gadang Holdings Berhad

Sustainability Statement

TALENT DEVELOPMENT AND TRAINING

We recognise that our people are our greatest asset and investing in their development is essential to both organisational success and long-term career growth.

As workplaces continue to evolve with emerging technologies such as Artificial Intelligence ("AI"), employees need to remain adaptable and continuously develop new skills. We encourage lifelong learning to help our employees respond effectively to changing business needs, technological advancements and evolving regulatory requirements.

Each year, Group Human Capital identifies and coordinates training programmes that support both organisational objectives and employees' professional development. These programmes cover technical, operational, leadership, compliance and soft skills competencies to strengthen capabilities and prepare employees for future challenges.

In FYE 2026, our employees completed a total of 11,022 training hours, achieving an average of 17 training hours per employee, exceeding our target of 10 training hours per employee. The training hours recorded over the past three (3) financial years are presented below.

Description	FYE 2026	FYE 2025	FYE 2024
Total number of training hours	11,022	10,800	5,705
Average training hours per employee	17	15	8

SCHOLARSHIP

Education has the power to transform lives and create opportunities for future generations. As part of our commitment to talent development and community empowerment, we continue to support deserving students through our scholarship programme. During FYE 2026, the Group continued its commitment to supporting education through its Scholarship and School Aid Programmes. Three (3) scholarships amounting to RM97,750 were awarded to support tertiary education. In addition, the annual School Aid Programme benefited 131 children of employees through financial assistance amounting to RM26,200, exceeding the Group's target of supporting 100 children.

Since the programme was introduced, approximately RM1.4 million has been distributed through scholarship assistance, reflecting our long-term commitment to nurturing future talent and supporting social mobility through education.



Sustainability Statement



COMMUNITY

COMMUNITY DEVELOPMENT

✦ To contribute positively to the communities in which we operate

✦ To support vulnerable and underserved communities

At Gadang, we believe that creating long-term value extends beyond our business operations. As a responsible corporate citizen, we are committed to supporting the wellbeing of the communities in which we operate and contributing to their social development.

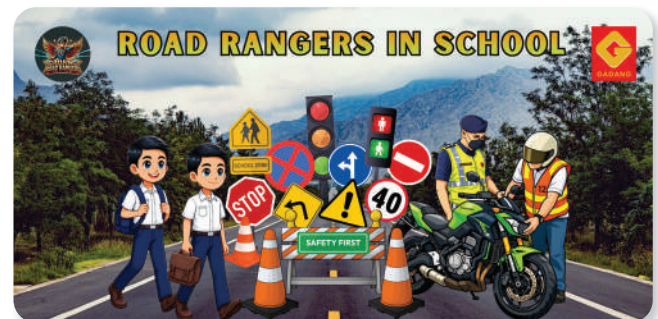
Through our community initiatives, we promote safety awareness, support education and healthcare-related causes, assist vulnerable communities and foster meaningful engagement with local communities. These initiatives reflect our commitment to creating a positive and lasting impact on society.

ROAD TRAFFIC SAFETY CAMPAIGN IN SCHOOLS

In collaboration with the Ministry of Defence, Royal Malaysia Police ("PDRM"), Kuala Lumpur City Hall ("DBKL"), SIRIM QAS International, Social Security Organisation ("PERKESO") and Malaysian Industrial Safety and Health Association ("MiSHA"), we conducted a Road Traffic Safety Campaign to promote road safety awareness among school students.

Recognising that children are our future, we believe that awareness should begin at an early age. Through this programme, we encourage responsible road user behaviour and foster a culture of road safety and accident prevention.

As part of this initiative, we conducted the campaign at SMK Desa Tun Hussein Onn, Kuala Lumpur, where students participated in activities designed to promote safe road practices and increase awareness of accident prevention.



Gadang Holdings Berhad

Sustainability Statement



SAFETY AND HEALTH (“SHERO”) IN SCHOOLS

We are committed to promoting safety and health awareness among students from an early age. Through the SHERO programme, we equip students with practical knowledge that helps reduce risks and encourage safer behaviours both at school and at home.

The programme was conducted at SK Janda Baik, Pahang, where students participated in educational and interactive activities designed to strengthen safety and health awareness.



CARE FOR THE ELDERLY

We are committed to supporting the elderly community. During FYE 2026, we visited Desa Jaya Old Folks Home to spend time with its residents, providing companionship and support. The visit contributed to the residents' emotional wellbeing while fostering greater awareness and empathy among our employees.



CARE FOR INDIVIDUALS WITH SPECIAL NEEDS

We are committed to supporting and empowering individuals with special needs. During FYE 2026, we visited Insan Istimewa, Cheras, Kuala Lumpur, to provide support, encouragement and meaningful interaction while promoting greater awareness, acceptance and inclusion within society.



Sustainability Statement



CANCER CHARITY RUN

We participated in a charity run supporting Children's Cancer Association Malaysia and Cancer Research Malaysia. Through this initiative, we supported fundraising efforts for cancer research and patient care while raising public awareness of cancer prevention and early detection.



BLOOD DONATION - EVERY DROP COUNTS

Through our blood donation drive, our employees supported the National Blood Centre's efforts to maintain an adequate blood supply for patients requiring medical treatment and emergency care.



DONATION AND SPONSORSHIP

Through our Corporate Social Responsibility ("CSR") initiatives, donations and sponsorship programmes, we continued to support community development, healthcare initiatives, education and vulnerable communities.

In FYE 2026, we contributed RM 131,000 through donations and sponsorships, benefiting approximately 1,510 individuals. These contributions reflect our continued commitment to creating a positive and meaningful impact in the communities we serve.

	FYE 2026	FYE 2025	FYE 2024
Donation and Sponsorship (RM)	131,000	130,000	131,000
Number of Beneficiaries	1,510	1,459	1,207

Gadang Holdings Berhad

Sustainability Statement

MOVING FORWARD

As we continue our sustainability journey, we remain committed to creating long-term value through responsible business practices and sustainable growth.

We will continue to strengthen our sustainability governance, enhance the management of sustainability-related risks and opportunities and improve our sustainability performance in line with evolving stakeholder expectations and regulatory requirements. We will also continue to enhance our sustainability disclosures and capabilities in support of our transition towards the NSRF, including progressive alignment with the principles of IFRS S1 and IFRS S2.

Together with our employees, customers, business partners, shareholders and communities, we will continue working towards a more sustainable future while creating shared value for all our stakeholders.

Sustainability Statement

PRESCRIBED TABLE

Date & Time: 2026-09-14_12:32:46
Main Market | Group 2 | FYE 31/05/2026

GADANG HOLDINGS BHD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-Corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category	Percentage	100	100	100	Internal
Anti-Corruption	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100	Internal
Anti-Corruption	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	Internal
Community/Society	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	130,000	131,000	-	Internal
Community/Society	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1,459	1,510	-	Internal
Diversity	Bursa C3(a) Percentage of employee by age group for each employee category	Percentage	Management Under 30 y/o - 0 Between 30-50 y/o - 52 Above 50 y/o - 48 Executive Under 30 y/o - 26 Between 30-50 y/o - 59 Above 50 y/o - 15 Non-Executive Under 30 y/o - 28 Between 30-50 y/o - 47 Above 50 y/o - 25 Foreign Worker Under 30 y/o - 21 Between 30-50 y/o - 75 Above 50 y/o - 4	Management Under 30 y/o - 0 Between 30-50 y/o - 53 Above 50 y/o - 47 Executive Under 30 y/o - 23 Between 30-50 y/o - 62 Above 50 y/o - 15 Non-Executive Under 30 y/o - 26 Between 30-50 y/o - 47 Above 50 y/o - 27 Foreign Worker Under 30 y/o - 18 Between 30-50 y/o - 78 Above 50 y/o - 4	-	Internal

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Page 1 of 3

Gadang Holdings Berhad

Sustainability Statement

PRESCRIBED TABLE

Date & Time: 2026-09-14_12:32:46
Main Market | Group 2 | FYE 31/05/2026

GADANG HOLDINGS BHD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Bursa C3(a) Percentage of employee by gender for each employee category	Percentage	Management Male - 73 Female - 27 Executive Male - 56 Female - 44 Non-Executive Male - 87 Female - 13 Foreign Worker Male - 100 Female - 0	Management Male - 70 Female - 30 Executive Male - 55 Female - 45 Non-Executive Male - 90 Female - 10 Foreign Worker Male - 100 Female - 0	-	Internal
Diversity	Bursa C3(b) Percentage of directors by gender	Percentage	Male - 67 Female - 33	Male - 67 Female - 33	Female Director - 30	Internal
Diversity	Bursa C3(b) Percentage of directors by age group	Percentage	Age 35-60 y/o - 50 (3) Age 61-70 y/o - 17 (1) Age 71-80 y/o - 33 (2)	Age 35-60 y/o - 66 (4) Age 61-70 y/o - 17 (1) Age 71-80 y/o - 17 (1)	-	Internal
Energy Management	Bursa C4(a) Total energy consumption	Megawatt	5,467	5,540	Below 6,000	Internal
Health and Safety	Bursa C5(a) Number of work-related fatalities	Number	0	0	0	Internal
Health and Safety	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	-	Internal
Health and Safety	Bursa C5(c) Number of employees trained on health and safety standards	Number	641	653	-	Internal
Labour Practices and Standards	Bursa C6(a) Total hours of training by employee category	Hours	Management - 4,212 Executive - 4,607 Non-Executive - 1,444 Foreign Workers - 537	Management - 4,158 Executive - 4,392 Non-Executive - 1,704 Foreign Workers - 768	-	Internal
Labour Practices and Standards	Bursa C6(b) Percentage of employees that are contractors and temporary staff	Percentage	58	55	-	Internal

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Page 2 of 3

Sustainability Statement

PRESCRIBED TABLE