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About this Report

GRI 2-2

This Sustainability Report ("Report") highlights the environmental, social and governance issues that are material to Malayan Cement Berhad ("MCB", or the "Company", and together with its subsidiaries, the "Group") and its stakeholders. Through sustainability and climate reporting, the Group effectively shares its strategy, as well as its performance in critical sustainability indicators. This reporting enables the Group to identify opportunities to improve measurement, monitoring, and sustainability management across the organisation.



This Report is published alongside MCB Annual Report 2025 and both are made available for our stakeholders and the general public on our corporate websites www.ytlcement.com and www.ytlcement.my.

About this Report

Reporting Scope and Period

GRI 2-2 | 2-3

Our Sustainability Reports are issued on an annual basis. This Report covers the sustainability performance of MCB from 1 July 2024 to 30 June 2025 (FY2025). Through this Report, we endeavour to provide our stakeholders an update on our sustainability performance for each of our material matters.

Unless otherwise stated, the scope of this report covers the following business segments that represent the core business operations of the Group:

1. Cement
2. Ready-mixed concrete
3. Drymix mortar
4. Quarry products

We have organised our material matters into four sustainability pillars, which demonstrate how sustainability is incorporated in everything that we do. The data and information presented in this report primarily related to the Group's operations in Malaysia. Data and information from past reporting cycles have been included, where available. Where any figures or statement are made with reference to cement operation, these refer to plants that are in operation during the reporting period.

Reference and Guideline

This Report has been prepared in accordance with Bursa Malaysia's Main Market Listing Requirements, and the Sustainability Reporting Guide, 3rd Edition. It also takes reference from Global Reporting Initiative ("GRI") Universal Standard 2021 and FTSE Russell ESG Data Model (2024/2025). We have begun incorporating the International Sustainability Standards Board (ISSB) standards for climate-related disclosures, namely IFRS S1 and S2, as part of a phased alignment approach. These standards supersede the Task Force on Climate-related Financial Disclosures (TCFD) framework and will guide the progressive enhancement of our sustainability reporting.

All references to 'MCB', 'the Company', 'the Group', 'YTL Cement', 'we' and 'our' refer to Malayan Cement Berhad.

Statement of Assurance

GRI 2-5

In strengthening the credibility of MCB's Sustainability Statement, this Report has been subjected to an internal review by internal auditors. The internal review covers all contents of this Report and the scope of review includes companies under this Reporting Scope.

Forward-looking statements

This Report contains forward-looking statements related to MCB's ambition, strategies, plans, and initiatives. Such forward-looking statements do not constitute forecasts regarding results or any other performance indicator.

Actual results may differ materially from the forward-looking statements because of several risks and uncertainties, including but not limited to the uncertainties related to the market conditions and the implementation of our plans.

Readers are urged to read this Report and carefully consider the risks, uncertainties, and other factors that affect our business and operations. The information contained in this report is subject to change without notice, and we are not obligated to publicly update or revise forward-looking statements after the date hereof or to reflect the occurrence of anticipated or unanticipated events or circumstances.

Feedback

GRI 2-3

We value feedback and suggestions from our stakeholders. Any comments and queries on this report and any aspect of our sustainability performance may be addressed to communication@ytlcement.com.my.

Message from Group Managing Director

At Malayan Cement Berhad, **sustainability is at the core of everything we build.**

It gives me great pleasure to share an update on Malayan Cement Berhad's continued progress on our Environmental, Social, and Governance (ESG) journey. Sustainability remains a core priority, deeply embedded in our operations and culture. Over the past year, we have advanced on multiple fronts, strengthening our leadership in sustainable construction and making a tangible difference through our actions and collaborations.

One of the clearest expressions of our commitment is our ECO product range: ECOcem®, ECOConcrete™, ECODrymix™ and ECOSand™, which offers lower-carbon alternatives that meet the market's demand without compromising on performance. These products reflect our focus on innovation and responsibility. They incorporate recycled materials, reduced embodied carbon, and are designed for long-term durability. Encouragingly, we are seeing stronger traction in the market, signalling a broader shift towards sustainable building practices.

We have also intensified efforts to reduce the environmental footprint of our operations. This includes ongoing investments in our plants and processes, from expanding the use of alternative fuels and raw materials to deploying renewable energy solutions and waste heat recovery systems. Over the past three years, we have repurposed more than 3 million tonnes of industrial, commercial, and agricultural waste as alternative materials—underscoring our commitment to resource circularity and operational decarbonisation.

Education and industry engagement remain essential to advancing ESG adoption. Through the CDL Academy, we have participated in and supported over 100 training and knowledge-sharing sessions since 2019, reaching more than 10,000 participants. Working alongside industry associations and academic partners, these programmes have helped equip professionals, including SMEs, with the tools and awareness needed to drive meaningful change. With the renovation of our training facility in Petaling Jaya, we now offer more immersive, hands-on learning experiences. Recognising the importance of early exposure to ESG principles, we have also expanded our outreach to the academic community. Through our Masterclass Series, we are working with local and international universities across East and West Malaysia, running seminars and workshops for Engineering and Architecture students to enhance their learning experience with real-world industry insights.

Message from Group Managing Director

Our commitment to innovation is equally strong. Our in-house Construction Development Laboratory (CDL) continues to drive research in product innovation and decarbonisation, ensuring we remain at the forefront of sustainable materials development. We also take pride in contributing to national initiatives that support broader industry transformation. A milestone from the past year is Malaysia's first Repurposed Concrete Aggregate (RCA) pilot plant, developed through our collaboration with the Construction Research Institute of Malaysia (CREAM). This initiative allows fresh returned concrete to be processed into reusable aggregates and fines, significantly reducing reliance on virgin raw materials and lowering embodied carbon in construction.

We continue to play a convening role in shaping conversations around sustainability. In partnership with The Edge Malaysia, we support The Edge Sustainable Construction Symposium to encourage cross-sector dialogue and collaboration. In addition, our recent collaboration with Sin Chew Daily led to the launch of the ECO Excellence Series, which shines a light on exemplary developers and contractors in ESG, encouraging others to follow suit.

While we are proud of the progress made, we are aware that the journey is ongoing. Our focus remains clear: to push forward on decarbonisation, enhance resource efficiency, and deepen our engagement with stakeholders and communities.

We are grateful to all our partners and stakeholders who continue to support and walk this journey with us. Together, we are not only building better, but building for a more sustainable future.

Thank you.

**DATO' SRI MICHAEL YEOH
SOCK SIONG**
Group Managing Director

Repurposed more than

**3 million
tonnes**

of industrial, commercial,
and agricultural waste as
alternative materials

Over 100

Training and knowledge-sharing
sessions since 2019

Reaching more than

10,000

participants through the
CDL Academy

Highlights of the Year

The Edge Symposium 2024

YTL Cement, in collaboration with *The Edge Malaysia*, organised *The Edge Symposium* on 31 July 2024 for the second consecutive year. This by-invitation-only event, themed *Sustainable Construction Tomorrow: Milestones & Opportunities*, brought together over 300 C-suite leaders and directors from the property and construction sectors to promote best practices and knowledge-sharing in sustainable construction.



National Environment Day 2024 in Langkawi

On 22 October, Kedah Cement Jetty Sdn Bhd hosted the *Program Penghijauan Sempena Hari Alam Sekitar Negara 2024* in Langkawi, co-organised with the Penang Port Commission and supported by the Kedah Forestry Department—highlighting collaborative environmental stewardship and community engagement.

01

04

July 2024

August 2024

October 2024

02

SIRIM ECO 065 Certification for Buildcon Plants

Buildcon's Sentul and USJ plants were officially certified under SIRIM ECO 065, affirming that ECOConcrete™ meets stringent environmental standards with lower embodied carbon, improved resource efficiency, and safer, more sustainable operation.

03

Showcase at MBAM OneBuild and Build Expo

YTL Cement Group participated in *MBAM OneBuild 2024* and *Build Expo 2024*, showcasing the Group's ECO Product Range and progress made on our ESG journey, reaffirming our role in advancing sustainable construction solutions.



Highlights of the Year

26th AFCM Technical Symposium & Exhibition**Advancing Regional Collaboration on Decarbonisation**

In November 2024, MCB participated in the 26th ASEAN Federation of Cement Manufacturers (AFCM) Technical Symposium in Kuala Lumpur, where industry leaders reaffirmed the shared goal of carbon neutrality by 2050. Hosted by the Cement & Concrete Association of Malaysia and led for the first time under AFCM President and MCB Group CEO, Dato' Yeoh Soo Keng, the symposium underscored the importance of collaboration, innovation, and green investment in driving the low-carbon transition.

**Launch of ECO Excellence Series with Sin Chew**

YTL Cement partners with *Sin Chew Daily* through the ECO Excellence Series, spotlighting developers and contractors championing low-carbon materials and responsible building practices across Malaysia.

05

09

November 2024

December 2024

June 2025

06

CDL Academy and IEM hold seminar on Eco Cement and Eco Concrete

YTL Cement hosted and co-sponsored the *Sustainable Construction: Eco Cement and Eco Concrete* seminar on 14 November at the newly renovated CDL Academy, in collaboration with the Institution of Engineers Malaysia (IEM). A live high-flow concrete demonstration added hands-on insight to the seminar, which also marked the Academy's official opening.



07

**UIRC Hosts Inaugural Symposium**

On 23 December, the University-Industry Research Consortium (UIRC)—a collaboration between MCB and the Ministry of Higher Education—held its first symposium titled *Tropical Karst Landscape: Challenges for Conservation and Sustainable Use*.

08

All MCB's Integrated and Grinding Cement Plants are now ISO 50001 Certified

Kanthan Cement Plant successfully passed its final audit for ISO 50001 certification. This achievement marked an important milestone for MCB, as all its integrated and grinding cement plants are now ISO 50001 certified. This is in addition to the other ISO certifications.

About Malayan Cement Berhad (MCB)

GRI 2-1 | 2-6

MCB is Malaysia's leading cement and building materials group, with the most extensive operational network in the country. Listed on Bursa Malaysia Securities Berhad since 17 March 1961, MCB is publicly traded under the Building Materials sub-sector of the Industrial Products & Services sector.

Through its subsidiaries, the MCB Group is involved in the production, manufacturing, and trading of cement, clinker, ready-mixed concrete, and a wide range of other building materials. MCB has played a central role in the construction of buildings, homes, and critical infrastructure nationwide and is the preferred supplier for technically demanding and large-scale developments.

The Group has a proven track record in supporting complex construction projects, backed by a fleet of over 1,500 trucks serving customers across Peninsular Malaysia. MCB also operates the Construction Development Laboratory (CDL), a dedicated R&D facility focused on developing customised cement and concrete solutions to meet evolving industry needs.



Business Sites



Cement Plants

- 1 Langkawi Plant
- 2 Padang Rengas Plant
- 3 Kanthan Plant
- 4 Bukit Sagu Plant
- 6 Rawang Plant

Grinding Stations

- 5 West Port
- 8 Pasir Gudang

Drymix Plants

- 8 Pasir Gudang
- 10 Rawang

Cement Terminal and Depots

- 7 Port Klang
- 8 Pasir Gudang
- 9 Singapore

Aggregate Quarry

- 11 Kota Tinggi

Concrete

Batching plants in multiple locations nationwide

Headquartered in Kuala Lumpur, MCB is the largest cement producer in Malaysia. It operates integrated cement plants, grinding stations, cement terminal facilities, and cement depots across the country.

Beyond cement production, MCB also runs ready-mixed concrete batching plants, an aggregate quarry, and drymix plants throughout Peninsular Malaysia—enabling broad coverage and responsive supply capabilities for customers across the region.

Business Segments

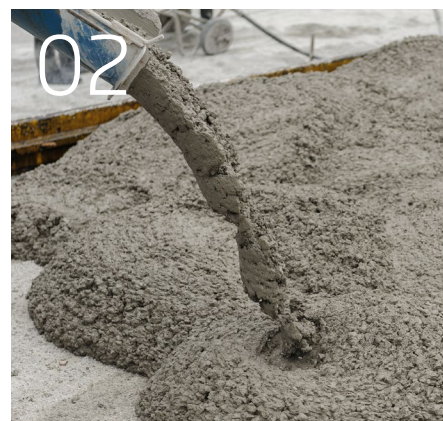


Cement

MCB is Malaysia's leading homegrown cement company, supplying high-quality cement products to both domestic and international markets. Our comprehensive portfolio is engineered to meet the performance demands of a wide range of construction applications, including high-rise developments, tunnels, precast elements, marine structures, and other complex infrastructure projects.

In line with our commitment to advancing sustainable construction, we have developed a range of low-carbon cement products under the ECOcem® brand. ECOcem® is specifically designed to support green building standards and environmentally responsible infrastructure.

ECOcem® products contain up to 45% recycled materials, contributing to resource efficiency and circularity in construction. These products offer a 20-50% reduction in CO₂ emissions compared to conventional cement, supporting lower embodied carbon in the built environment. The ECOcem® range includes products certified by recognised environmental bodies such as SIRIM Eco-Label, Singapore Green Label, and Singapore Green Building Product, underscoring their sustainability credentials.



Concrete

MCB is the largest supplier of ready-mixed concrete in Malaysia, operating a nationwide network of batching plants across Peninsular Malaysia. We are committed to delivering consistent, high-quality concrete products tailored to meet the diverse needs of our customers across residential, commercial, and infrastructure projects.

Our technical expertise is supported by the CDL, where a dedicated team works closely with customers to design and optimise concrete mix solutions for specific applications. This ensures performance, durability, and efficiency at every stage of construction.

As part of our contribution to sustainable construction, we offer ECOConcrete™ – a specialised range of low-carbon concrete with 20-60% lower embodied carbon compared to conventional concrete. ECOConcrete™ is designed to reduce the environmental footprint of construction while maintaining structural integrity, enabling our customers to build more responsibly and meet green building standards.

Integrated Solutions to Help You Build Better



For more information on our Products & Solutions, please scan this QR code.

Business Segments



Quarry Products (Aggregates)

MCB, together with the quarry operations under the YTL Cement Group, is the largest producer of construction aggregates in Malaysia. Our integrated network of quarries supports the nation's infrastructure and building needs by supplying high-quality aggregates that form the foundation of durable and resilient construction.

Our flagship product, ECOSand™, is engineered as a sustainable and high-performance alternative to natural sand. With superior particle shape and consistent size distribution, ECOSand™ ensures uniformity and efficiency across a wide range of construction applications. It is carefully processed to be free from organic impurities, meeting stringent quality standards.

Recognised in both Malaysia and Singapore as an environmentally responsible substitute for natural sand, ECOSand™ reflects our commitment to reducing reliance on natural resources and promoting more sustainable material choices in the construction industry.



Drymix Mortars

MCB's Drymix business is led by QuickMix Solutions, a trusted name in the industry with over two decades of expertise. QuickMix® has grown into a comprehensive solutions provider, offering a diverse portfolio of more than 25 specialised drymix mortar products designed to meet the evolving needs of our customers. These products support superior wall and floor finishes while complying with recognised quality standards such as BQUAS and QLASSIC.

Our product development is guided by a commitment to performance, durability, and indoor wellness. In 2023, we introduced ECODrymix™, our eco-friendly range of drymix mortars. ECODrymix™ products are certified under the SIRIM Eco-label and formulated to emit low levels of Volatile Organic Compounds (VOCs), supporting healthier indoor air quality and contributing to green building practices.

Through innovation and a strong focus on customer-centric solutions, our Drymix business continues to support sustainable and efficient construction across Malaysia.



Sustainable Waste Management

Through our subsidiary, Geo Alam Environmental Sdn. Bhd., MCB supports industries in transitioning from the traditional linear take-make-waste model to a circular cradle-to-cradle approach. Our sustainable waste management solutions focus on minimising carbon emissions, reducing natural resource consumption, and diverting waste from landfills.

We conduct thorough on-site assessments and laboratory analyses to identify suitable waste streams. Qualified materials are then processed and repurposed as alternative raw materials or lower-carbon alternative fuels, contributing to a more sustainable and circular industrial ecosystem.

By integrating waste valorisation into our operations, we help drive environmental benefits while promoting resource efficiency and reducing the overall carbon footprint of the industries we serve.

SECTION 1

Our Strategic Approach to Sustainability



Turtles painted by
Sharmi Shahrani and Aimman Hafizal

14	Board Statement on Sustainability
15	Sustainability Governance
16	Stakeholder Engagement

19	Materiality Assessment
21	Our Sustainability Priorities
23	Our Operational Impact on the Global Goals



Our Strategic Approach to Sustainability

MCB Group is committed to embedding sustainability across its operations and long-term growth strategy. Recognising that effective governance is key to achieving this, we have established a clear governance structure to ensure that decisions and actions at all levels of the organisation align with our sustainability priorities. This framework spans the Board of Directors, the Sustainability Committee, management, and teams across the Group's operations.

BOARD STATEMENT ON SUSTAINABILITY

GRI 2-22

The Board of Directors of MCB recognises the vital role of leadership in embedding sustainability across the organisation and remains fully committed to ensuring that MCB continues to meet its long-term sustainability goals and create enduring value for its stakeholders, society, and the environment.

Sustainability is central to MCB's corporate strategy and risk management. The Board provides strategic oversight and guidance on MCB's overall sustainability framework and climate risk management, ensuring alignment with the Group's business objectives and responsiveness to material economic, environmental, social, and governance (ESG) issues. This includes defining ESG priorities, strategies, and performance targets, and monitoring progress toward these goals.

The Board holds ultimate responsibility for MCB's sustainability direction and outcomes. It has oversight of the management of key sustainability-related risks, including those related to climate change, health and safety, human rights, and anti-corruption. The Board ensures that these areas are effectively governed through robust policies and controls. ESG considerations are embedded within MCB's overall risk assessment processes to ensure long-term resilience.

In FY2025, the Board reviewed the outcomes of MCB's updated materiality assessment and assessed the Group's performance against its sustainability goals. The Board also reviewed and approved this Sustainability Report, which includes climate-related disclosures in line with the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2) issued by the International Sustainability Standards Board (ISSB), marking MCB's phased adoption of these global standards.

The Board reaffirms its commitment to ensuring that sustainability remains embedded in MCB's corporate strategy, risk management, and governance. Through the implementation of its short-, medium-, and long-term ESG strategies, the Group aims to mitigate negative impacts while generating positive outcomes for the economy, environment, and society.

Sustainability Governance

GRI 2-9 | 2-11 | 2-12 | 2-13 | 2-14

MCB's Sustainability Committee, chaired by the Group Managing Director, Dato' Sri Michael Yeoh, plays a pivotal role in guiding and executing the Group's sustainability and climate-related agenda.

Comprising senior leaders from diverse functional areas and supported by the Director of Sustainability, the Committee provides cross-functional coordination and leads internal and external engagement on key sustainability matters.

Under the oversight and strategic direction of the Board of Directors, the Committee is mandated to establish MCB's environmental, social, and governance (ESG) vision and priorities. It develops and maintains the Group's sustainability framework and ensures the integration of sustainability-related and climate-related risks and opportunities into MCB's overall business strategy.

The Committee evaluates and monitors the actual and potential impacts of MCB's activities on the environment and people. It also assesses emerging ESG risks, reviews material topics, and oversees the development and implementation of strategic targets, initiatives, and performance metrics. Through updates to the Board, the Committee ensures that sustainability governance remains aligned with stakeholder expectations and reporting standards.

Operational implementation is delegated to management teams across business units, which are responsible for embedding ESG considerations into daily operations, risk assessments, and performance monitoring. Operational management also plays a critical role in championing sustainability within their respective businesses, contributing directly to MCB's overall commitment to responsible and sustainable business practices.

To reinforce accountability and drive long-term value creation, sustainability and climate-related goals have been integrated into the key performance indicators (KPIs) of both senior and operational management. This approach ensures that ESG performance is linked to individual accountability and organisational success.

MCB Sustainability Governance Structure



Stakeholder Engagement

GRI 2-29

MCB recognises that effective stakeholder engagement is essential to understanding the actual and potential impacts of our activities and to delivering long-term value. We are committed to maintaining ongoing, two-way communication with our key stakeholder groups to ensure their views, expectations, and concerns are reflected in our sustainability strategy, business decisions, and reporting.

MCB identifies stakeholders based on their influence on, and interest in, our operations, as well as the potential impact of our activities on them. We engage regularly with both internal and external stakeholders across all business segments, using a variety of formal and informal channels tailored to each group. These engagements help us stay attuned to evolving stakeholder needs and identify material sustainability topics that inform our priorities and initiatives.

Through this structured engagement process, we continuously gather insights, assess expectations, and respond with appropriate actions to enhance our sustainability performance. Feedback from stakeholders is also a key input into our annual materiality assessment.

The table below outlines our key stakeholder groups, our engagement methods, and the topics of interests.

Engagement methods	Their topic of interests	Our responses
1 EMPLOYEES With more than 2,000 employees working in our operation and office, we have a vast resource of knowledge, innovation and insight to guide us on our ESG journey. We regularly engage our people on ESG topics, valuing their perspectives.		
Internal communication channels - Weekly Bulletin and Blueprint - Toolbox talks throughout the year - ESG updates and training throughout the year Dialogue with senior management - Weekly operation meeting - Annual ESG plan roll-out Events - Brown Bag Luncheon - Volunteering and CSR programmes Public channels - Corporate website - Social media (LinkedIn, Instagram, and Facebook)	- Group strategic plan and performance - Group sustainability material matters and company strategy to manage these - Workplace safety, environment and employee well-being - Employee development and talent retention programme	- We regularly share updates on company strategic focus and initiatives via digital channels and physical meetings - We have and will continue to enhance our talent management and retention program - We will continue to make progress in ESG and leading the way in promoting sustainability via investment in our operations and our people, R&D and collaborations - We foster strong safety culture through training, safety observations and OH&S management system implementation - We recognise and celebrate employees' achievement to boost their motivation and cultivate employee retention - We proactively engage employees through events that foster bonding and strengthen work relationships

Stakeholder Engagement

Engagement methods	Their topic of interests	Our responses
2 CUSTOMERS We want to create value by first understanding customer priorities and interests.		
Regular engagement with customers - Sales visits and meetings throughout the year - Monthly group updates through corporate website, LinkedIn, Facebook, and Instagram Events - Product roadshows - Annual Sustainable Construction Symposium - Trade exhibitions - Sector conferences - CDL Academy Seminar Series throughout the year	- Product and service compliance to standards and product quality - Customer relationship management - Product innovation - Initiatives in sustainability	- We have embedded these into our business strategies and operation plan, elaborated under the following Sustainability Pillars: - Helping Nations Build Greener - Operating Sustainably - Operating Responsibly - Building Capacity and the Community We organise seminars each year to share our initiatives and to strengthen our relationship with our customers
3 INVESTORS The support from investors is crucial for long-term growth and resilience. We strive to create long-term value for our investors by focusing on managing talent, risks management and strategies to future-proof our businesses.		
Investors engagement channels - Annual General Meeting - Analyst and Investor briefings - Financial result announcements - Annual Report and Sustainability Report - Engagement through meetings, emails, phone calls, and other means - Digital platforms (website, LinkedIn, and Facebook) - Company events and seminars	- Group growth and financial performance - Challenges and emerging trends that can have impact on the Group's results and strategy to address these - Key sustainability issues, strategy and performance - Product innovation	- We implement strategies to enhance business and financial resilience, as described in our Annual Report and this Sustainability Report - We take measures to continuously improve in our ESG performance - During the year we have reviewed and updated our climate-related risks management plan

Stakeholder Engagement

Engagement methods	Their topic of interests	Our responses
4 GOVERNMENT, LOCAL AUTHORITIES & REGULATORS We are committed to stay informed about regulatory changes, contribute to policy discussions and ensure compliant business operations.		
Regular engagement • Official meetings • Site inspections • Topic-specific industry dialogues • Government-led consultations • Regular updates on digital platforms (website, LinkedIn, and Facebook) • Company events and seminars	• Compliance with rules and regulations • Operation environmental impacts and company initiatives • Company participation in initiatives led by regulatory bodies • People development and investment in businesses to meet changing regulatory requirements	• We ensure our operations and products meet national standards, guidelines, laws and regulations • We maintain close communication and actively support initiatives led by the various authorities • We maintain active participation in public consultations, working groups, and technical committees to align with evolving standards • We continuously upgrade our systems and practices to stay ahead of regulatory expectations • We invest in our people, ensuring that our people are equipped with the knowledge and skills
5 SUPPLIERS We engage with our suppliers to share our sustainability aspirations and to understand their plans to advance sustainability. We actively seek new, innovative production technologies and more sustainable products.		
Regular engagement • Regular meetings and periodic site visits • Participation in suppliers' events and seminars • Engagement through meetings, emails, phone calls and other means • Regular updates on digital platforms (website, LinkedIn, and Facebook) • Company events and seminars	• Company direction in sustainability performance that can have impact on our suppliers • On-site health and safety management • Policy on labour standards and practices	• Our occupational health and safety management covers contractors to ensure a safe workplace for all who work at our sites • We engage our suppliers and contractors to ensure their labour practices comply with regulations • We continue to take actions to improve our procurement process
6 COMMUNITIES, NGOS We aim to contribute positively to the broader community by providing support and leadership on issues our communities care about.		
Regular community engagement programmes • Periodic visits and meetings • Participation of employee volunteers in community projects • Environmental outreach activities • CSR programmes • Festive season celebrations Public channels • Corporate website • Social media (LinkedIn, Instagram, and Facebook)	• Operation compliance with regulations • Community investment • Job opportunities	• We continue our CSR programmes through BUILDS and plant initiatives • We have increased the number of employee volunteering programmes during the year • We ensure our operations are compliant with regulations • We collaborate with CSR partners on community projects and environmental outreach activities

Materiality Assessment

GRI 3-1 | 3-2 | 3-3

Key steps in MCB's materiality assessment process



MCB conducts an annual materiality assessment to identify and prioritise sustainability topics that are most relevant to the Group and its stakeholders. This process ensures that our sustainability strategy, risk management, governance, and reporting efforts remain focused on the most significant environmental, social, and governance (ESG) factors, contributing to long-term business resilience and value creation.

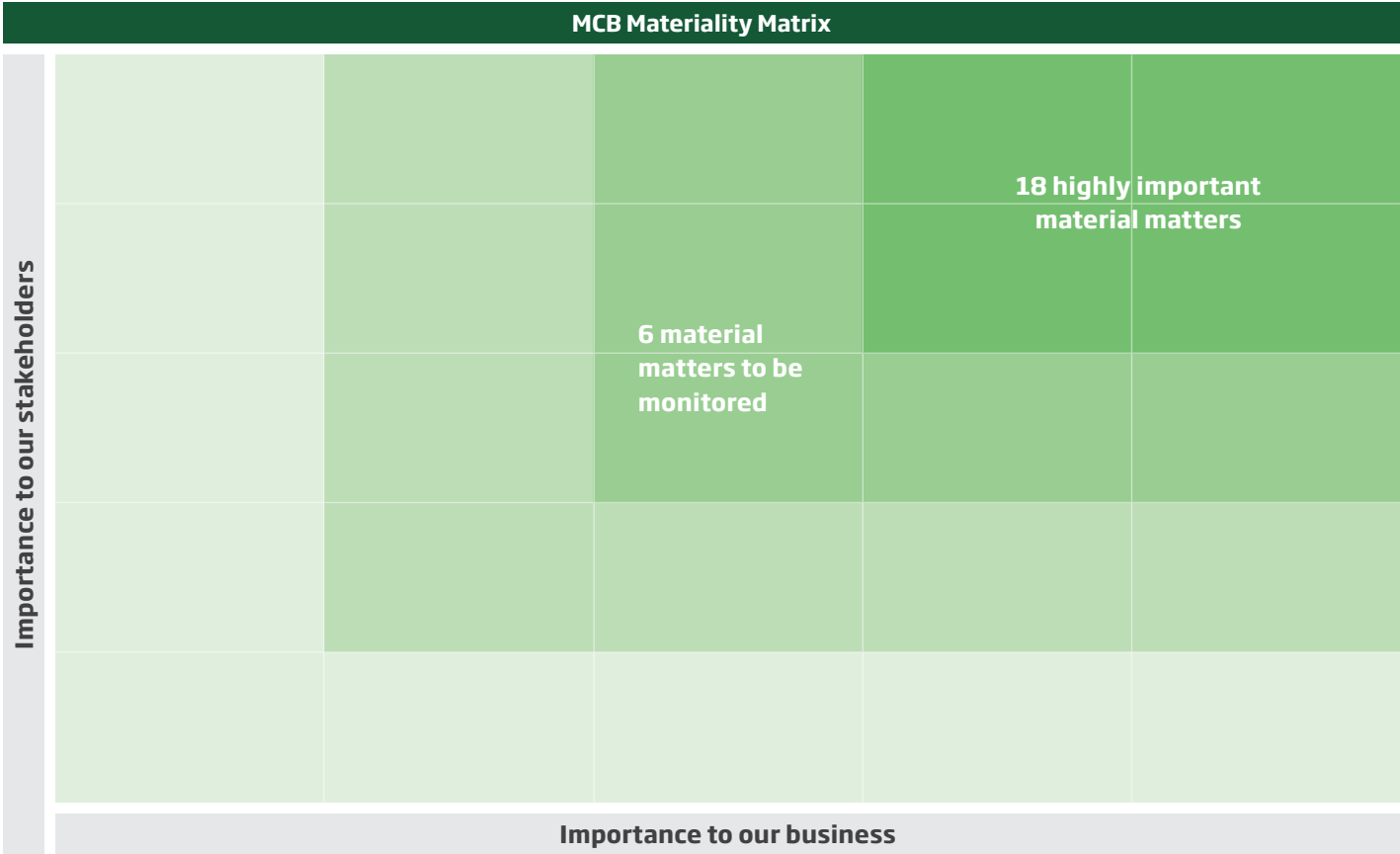
In FY2025, we reviewed and updated our list of potential sustainability topics in light of emerging issues, evolving stakeholder expectations, and changes in regulatory and ESG disclosure frameworks. Topics were identified through multiple sources, including leading sustainability frameworks such as GRI and IFRS S1, as well as input from the Sustainability Committee and both internal and external stakeholders.

To assess the relative importance of these topics, we conducted a materiality survey featuring 30 ESG-related topics. Participants rated the significance of each on a five-point scale. The survey received 80 responses, and results were aggregated and mapped on a materiality matrix—reflecting each topic's importance to stakeholders and its potential impact on MCB's business operations and long-term performance.

The assessment resulted in a refreshed list of material topics and a set of emerging sustainability matters that, while not currently ranked as material by external stakeholder groups, are considered strategically important by MCB. These emerging topics are being integrated into our sustainability risk management processes and strategic planning to ensure MCB remains well-positioned to respond to a dynamic ESG landscape.

The materiality results and matrix were reviewed and validated by the Sustainability Committee before being presented to the Board of Directors for approval. While minor shifts were observed in the rated importance of certain topics compared to the previous year, the core set of high- and medium-priority topics remained consistent, indicating continued alignment with key ESG themes relevant to MCB's business and stakeholder interests.

Materiality Assessment



Highly important material matters:

- Scope 1 emissions
- Scope 2 emissions
- Climate risks and opportunities
- Air pollutant emissions
- Waste management
- Water conservation
- Effluent discharge
- Use of recycled materials
- Product innovation
- Occupational health & safety
- Human rights at work
- Diversity and non-discrimination
- Product responsibility
- Community investment
- Compliance
- Anti-bribery and anti-corruption
- Compliance to Competition Law
- Data security and privacy

Material matters to be monitored:

- Customer relationship management
- Biodiversity management
- Supplier environmental management
- Supplier human rights practices
- Employee attraction and retention
- Human resources development

Our Sustainability Priorities

Management and monitoring of material matters

The identified materials matters and topics of on-going importance are organised into four Sustainability Pillars to guide our focus and approach to managing our key sustainability matters.

	HELPING NATIONS BUILD GREENER Potential Impacts on the Economy, Environment and People	Material Matters - Product responsibility - Product innovation - Customer relationship management
Delivering products that meet safety standards and technical specifications helps protect the wellbeing of customers, contractors, and end users in the built environment. Innovative solutions enable the construction of safe, more sustainable buildings and infrastructure, ultimately improving quality of life for communities. Delivering a positive and inclusive customer experience is key to strengthening customer relationships and fostering long-term brand loyalty. When customers feel valued and understood, they are more likely to remain engaged and continue doing business with MCB. Conversely, a poor customer relationship management can erode trust, damage company reputation and ultimately lead to the loss of business and revenue.		Our Approach Product Responsibility We implement strict quality assurance protocols guided by certified management systems to ensure our products meet safety, performance, and regulatory standards. Clear labelling and product information support responsible use. Quality metrics are tracked regularly, and non-conformities are investigated for continuous improvement. Product Innovation We invest in sustainable product development, focusing on low-carbon cement, alternative materials, and energy-efficient solutions. Innovation is driven by market needs, climate goals, and stakeholder input. Customer Relationship Management We engage customers through direct channels and support teams to understand expectations and deliver tailored solutions. Our efforts are described in detail in the chapter - Helping Nations Build Greener.

	OPERATING SUSTAINABLY Potential Impacts on the Economy, Environment and People	Material Matters - Climate related-risks and opportunities management - Scope 1 and Scope 2 emissions - Pollution prevention and control - Waste management - Resource recovery - Water conservation - Biodiversity management - Sustainable supply chain
Economy - Rising regulatory requirements and introduction of carbon pricing mechanisms may increase operational costs, especially for Scope 1 and 2 emissions - Investment in low-carbon technologies and circular economy practices presents opportunities for cost efficiency, innovation, and access to sustainable finance - Efficient resource and energy management contributes to business resilience and competitiveness Environment - Inadequate waste, water, and effluent management can lead to pollution, resource depletion, and biodiversity loss - Increased use of recycled materials and recovery of industrial by-products can reduce raw material extraction and overall environmental footprint People - Poor air quality from uncontrolled air pollutant emissions can negatively impact the health of workers and nearby communities - Efficient management of water and effluent ensures environmental safety and supports access to clean water for surrounding communities		Our Approach We operate sustainably by: - Incorporating climate-related risk management into our strategic risk and operation management - Enabling low carbon and energy efficient production - Promoting resource conservation - Practicing responsible waste management - Ensuring compliance with environmental standards These are described in detail in this report in the chapter - Operating Sustainably.

Our Sustainability Priorities

	OPERATING RESPONSIBLY	Material Matters • Code of conduct and business ethics • Anti-bribery and anti-corruption • Competition law • Data security and privacy
Potential Impacts on the Economy, Environment and People Adherence to laws and regulations is not only a legal obligation and license to operate. Non-compliance can result in significant financial penalties, operational disruptions and reputational damage, all of which can undermine the company's performance and reputation.		Our Approach We conduct our business consistent with: • Code of Conduct and Business Ethics • Anti-bribery and anti-corruption policy • Competition Law • Data security and privacy act • Laws and regulations These are addressed in this report in the chapter - Operating Responsibly.
	BUILDING CAPACITY & THE COMMUNITY	Material Matters • Occupational health & safety • Human rights at work • Diversity and non-discrimination • Employee attraction and retention • Human resources development • Community investment
Potential Impacts on the Economy, Environment and People Safety breaches or lapses in our operations could result in workplace accidents that lead to injury to our employees, contractors, suppliers and customers. Conversely, effective OH&S practices help prevent workplace accidents, which reduces downtime, and avoiding non-compliances while promoting a positive workplace culture. Effective talent attraction and retention ensure that the Group is equipped with skilled and motivated employees, driving innovation, efficiency and business performance. We recognise that weak diversity and inclusion efforts in talent attraction or development may marginalise certain groups, affecting team cohesion and workplace culture. Strategic community investment such as supporting local businesses and upskilling programmes help build a more capable local workforce and supportive business environment, benefiting both the company and broader economy. Programmes targeting education, healthcare and well-being directly improves quality of life and builds stronger community relations.		Our Approach We build capacity through: • Making Health & Safety the core of our operations • Promoting diversity and inclusivity at workplace • Knowledge sharing and helping our people fulfil their potential • We contribute to causes through BUILDS, our CSR arm Our efforts are addressed in the chapter - Building Capacity and The Community.

Our Operational Impact on the Global Goals

We align our sustainability strategy and initiatives with the United Nations Sustainable Development Goals (UNSDGs).

HOW WE CONTRIBUTE TOWARDS UNSDGs



Through our community engagement activities, we contribute to causes that enrich lives and improve community livelihood.



We have policy mandates that all are responsible for eliminating discriminatory practices, ensuring a workplace free from bias and promoting equal opportunities for all.



We maintain a zero-harm work environment, prioritising employee safety through regulations outlined in our health and safety policy.



We boost on-site efficiency and reduce carbon emissions through investment in new production technologies and operation competency development. We invest and collaborate in product innovation, research and development.



We collaborate with industry practitioners to share knowledge and best practices, strengthening our collective impact. By supporting lifelong learning initiatives and giving back to society, we help empower individuals with the skills and resources they need to grow personally and professionally.



We provide waste management services that treat, recover, and safely dispose of industrial waste. By turning waste into usable resources, we help reduce environmental impact and support a circular economy.



We invest in solar energy systems to promote sustainable energy use and enhance energy efficiency across our operations. We implement energy management to optimise energy consumption and drive continuous improvements in performance.



We manage and reduce CO₂ emissions throughout our operation through various initiatives in operation management and new production technologies, complementing our initiatives in product innovation and promotion of low carbon products.



We build an inclusive workplace where everyone has equal access to opportunities. Through fair employment practices, ongoing training, and skills development, we empower our people to grow professionally and contribute to a more resilient and sustainable community.



We participate in conservation initiatives as part of our CSR programs, supporting the protection of biodiversity and natural habitats.



We invest in research and development by leveraging technology to create innovative products and process improvements that enhance productivity. We actively collaborate with local partners and institutions to create practical, sustainable solutions that enhance productivity and support long-term industrial growth.



We manage customer complaints and feedback effectively to enhance our partnership with our customers and to develop tailored construction solutions.

SECTION 2

Helping Nations Build Greener



Turtles painted by
Abdulrashade, Hisyamuddin Abdullah,
Cloakwork, Chok Yue Zan, Amy Nazira
and Irfan Naza

26 Product Responsibility

28 Product Innovation

29 Customer Relationship Management



Product Responsibility

As a leading building materials producer, we recognise the significant impact our products have on the built environment and the industries we serve. MCB is committed to promoting sustainable construction in Malaysia through the consistent delivery of high-quality products and expert technical support. Central to this commitment is our Responsible Selling Policy, which reinforces ethical and customer-focused business practices.

Responsible Selling Policy

Our goal is to produce and deliver high quality products and solutions that fulfil the needs and expectations of our customers. We are committed to understanding and respecting the needs of our customers, striving to earn their trust through everything we do.

Our Commitment	
Transparent Labelling	Our products are clearly and comprehensively labelled and always display accurate information so that customers can make informed choices. We comply with product labelling Laws.
Ethical, Truthful and Responsible Communication	We use clear marketing communications that provide fair and accurate information to our customers. We always communicate about our products and their features honestly and accurately. We do not make misleading comparisons between our products and other solutions in the market.
Product Quality and Safety	Our products are SIRIM certified and conform to the respective product standards and regulatory requirements. We ensure that all our products are of consistent quality and are produced according to standards by applying stringent quality control measures and tests at every stage of production. We provide clear product safety information on our product packaging. We describe the purpose and correct usage of our products and ensure that it is readily understood.
Protection of Customer Data	We ensure our customers’ personal information are protected and we take measures to prevent data leakage.
Compliance	We constantly work to comply, and exceed when possible, with all applicable laws and regulations in the markets in which we operate. All reports of non-compliance may be directed to YTL Cement Group’s Communications Department.

Our manufacturing process is underpinned by a rigorous quality assurance system that ensures our products consistently meet or exceed industry standards. By prioritising quality, safety, and environmental stewardship, MCB delivers solutions that not only uphold the highest standards but also contribute to a more sustainable future.

Product Responsibility

Our achievements	FY2023	FY2024	FY2025
Sites with ISO 9001:2015 Management System certification	100% of our cement plants are certified	100% of our cement plants are certified	100% of our cement plants are certified
Laboratories accredited with MS ISO/IEC 17025:2017	100% of laboratory in cement plants are certified	100% of laboratory in cement plants are certified	100% of laboratory in cement plants are certified
Number of product safety incidents	0	0	0

SIRIM Eco-Labelling Certification for Sentul and USJ Ready-Mixed Concrete Plants

In FY2025, MCB's Sentul and USJ ready-mixed concrete plants achieved certification under the SIRIM Eco-Labelling Scheme for Concrete, recognising the reduced environmental footprint of our ECOConcrete™ products. This certification highlights key sustainability attributes, including lower embodied carbon and improved resource conservation, reinforcing our commitment to environmentally responsible building materials.

The SIRIM Eco-Labelling certification complements the plants' existing ISO 9001 Quality Management System certifications, reflecting MCB's dual focus on maintaining stringent quality standards while advancing environmental stewardship. Together, these certifications demonstrate Buildcon's dedication to consistently delivering products that meet high standards for both performance and sustainability.



We are committed to ensuring that all our products and marketing communications comply with applicable regulatory requirements. Clear and accurate product information is essential to help our customers use our products safely and responsibly.

In FY2025, there were no reported incidents of non-compliance related to product information, labelling, or marketing communications, reflecting our continued focus on responsible product stewardship and transparent customer engagement.

	FY2023	FY2024	FY2025
Number of incidents of non-compliance concerning product information or labelling	0	0	0
Number of incidents of non-compliance in marketing communications	0	0	0

Product Innovation

Innovation is central to MCB's approach to sustainable growth and value creation. We continuously invest in new technologies, materials, and processes to improve the performance, durability, and environmental impact of our products and services.

Our in-house research, supported by collaborations with industry partners, enables us to develop next-generation building materials that address both construction challenges and sustainability demands. By integrating material science with production and construction technologies, we create innovative solutions that support lower environmental footprints.

A range of ECO products for different applications



Low Carbon Cement

- ✓ Min. 25% clinker substitution
- ✓ Contains recycled materials
- ✓ 20-50% lower CO₂ emission



Low Carbon Concrete

- ✓ 20-60% lower embodied carbon compared to CEM I concrete
- ✓ Wide range of mixes for different application and strength requirements



High-quality Engineered Sand

- ✓ Preserve river ecosystem
- ✓ Consistent size distribution
- ✓ No organic impurities



Solution for Walls and Floors

- ✓ Low-VOC emission
- ✓ Suitable for green building design, QCLASSIC certification

QuickMix® Expands ECODrymix™ Technical Mortar Range

QuickMix® introduced three new additions to its Technical Mortar range: Flexipatch (219), Spatterdash (390) and Tile Adhesive+ (361+), engineered to make construction faster, cleaner, and more reliable, while supporting modern construction methods like Industrial Building Systems (IBS).

Flexipatch (219), part of our ECODrymix™ range, is a high-performance, non-shrink, pre-mixed cementitious mortar designed for speed and versatility. From IBS patching to rebar anchoring and even full structural repairs, Flexipatch® 219 simplifies concrete restoration by eliminating the need for formwork, making it ideal for a wide range of repair applications.

Spatterdash (390), is a robust mechanical key coat that improves bonding on block walls and reinforced concrete surfaces. It increases substrate roughness to ensure strong, lasting adhesion for plaster or render – a reliable solution for achieving quality wall finishes in IBS construction.

Also joining the range is Tile Adhesive+ (361+), a specialised wall and floor tile adhesive offering excellent bonding strength, slip resistance, and extended open time for easier tile placement. It is suitable for medium to large wall and floor tiles in both internal and external applications. Tile Adhesive+ (361+) meets MS EN 12004: Class C2TE standard.

These innovations reflect QuickMix® ongoing commitment to delivering solutions that meet the demands of modern construction.



Customer Relationship Management

Our customers have always been the center of what we do. We understand that building strong, lasting relationships with our customers is essential for mutual success and growth. Our approach to customer relationship management is centered on understanding and anticipating the needs of our customers, providing exceptional service, and fostering trust and loyalty. By leveraging advanced technologies and data-driven insights, we continuously enhance our customer interactions and deliver tailored solutions that exceed expectations.

Spotlighting Low-Carbon Innovation through *Sin Chew ECO Excellence Series*

As part of its commitment to facilitate the industry's transition to sustainable construction, MCB partnered with *Sin Chew Daily* to launch the *Sin Chew ECO Excellence Series*—a 10-part feature spotlighting forward-thinking developers and contractors leading the charge in low-carbon construction.



Running from June to August 2025, the series showcased exemplary projects that incorporated sustainable design and construction practices. MCB's concrete division, Buildcon, played a key role by collaborating closely with these industry leaders to develop tailored mix designs and supply ECOConcrete™, directly supporting their low-carbon development goals.

This initiative reflects MCB's broader mission to enable industry-wide progress through collaboration, innovation, and knowledge sharing.

Building Knowledge, Cementing Futures: CDL Academy's Role in Industry Upskilling

Since its inception in 2019, the YTL Cement Seminar Series has served as a vital platform for connecting industry practitioners, stakeholders, young talents, and subject matter experts. The series fosters dialogue, knowledge exchange, and collaboration to accelerate the transition towards sustainable construction.

In 2023, the programme was rebranded under the CDL Academy, underscoring our long-term commitment to becoming a centre for education, training, and knowledge transfer for the construction industry.

As part of this vision, we transformed our facility in Petaling Jaya into a fully equipped CDL Academy training facility, complete with training halls, breakout rooms, and a large open space for live product demonstrations. Strategically located near CDL's cement and concrete labs, the CDL Academy enables an immersive learning experience that combines classroom-based theory with hands-on, practical training.

In the year under review, we successfully conducted 20 seminars, engaging over 1,931 participants.

Customer Relationship Management



108 seminars

benefitting 10,706 people
* since 2019 to June 2025



To date, the CDL Academy has supported and participated in a cumulative total of 108 sessions, reaching and benefiting more than 10,706 industry professionals and students.

The full list of Seminars that CDL Academy has supported in FY2025 can be found on page 117.

CDL Academy Partners with IEM to Promote Sustainable Construction

CDL Academy partnered with the Institution of Engineers Malaysia (IEM) to advance sustainable practices in the built environment, hosting two seminars tailored for consulting engineers. Both sessions were held at the newly renovated CDL Academy and featured product demonstrations that brought the concepts to life.

The first seminar, *Sustainable Construction: Eco Cement and Eco Concrete*, took place on 14 November 2024. The session highlighted the role of low-carbon building materials in driving sustainability in construction. A live High Flow concrete demonstration by YTL Cement added a practical perspective, with participants witnessing real-time tests using the V Funnel, L Box, and Slump Flow.

On 28 May 2025, the second seminar, *Sustainable Construction: Industrialised Building System (IBS)*, was organised in collaboration with IEM and supported by

CIDB Malaysia. The seminar explored how IBS is transforming the industry by improving construction efficiency and reducing environmental impact. Speakers from CIDB Malaysia, Eastern Pretech Malaysia, YTL Cement, and QuickMix® Solutions shared valuable insights into current innovations and applications in the field.



Concrete demo on 24 November 2024.

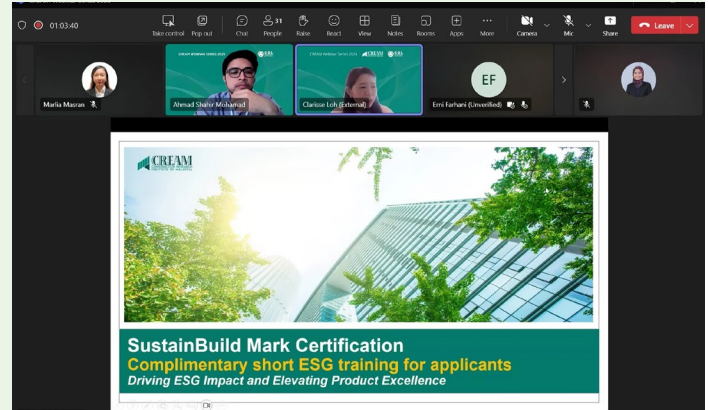
Customer Relationship Management

Paving the Way for ESG Standards in Construction: YTL Cement at CREAM's SustainBuild Mark Webinar

Advancing sustainable construction requires more than innovative materials—it calls for clear standards, shared understanding, and collective action. Supporting this goal, YTL Cement was invited to speak at a webinar hosted by the Construction Research Institute of Malaysia (CREAM), titled *"Introducing SustainBuild Mark Certification: Driving ESG Impact and Elevating Product Excellence."*

The session brought together industry players to explore how ESG principles can strengthen long-term resilience in the construction sector. YTL Cement shared best practices and practical strategies for ESG implementation, especially for SMEs, emphasising how strong ESG policies support risk management, sustainability performance, and alignment with evolving standards.

A key highlight was the introduction of the SustainBuild Mark (SB Mark) – a pioneering ESG certification developed by CREAM. While not the first ESG-related certification for building materials, the SB Mark is the first in Malaysia to comprehensively incorporate environmental, social, and



governance (ESG) criteria with standardised requirements across all types of construction materials. Its framework reflects the latest global interpretations of ESG principles, offering a consistent benchmark for product sustainability. It also enables companies to clearly communicate the sustainability advantages of their products, promoting more informed and responsible choices across the value chain.

This certification forms part of the ongoing collaboration between YTL Cement and CREAM under a 2023 Memorandum of Understanding to advance sustainable construction and ESG adoption across the industry.

SECTION 3

Operating Sustainably



Turtles painted by
Abey Zoul, Dato' Sheila Majid,
Archana Marshall, Issarezal Ismail,
Izzuddin Basiron and Rachel Yeoh

36	Climate Risks and Opportunities
51	Pollution Prevention and Control
52	Waste Management
54	Resource Recovery

56	Water Conservation
57	Biodiversity Management
59	Sustainable Supply Chain



Operating Sustainably

Our Strategy and Commitment

Our approach to operating sustainably is grounded in the MCB Group Climate and Environmental Protection Policy, which provides a framework for managing our environmental impacts responsibly.

The policy sets out guiding principles for improving energy and resource efficiency, reducing emissions where feasible, and promoting responsible sourcing and waste management. While we recognise there is more to be done, we are taking measured steps to strengthen our practices, ensure regulatory compliance, and support long-term sustainability goals in line with our operational context and stakeholder expectations.



Operating Sustainably

Climate and Environmental Protection Policy

We firmly believe that sustainability is a key driver to future business growth. Focusing on sustainable development allows us to adapt our corporate culture to meet the long-term challenges of our business. We are committed to carrying out our business activities in an environmentally responsible and sustainable manner and to minimise the environmental implications of our activities.

Our Commitment	
Compliance	Adhere to environmental laws, regulations, and standards.
Minimise Impact on Climate Change	Develop and promote sustainable products. Reduce greenhouse gas emissions by improving manufacturing processes, employ energy-efficient equipment, and promote the use of alternative fuels, alternative raw materials, and renewable energy with reduced carbon footprints.
Sustainable Operation	Promote resource conservation with reduce, reuse, recycling, and co-processing. Progressively reduce waste disposal to landfills. Maximise water efficiency by managing water consumption, utilising sustainable water sources such as rainwater and recycling water for reuse. Ensure that waste and wastewater from our activities are managed in compliance with legal requirements.
Biodiversity Management	Ensure that all our quarries are in locations gazetted by the local government for mining and production. Ensure each site has a mining development plan that adheres to environmental requirements. Promote awareness and invest in programmes that conserve biodiversity.
Sustainable Sourcing	Engage with our suppliers to promote greater environmental responsibility and good environmental management practices, to minimise potential climate and environmental impact.
Communication	Maintain open and effective communication channels with our employees, contractors, customers, the community and stakeholders who work with us.
Performance	Translate our commitments into actions. Integrate our ESG goals into day-to-day operations and set clear targets to monitor our progress.
Continuous Improvement	Seek to improve and develop processes, tools, and capabilities that will guide our teams to achieve sustainability targets. Explore latest innovations in cement and concrete solutions to promote sustainable construction.

Everyone who works for the company is responsible for demonstrating correct environmental behaviours and reporting potential environmental risks. This includes employees, suppliers, contractors, and third parties.



Climate Risks and Opportunities

We recognise climate change as a global challenge with direct implications for our operations, stakeholders, and the communities in which we operate. Our Climate and Environmental Protection Policy sets out our commitment to proactively manage greenhouse gas (GHG) emissions and energy use in line with applicable regulations and broader climate objectives.

We are focused on reducing our carbon footprint through continuous improvements in energy efficiency, adoption of lower-carbon technologies, and process optimisation across our operations. These efforts are guided by internal targets and aligned with industry best practices, and form part of our broader ambition to support the transition to a low-carbon economy.

As part of our commitment to effective climate governance, MCB is strengthening its management and reporting of climate-related risks and opportunities. We have adopted a phased approach to align our disclosures with the International Financial Reporting Standards (IFRS) S2 – Climate-related Disclosures, which supersedes the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Climate Risk Assessment Management Process

A critical first step in our climate change adaptation strategy is the comprehensive assessment of potential climate-related risks that could impact our business across short-, medium-, and long-term horizons. To support this, we conducted targeted training for leadership teams and operation key personnel across MCB businesses. Through this, we equip our leaders with the necessary knowledge to identify, evaluate, and manage climate-related risks and opportunities effectively.

To ensure consistency and completeness in our risk assessments, we have issued guidance and introduced a standardised risk assessment template. This framework helps ensure that all relevant issues are considered and that risks are rated accurately.



Climate Risks and Opportunities

Our risk assessment covers the full spectrum of relevant transition and physical risks, including:

01	02	03	04	05
Policy and Legal Risks	Technology Risks	Market Risks	Reputational Risks	Physical Risks
such as mandates and regulations on existing products, which may lead to stranded assets or asset write-downs, thereby affecting impairment expenses.	such as the substitution of existing products with lower-emission profiles, potentially resulting in stranded assets or requiring significant capital expenditure for new technologies.	such as shifting customer or investor demands that may affect profitability and long-term growth.	such as heightened stakeholder concerns, which may adversely impact market valuation and competitive positioning.	both acute and chronic, such as increased severity and frequency of extreme weather events such as floods, droughts and heatwaves, and changing precipitation patterns that may affect infrastructure and supply chain.

These were assessed over the short-, medium-, and long-term:

Short-term	Medium-term	Long-term
1 to 2 years	2 to 10 years	More than 10 years
This is aligned with annual budgeting and immediate operational planning cycle.	This is aligned with our strategic planning horizons.	This is aligned with asset lifecycles, facility investment planning, and long-term sustainability goals.

Each identified risk is assigned a rating of High, Moderate, or Low based on its severity of impact and likelihood. This prioritisation ensures that we focus our efforts in areas with the greatest potential impact on our operations, financial performance, and long-term sustainability. By systematically addressing the most critical risks first, we enhance our ability to adapt proactively and build greater resilience across the organisation.

Climate Risks and Opportunities

Climate Resilience: Physical and Transition Risk Assessment

This assessment supports long-term strategic planning, operational resilience, and investment prioritisation in alignment with global climate goals.

Physical Risk Assessment and Management Approach

MCB recognises that intensifying physical climate hazards could disrupt operations, supply chains, and the health and safety of our workforce. As part of our climate resilience strategy, we are taking proactive measures to adapt to the physical impacts of climate change.

The following table summarises key physical risks, their potential impacts, and our management response:

Business Segment Affected	Potential Impacts	Time Horizon	Risk Severity	Management Approach
Climate Hazard: Extreme heat				
Cement plants, Ready-mixed concrete	Heat stress can reduce outdoor worker productivity. High curing temperatures require additional resource use and careful quality control.	Medium to Long	Moderate	We will continue to monitor the need for climate-adaptive work scheduling.
Climate Hazard: Tropical storms and intense rainfall				
Cement plants, Ready-mixed concrete, Quarries	Disruptions to raw material supply chains, reduced construction activity affecting demand, delays in logistics and transportation, potential flooding at quarry sites impacting material extraction and safety.	Short to Medium	Moderate	Adaptation measures embedded in our operations include: - We have invested in upgrading of storage facilities in our cement plants and continue to include weather patterns in operation planning. - We manage our supply risks by ensuring we have more than one supplier for critical supplies. We work with our key suppliers to ensure they have in place a risk management plan and sufficient inventory. - Sites identified to have risk of flooding have this included in site Emergency Response Plan and training. We routinely assess our sites for necessary preventive measures.

Climate Risks and Opportunities

Transition Risk Assessment and Management Approach

The shift to a low-carbon economy presents both risks and opportunities for MCB. Key drivers include regulatory developments, market expectations, and technology transitions. The table below outlines the most material transition risks and our management strategies:

Business Segment Affected	Potential Impacts	Time Horizon	Risk Severity	Management Approach
Transition Risk: Regulatory changes such as introduction of carbon pricing in Malaysia and implementation of cross border adjustment mechanism in other countries				
Cement plants	Increased compliance costs, risk of penalties for non-compliance, impact on profitability and competitiveness. Additionally, less competitive players in other regions may enter our markets, increasing competition. As countries and industries take actions to decarbonise, the competition for low carbon fuels is greater than ever. Backed by regulatory support and incentives, several countries are now major importers of biomass and end-of-life car tyres. This has greatly impacted our ability to secure low carbon alternative fuels to meet our decarbonisation programme. If the carbon pricing programme is complemented by government support such as establishment of an innovation fund for industry decarbonisation, making biomass available for cement industry use and promoting the use of low carbon cement, this will expedite local decarbonisation initiatives.	Medium to Long	High	• MCB monitors regulatory developments closely and develops flexible operational plans to adapt swiftly to new requirements. • We invest in low-carbon technologies and equipment upgrades to ensure compliance, reduce emissions, and improve efficiency. • We actively engage with policymakers and advocate for supportive measures. These efforts aim to mitigate compliance costs and accelerate decarbonisation across the industry. • We continue our engagement with the relevant government agencies for support in making sources of biomass and low carbon fuels accessible to the local cement industry.

Climate Risks and Opportunities

Business Segment Affected	Potential Impacts	Time Horizon	Risk Severity	Management Approach
Transition Risk: Market demand shifts towards low-carbon products				
Cement plants, Ready-mixed concrete	In the mid-term, increasing public awareness on the importance of sustainable construction will change construction design, material selection and construction method. Reduced demand for cement and concrete due to increased promotion of alternative building materials perceived as less polluting. Risk of losing market share if unable to adapt and innovate product offerings to meet changing demand patterns.	Medium to Long	Moderate to High	• We have introduced a range of low carbon products to meet the needs of different applications. We continue to expand the range through our R&D and product innovation initiatives, while taking measures to reduce the environmental footprints of our operations. • We ensure the market has the right information on our products by actively engaging with our customers and form collaborations with industry partners through CDL Academy.

Climate Risks and Opportunities

Business Segment Affected	Potential Impacts	Time Horizon	Risk Severity	Management Approach
Transition Risk:				
Technological changes (new low-carbon technologies, advancement in production technologies, R&D in materials)				
Cement plants, Ready-mixed concrete	This includes the risk of premature obsolescence of existing assets, the need for workforce upskilling and adaptation, and potential operational disruptions during implementation. While new technologies offer the potential to reduce emissions and improve energy efficiency—often leading to cost savings through optimised operations and resource use—there is also uncertainty around their performance and maturity. Some technologies may not deliver as expected under real operating conditions, increasing the risk of stranded investments or adoption of suboptimal solutions.	Medium to Long	Moderate	• MCB adopts a phased and strategic approach to integrating new technologies, prioritising those with proven performance to reduce emissions, optimise energy use, and improve operational efficiency. We conduct feasibility assessments before major investments to manage capital expenditure and minimise the risk of asset obsolescence. • To support a smooth transition, we invest in workforce upskilling and change management initiatives, ensuring employees can effectively operate new systems and processes. • We also plan technology rollouts to minimise disruptions to production.
Transition Risk:				
Reputation and stakeholder expectations				
Entire MCB Group	Risk of reputational damage if perceived as lagging on sustainability commitments, potential loss of customer trust and investor confidence, increased scrutiny from stakeholders.	Short to Long	Moderate to High	• MCB actively manages reputational risks by embedding sustainability into our strategy and operations. • We engage proactively with stakeholders to understand expectations and demonstrate our commitment to responsible business practices. • We publish annual sustainability reports aligned with recognised frameworks to ensure transparency in communicating our efforts. • Internally, we implement robust ESG governance frameworks to guide decision-making and drive performance. • We participate in industry sustainability initiatives to contribute to collective progress.

Climate Risks and Opportunities

Together, these assessments support MCB in strengthening the resilience of its operations and strategy in the face of climate-related uncertainties. Climate considerations are embedded in our financial planning and investment decisions, including capital expenditure allocations for energy-efficient plant upgrades, renewable energy systems such as solar PV and waste heat recovery, and emissions control technologies. On the operational expenditure side, costs are associated with alternative fuel procurement, implementation of energy management systems such as ISO 50001, and workforce reskilling to support the energy transition. Actions related to operational sites are integrated into the operational plan and the plant's annual CAPEX budget. Market-related risks and opportunities are discussed during QA/QC meetings and then assigned to the relevant departments to lead the initiatives.



MCB links senior leadership remuneration to climate performance and progress on GHG reduction targets, driving accountability and effective implementation.

To support effective implementation, climate change performance and progress towards achieving the company's GHG reduction targets are incorporated into the performance-based remuneration of the senior leadership team. Emissions from each plant and the consolidated CO₂ emissions of business segments are independently verified annually by Group Internal Audit. Updates on MCB's climate strategy and performance are presented to the Board by the Director of Sustainability, with the Executive Chairman and Managing Director leading strategic discussions on performance and effectiveness of key initiatives.

We remain committed to continually refining our understanding of climate-related risks through scenario analysis and to progressively embedding climate resilience into our capital planning, risk management, and business development processes.

Climate Risks and Opportunities

Supporting Climate Change Mitigation through Industry Collaboration and Policy Engagement

ECC03 | ECC73

MCB recognises the importance of collective action and supportive public policy in accelerating the transition to a low-carbon economy. We actively support climate change mitigation efforts through participation in industry platforms and policy dialogues.

As an active member of the ESG Committee under the Cement and Concrete Association of Malaysia (C&CA), we contribute to industry-wide initiatives focused on sustainable construction, emissions reduction, and circular practices. Through this platform, we engage with peers to shape sectoral strategies aligned with national climate ambitions.

In addition, we participate in ongoing policy discussions with relevant government and regulatory stakeholders to support the development of pragmatic frameworks for industrial decarbonisation. We contribute insights on the potential of low-carbon cement and concrete technologies and share views on the effectiveness of various decarbonisation levers, including carbon capture, alternative fuels, and policy incentives.

In the reporting period, we have contributed to climate change mitigation initiatives at the Department of Standards Malaysia and SIRIM on standards and certification related to cement sector decarbonisation, Master Builders Association Malaysia on sustainability in construction sector and the ASEAN Taxonomy Board on sustainable financing.

These engagements reflect our commitment to playing an active role in shaping an enabling policy environment for climate action in our sector.

Climate Policy Alignment with Trade Associations

ECC74

We are committed to ensuring that our climate change policies and positions are consistent with the advocacy and public statements of the trade associations to which we belong. We periodically review our key memberships to assess alignment on climate-related matters and engage with these associations to promote climate policies that support long-term decarbonisation and resilience goals.

Where differences arise between our climate position and that of an association, we will seek to engage constructively to better understand the rationale and promote greater alignment. We are committed to ongoing dialogue and will periodically review our memberships to ensure they remain aligned with our climate values and long-term decarbonisation goals.



Climate Risks and Opportunities

Risk mitigation and adaptation measures

GRI 3-3 | 302-1 | 305-1 | 305-2

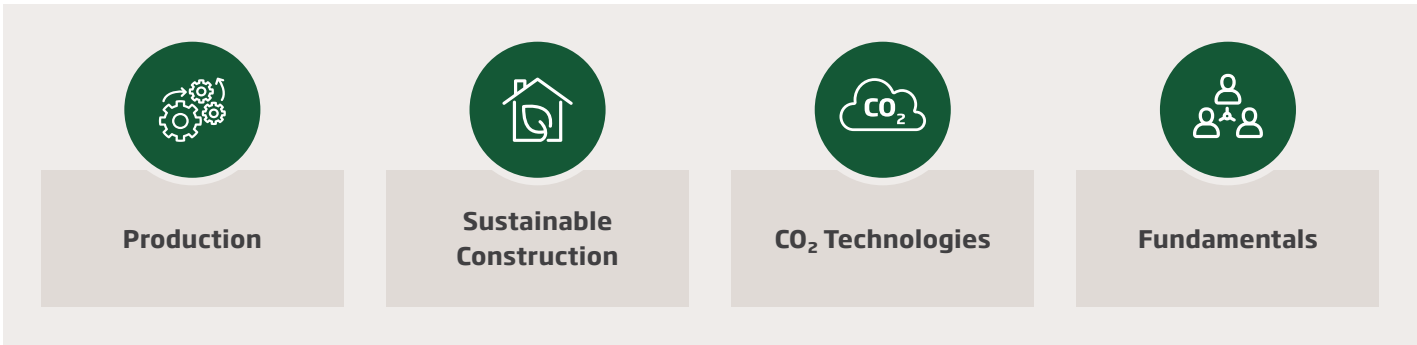
As part of our climate risk management strategy, MCB has established a framework to mitigate and adapt to the physical and transitional risks of climate change. Our actions are focused on reducing direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions and are integrated into our broader business strategy and capital investment planning.

We remain committed to our long-term aspiration of achieving carbon-neutral operations by 2050. This goal is supported by near- and mid-term targets, continuous performance monitoring, and investments in sustainable technologies and operational efficiency.

Scope 1 Emissions - Mitigation Measures

GRI 305-1

Our Scope 1 emissions are primarily driven by process emissions and fuel combustion during clinker production. To address these emissions, we implemented a decarbonisation strategy structured around four priority areas:



During the reporting year, we reduced our Scope 1 GHG emissions intensity for cement operations from 654 kg CO₂/ton cementitious product to 632 kg CO₂/ton, primarily due to improved fuel efficiency. This improvement reflects a reduction in specific heat consumption, meaning less fuel was required per ton of product produced.

Key contributors to this outcome include the renewal of critical equipment for better process control, ongoing operational optimisation, and monthly technical performance reviews with our Technical Team. We also implemented process refinements that enabled more stable kiln operation.

Additionally, our alternative fuels (AF) substitution rate increased to 5.3%, up from 4.4% in the previous year, reflecting our continued efforts to reduce direct (Scope 1) emissions from fuel combustion in cement production.

Climate Risks and Opportunities

Despite intensifying competition for alternative fuels, including rising demand from overseas buyers and other energy-intensive sectors, we made progress through targeted initiatives. These included sourcing new types of alternative fuels and improving plant-level handling and feeding processes, which contributed to operational efficiency and increased substitution performance. We remain focused on scaling up AF usage as part of our broader decarbonisation strategy, while addressing ongoing supply and infrastructure constraints.

Our clinker factor rose slightly from 79.8% last year to 80.6% this year, mainly due to market demand patterns and product mix. We are engaging with stakeholders, including certification bodies, customers, and industry partners, to promote the adoption of low-carbon cement and concrete, and sustainable construction. This includes contributing to SIRIM's efforts to review Eco-label criteria for cement and concrete, expanding our low-carbon product portfolio through R&D, strengthening internal monitoring to identify improvement opportunities and continuing our efforts at CDL Academy.

We reduced our Scope 1 GHG emissions intensity for cement operations from 654kg CO₂ /ton cementitious product to 632 kg CO₂ /ton.



Emissions Performance - Scope 1

Indicator	Unit	FY2023	FY2024	FY2025
Cement production GHG emissions intensity	kg CO ₂ per ton cementitious product	663	654	632
Clinker substitution	clinker-to-cement ratio	80.9%	79.8%	80.6%
Fossil fuel substitution	%	5.4%	4.4%	5.3%

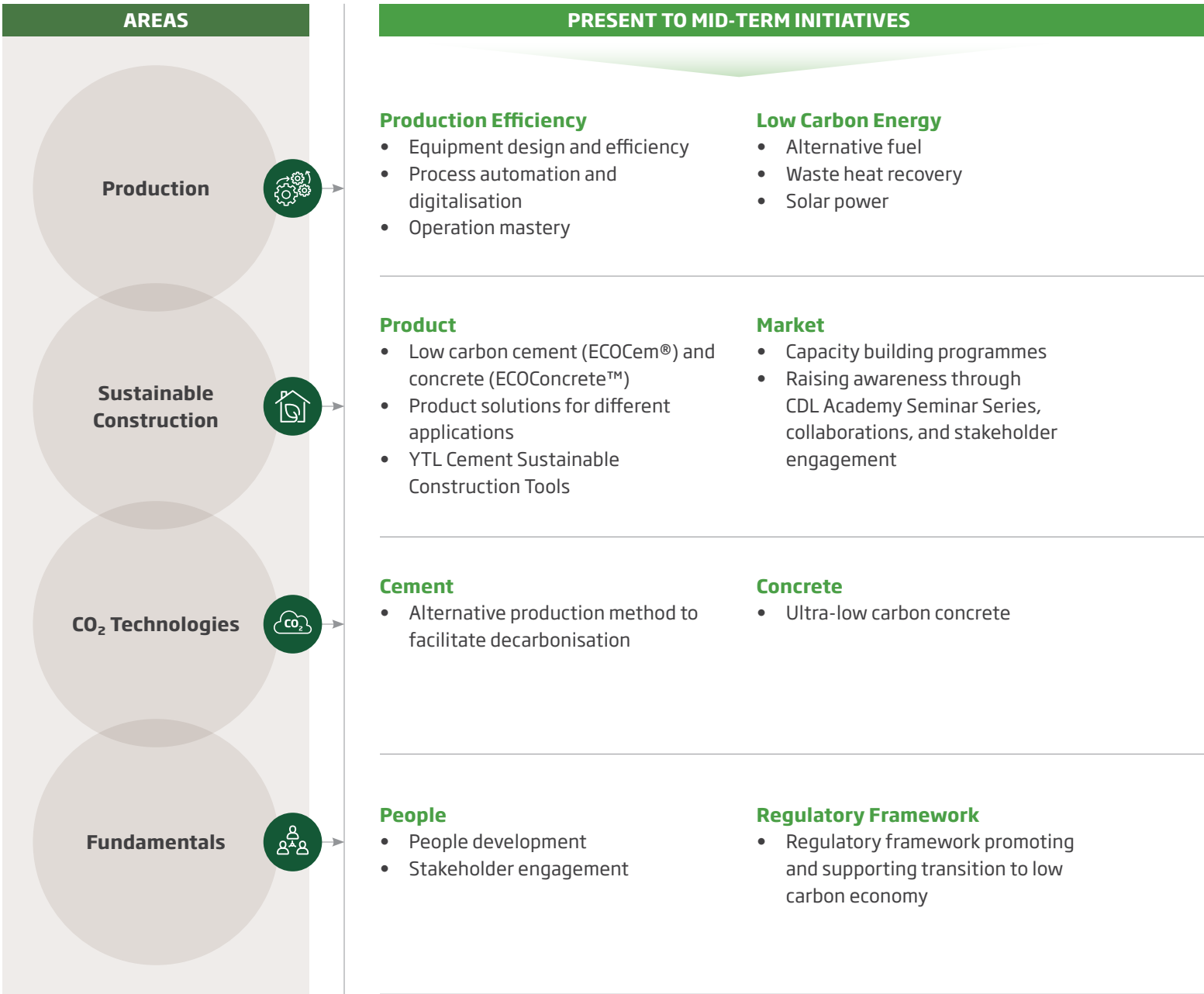
Climate Risks and Opportunities

Our 2050 Decarbonisation Roadmap

GRI 2-22 | 305-5

Building on our progress in reducing Scope 1 emissions, MCB has developed a decarbonisation roadmap that outlines key initiatives across the cement value chain, spanning production efficiency, low-carbon product innovation, decarbonisation technologies, and enabling frameworks. The roadmap highlights both present-to-midterm actions and longer-term developments needed to support our aspiration to transition toward carbon neutrality by 2050. It reflects our commitment to driving change through collaboration, innovation, and strategic investment.

Malayan Cement Berhad’s 2050 Carbon Neutrality Roadmap



Climate Risks and Opportunities

MID- TO LONG-TERM DEVELOPMENT

Production Method

- Alternative cementitious material
- New generation of production process

Clean Energy

- Renewable energy as main fuel for clinker production
- Increase conversion to solar power

Product Innovation

- Ultra-low carbon cement and concrete
- New generation of building materials

Market

- Market for new generation of cement and concrete

Cement

- Alternative production method to facilitate carbon capture
- Carbon capture and utilisation/sequestration

Concrete

- Carbon utilisation/sequestration

People

- People development
- Stakeholder engagement

Regulatory Framework

- Support for technology transfer
- Regulatory framework for low carbon economy

2030 TARGET

To drive measurable progress, we have established 2030 targets that act as milestones on our path to net zero by 2050:

Production

Increase alternative fuel use to
6.8%

Sustainable Construction

Reduce clinker/cement factor to
72.2%

CO₂ Technologies

In-house R&D or collaboration with external parties to assess
at least 2
technologies each year

Fundamentals

Deliver minimum
8 hours
of ESG training annually for managers and above

Climate Risks and Opportunities

Scope 2 Emissions - Mitigation Measures

GRI 302-1 | 305-2

Our Scope 2 emissions arise primarily from electricity consumption at our production plants. We aim to reduce these emissions through continuous improvement in energy efficiency, process innovation, and a gradual shift toward renewable energy sources.

To mitigate related risks, we have implemented a structured approach that includes:

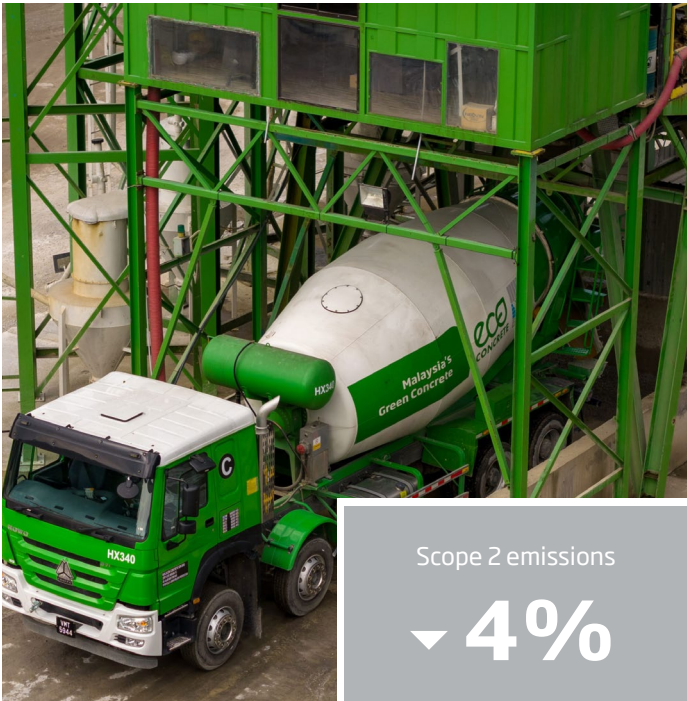
Monthly power consumption benchmarking and KPI tracking across all plants.	Operational efficiency programmes led by our Technical & Projects Department.	Capital investments in renewable energy, including waste heat recovery (WHR) and solar photovoltaic (PV) systems.	Ongoing engagement with regulators to facilitate future renewable energy installations.
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During the reporting year, we achieved a reduction in total electricity consumption across our operations, resulting in Scope 2 emissions decrease by 4% compared to last year. This was largely driven by plant-level efficiency upgrades, including the replacement of older equipment with more energy-efficient systems, enhanced process control, and targeted training to build operational discipline. We have also deployed technologies that enable more flexible, demand-responsive energy use.

At our ready-mix concrete operations, the continued expansion of on-site solar power reflects our commitment to cleaner energy across the value chain. These efforts are complemented by energy generated through the WHR system at our cement operations, which reduces our reliance on grid electricity.

Energy efficiency remains a key lever in our climate action strategy. As outlined in our Climate and Environmental Protection Policy, we are committed to minimising our climate impact by improving manufacturing processes, adopting energy-efficient technologies, and promoting renewable energy use. Our approach to reducing Scope 2 emissions is underpinned by regular performance benchmarking, capability development, and strategic investments in production technology. Electricity consumption is closely monitored and reviewed monthly, with identified opportunities translated into plant-specific action plans. Our Technical & Projects Department plays a central role in assessing emerging technologies and supporting plant teams in defining and executing the annual investment plan.

As part of our short-term decarbonisation efforts, we aim to strengthen the effectiveness of our ISO 50001-certified Energy Management System through enhanced energy performance reviews, targeted capability-building programmes, and the integration of advanced digital monitoring tools across all production sites. This process-based target is intended to drive continuous improvement in energy efficiency and support further reductions in Scope 2 emissions over the next five years.



Scope 2 emissions

▼ 4%

Climate Risks and Opportunities

Advancing Energy Efficiency with ISO 50001

In FY2025, MCB achieved a significant milestone in its decarbonisation journey, with all integrated cement and Johor grinding plants successfully certified to ISO 50001. The certification of Kanthan and Pasir Gudang (PG1 and PG2) reflects our commitment to structured, data-driven energy management across operations.

ISO 50001 provides a globally recognised framework for improving energy performance through systematic monitoring, optimisation, and continuous improvement. Its implementation supports MCB's broader goals to reduce emissions and promote more sustainable construction practices.



This achievement reinforces our focus on operational excellence and building a strong energy efficiency culture, while supporting Malaysia's low-carbon transition and climate-aligned business practices.

Energy & Scope 2 Performance

Reference	Indicator	Unit	FY2023	FY2024	FY2025
C4(a), EC15	Total electricity consumption	MWh	951,468	985,723	932,501
		GJ	3,425,285	3,548,603	3,357,003
	Clean energy generated	MWh	47,230	54,816	54,833
C11(b), EC14	Scope 2 emissions	ton CO ₂	685,412	705,627	679,315

Notes:

1. Conversion factor used. 1 MWh = 3.6 GJ.
2. FY2023 and FY2024 Scope 2 emission was calculated with 2021 Grid emission factor for Peninsular Malaysia was 0.758 ton CO₂e/MWh.
3. FY2025 Scope 2 emission is calculated with the most recently available grid emission factor, ie 2022 Peninsular Malaysia GEF of 0.774 ton CO₂e/MWh.
4. The data above covers MCB cement plants, concrete batching plants and quarry operation.

Climate Risks and Opportunities

Advancing Regional Collaboration on Decarbonisation

In November 2024, the ASEAN Federation of Cement Manufacturers (AFCM) held its 26th Technical Symposium and Exhibition in Kuala Lumpur, hosted by the Cement & Concrete Association of Malaysia (C&CA). The triennial gathering brought together cement producers, policymakers, and technical experts from across ASEAN to exchange knowledge and accelerate collective action towards a low-carbon future.



As an active member of C&CA, MCB took part in the symposium, which underscored the industry’s shared commitment to decarbonisation and the long-term goal of a carbon-neutral future by 2050. Discussions highlighted the importance of advanced technologies, improved energy efficiency, and stronger collaboration between government and industry in enabling the transition.

The symposium was also notable for being the first under the leadership of AFCM President Dato’ Yeoh Soo Keng, who also serves as MCB Group’s Chief Executive Officer. Her call for collaboration, innovation and green investment reflects the priorities that guide MCB’s own carbon-neutrality aspiration.

By contributing to industry dialogue and supporting the adoption of innovative practices, MCB continues to play an active role in shaping sustainable construction in Malaysia and the wider region.

Scope 3 Emission GRI 305-3

We continue to assess our Scope 3 greenhouse gas (GHG) emissions with Category 7: Employee Commuting, in alignment with the Greenhouse Gas (GHG) Protocol.

To estimate emissions from this source, we developed and distributed an online survey to employees across our offices and plants nationwide. The survey collected data on commuting patterns, including the modes of transportation used by employees to travel between their homes and worksites.

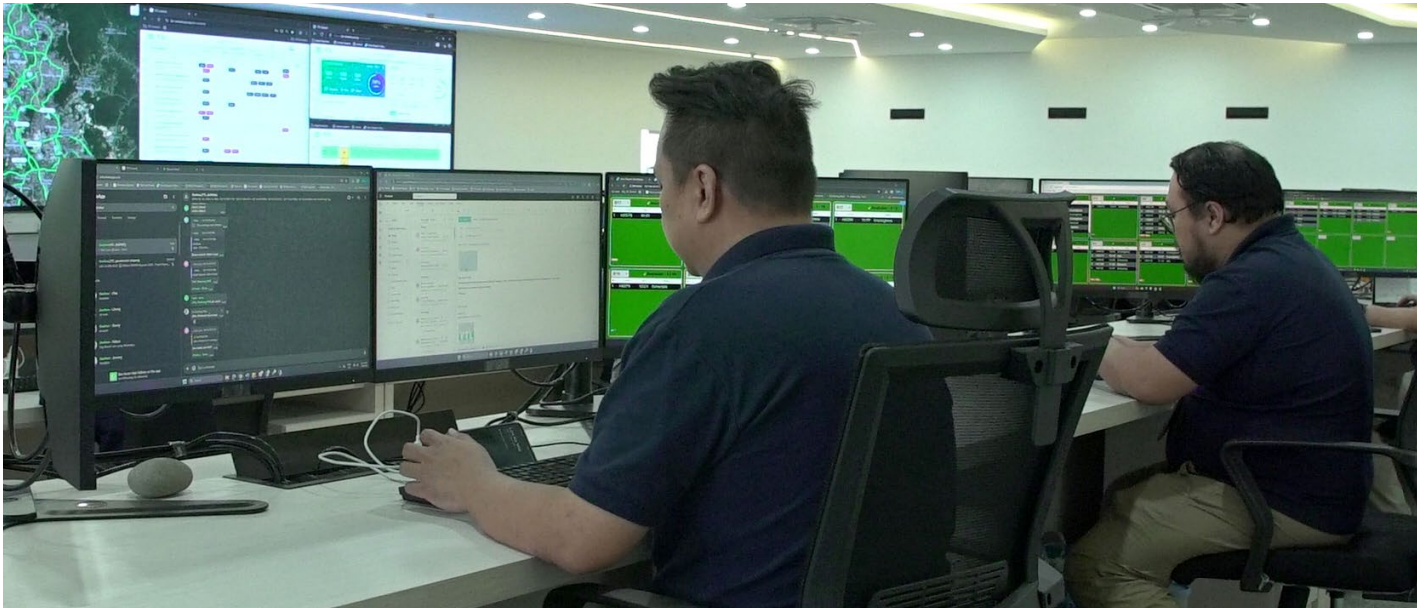
The results confirmed our projection that average commuting emissions are lowest among employees based at our head office in Kuala Lumpur. This is largely due to the city’s greater availability and accessibility of public transportation, in contrast to other locations where reliance on private vehicles remains higher due to limited rail and public transport infrastructure.

In FY2025, total emissions from employee commuting were estimated at 3,431 tonnes of CO₂. We will continue to expand the scope of our Scope 3 emissions reporting in future disclosures.

Reference	Indicator	Unit	FY2023	FY2024	FY2025
C11(c), ECC49	Category 7: Emissions arising from employee commuting	ton CO ₂	3,312	3,334	3,431

Pollution Prevention and Control

We recognise the potential environmental and health impacts associated with air, water, and land pollution arising from our operations. As part of our broader environmental stewardship commitments, we are dedicated to preventing and minimising pollution through proactive management, continuous improvement, and adoption of best available techniques.



Our approach includes real-time emissions monitoring, adherence to applicable regulations, and investments in cleaner technologies and improve resource efficiency. We also promote operational discipline, staff capability-building, and transparency in environmental performance.

Over the next three years, we aim to further strengthen our internal pollution controls. This includes expanding the scope of internal environmental audits, and standardising root cause analysis procedures for pollution-related incidents.

Further details of our initiatives are outlined in the following sections on waste management, resource recovery, water conservation, and compliance.

Waste Management

GRI 3-3 | 306-1 | 306-2 | 306-3 | 306-4 | 306-5

Effective waste management is an integral part of MCB's operational sustainability. Across our plants, we prioritise waste minimisation and responsible handling of both hazardous and non-hazardous materials, guided by the waste management hierarchy and the principles of resource efficiency.

We adopt a reduce-reuse-recycle approach to divert waste from landfills, supported by employee training, resource-conscious procurement, and process optimisation. Everyone at MCB plays a role in minimising operational waste and improving material circularity.

At our cement operation, our plants generate certain waste classified as scheduled waste under the national waste classification. This includes spent lubricants, greases, and expired laboratory chemicals. In line with our 2022 commitment to reduce hazardous waste to disposal by 2027, each cement plant has reviewed its on-site waste streams to identify those suitable for co-processing. With regulatory approvals from the Department of Environment, these materials are now diverted from final disposal and treated through co-processing at site, which ensures safe management and energy recovery. We also implement preventive measures to reduce waste generation at source. For example, optimisation of preventive maintenance scheduling has improved the efficiency of lubricant usage.

Since setting our 2022 target to reduce hazardous waste sent for disposal by 2027, we have made steady progress through the identification of co-processing opportunities, regulatory engagement, and improved maintenance practices. While progress is ongoing, early implementation results have shown meaningful reductions in waste requiring final disposal, demonstrating the effectiveness of our approach.



Waste generation
at cement operation
(ton)

1,237

Waste diverted
from disposal
(ton)

1,130,392

Waste Management



Memorandum of Understanding (MoU) to advance waste management solutions in Malaysia, signed in July 2025.

Indicator	Unit	FY2023	FY2024	FY2025
Waste generation at cement operation				
Hazardous waste/scheduled waste	ton	112	156	202
Non-recycled waste/general waste	ton	708	977	1,035
Total	ton	820	1,132	1,237
Waste directed to disposal from cement operation				
Hazardous waste/scheduled waste	ton	11	2	42
Non-recycled waste/general waste	ton	708	977	927
Total	ton	719	979	969
Waste diverted from disposal				
Generated waste recycled or reused*	ton	101	186	243
Third-party waste recycled or co-processed	ton	982,424	961,457	1,130,149
Total waste recycled or reused	ton	982,525	961,643	1,130,392

* Cement operation only.

Resource Recovery

GRI 3-3 | 306-1 | 306-4 | EPR06 | EPR09

At MCB, we extend our environmental responsibility beyond our operations by offering waste management and resource recovery solutions to third parties. As part of our contribution to advancing Malaysia’s circular economy, we work with industrial and commercial partners to transform their non-recyclable waste into valuable resources through co-processing in our cement kilns.

Many industrial and municipal waste streams contain embedded energy or mineral value but are unsuitable for traditional recycling methods. Since the 1970s, cement plants globally have demonstrated the ability to recover such resources through co-processing—a solution that replaces virgin fossil fuels and raw materials in clinker production.

Co-processing transforms the traditional cradle-to-grave approach of industrial waste into a sustainable cradle-to-cradle model. This method not only diverts waste from landfills, but also reduces greenhouse gas emissions, conserves natural resources, and enables industrial symbiosis across sectors.

In addition to energy and mineral recovery, we also incorporate supplementary cementitious materials such as pulverised fuel ash, ground granulated blast furnace slag and silica fume, into our cement and concrete products. These materials, often derived from industrial by-products, serve as partial replacements for clinker. By doing so, we further reduce our reliance on virgin raw materials and lower the embodied carbon of our products, while helping divert useful materials from waste streams.

Through our resource recovery services, MCB provides a proven and safe solution for industries to manage their residual waste responsibly. Our clients benefit from:

Secure and environmentally sound treatment of non-recyclable waste.
Reduced landfill burden and associated environmental risks.
Improved ESG performance and alignment with circular economy objectives.

We continue to collaborate with government bodies, industries, and local authorities to expand awareness and implementation of circular solutions, supporting Malaysia’s national waste reduction and climate action goals. Each year, we invest in both our facilities and our people to maintain and enhance our capability to receive and co-process a diverse range of waste materials and integrate SCMs into production.

Our priority is to operate responsibly, with strict adherence to environmental and safety standards, while consistently delivering high-quality, lower-carbon products. Our cement plants are certified to ISO 9001 (Quality Management) and ISO 14001 (Environmental Management) standards. They are supported by ISO/IEC 17025-accredited laboratories, upgraded air pollution control technologies, and real-time process monitoring tools. These capabilities ensure that our products meet the highest standards of safety and quality, while our operations remain fully compliant with applicable environmental regulations.

In recognition of our compliance and capabilities, MCB is licensed by the Department of Environment (DOE) Malaysia to provide co-processing services to a wide range of industries nationwide. Our products are also certified and approved by SIRIM QAS International and the Construction Industry Development Board (CIDB) Malaysia, affirming their quality, safety, and suitability for use in the local construction sector.

Resource Recovery

Reference	Indicator	Unit	FY2023	FY2024	FY2025
Waste diverted from disposal					
EPR26	Total waste recycled or reused	ton	982,525	961,643	1,130,392

As part of our long-term commitment to resource efficiency and circularity, MCB has set a target to increase the volume of waste and industrial by-products recovered or reused in cement production by 2030, through expanded co-processing capacity and greater integration of supplementary cementitious materials (SCMs). This target supports our strategy to reduce reliance on virgin raw materials, avoid landfill disposal, and lower the carbon intensity of our products.

Since setting this target, we have made steady progress. In FY2025, over 1 million tonnes of material were diverted from disposal through recycling, reuse, and recovery—an increase from the previous year. These gains reflect enhanced co-processing capabilities at our cement plants, increased acceptance of industrial waste streams, and broader use of SCMs in our cement and concrete products. Ongoing investments in technology, partnerships, and capability development continue to support progress toward our 2030 ambition.

Quantifying Environmental Costs and Investments in Mitigation

In line with our commitment to minimise our environmental footprint, we evaluate the financial implications of pollution and resource use through both direct and shadow costing approaches. For example, we assess the potential cost of our greenhouse gas emissions, in addition to actual energy costs incurred at our facilities.

To mitigate these impacts, the Group continues to invest in collaboration as well as research and development initiatives focused on resource efficiency and emissions reduction. In 2024, we have further increased our budget allocation towards projects such as alternative fuel utilisation, low-clinker cement development, and waste heat recovery systems. We also collaborate with external R&D organisations and industry practitioners to accelerate innovation in low-carbon technologies.

These efforts enable us to better understand the financial risks of environmental impacts while strengthening our ability to reduce and avoid them through targeted innovation.

Lebaran Lestari Upcycling: Reimagining Plastic Waste

As part of post-Raya reflections in April 2025, the Brown Bag Luncheon (BBL) hosted a creative workshop titled “Lebaran Lestari Upcycling: Reimagine Plastic,” turning festive plastic waste into an opportunity for learning and sustainability. Led by local social enterprise Hara Makers, the session introduced employees to the basics of plastic waste management and practical ways to reduce plastic use in the workplace.

The highlight was a hands-on upcycling activity, where participants transformed leftover snack wrappers into unique, card-sized pouches. This simple act of reuse diverted waste from landfills while promoting creativity and eco-conscious habits.

Beyond crafting, the workshop fostered a stronger sense of environmental awareness and community. Employees left not only with handmade creations, but also with a renewed understanding that small, everyday actions can contribute meaningfully to resource conservation.



Water Conservation

GRI 303-1 | 303-3 | 303-5

At MCB, we recognise the importance of water conservation, even in regions with abundant rainfall. While our environment benefits from regular precipitation, we understand that water is a finite and shared resource that must be managed responsibly. Sustainable water use is essential not only for environmental stewardship but also for long-term operational efficiency and resilience. Hence, we are committed to water conservation at our operations.

The first step in our water management plan is to assess whether any of our operating locations are in water-stressed areas. Our initiatives focus on adopting water-saving measures and promoting responsible usage across our operations. We track water usage across our sites and benchmark against industry performance to identify areas for improvement.

To reduce municipal water usage, we harvest rainwater and recycle water for reuse in our operations. Our goal is to increase the number of sites with water reuse or recycling by 30% by 2030 (compared to 2023). We continue to make progress in increasing number of sites with water recycling. In the reporting period, we have a total of 44 sites with water recycling, surpassing our 2030 target.

Indicator	Unit	FY2023	FY2024	FY2025
Number of facilities, assets, production, revenue in water-stressed regions	sites	0	0	0
Number of sites with water reuse or recycling	sites	17	26	44
Water withdrawals or consumption in water stressed regions	m ³	0	0	0

Indicator	Unit	FY2024	FY2025
Total volume of water used	m ³	3,117,710	3,107,437
Total water withdrawal	m ³	3,208,082	3,059,608
Municipal potable water	m ³	962,309	889,519
Surface water	m ³	1,013,528	405,093
Groundwater	m ³	891,839	1,372,376
Harvested rainwater	m ³	340,407	392,619
Used quarry water collected in quarry	m ³	0	0
External wastewater	m ³	0	0
Sea water	m ³	0	0
Total water discharge	m ³	106,475	153,880
Ocean	m ³	0	0
Surface water	m ³	105,134	153,880
Subsurface/well	m ³	1,341	0
Off-site water treatment	m ³	0	0
Beneficial/other use	m ³	0	0

Biodiversity Management

At MCB, we recognise that our operations, particularly raw material extraction, involve interaction with the natural environment. We are committed to managing these interactions responsibly to protect ecosystems and support biodiversity conservation.

To reduce and avoid impacts on nature:

We avoid operations in protected areas of high biodiversity value and ensure that our production sites are located in areas designated for such industrial activities.

We collaborate with local communities and research institutions to identify and implement practical measures that support biodiversity conservation.

We plan our operations with a focus on resource efficiency, aiming to reduce the need for new raw material extraction through improved process optimisation and use of alternative.

Our initiatives in biodiversity

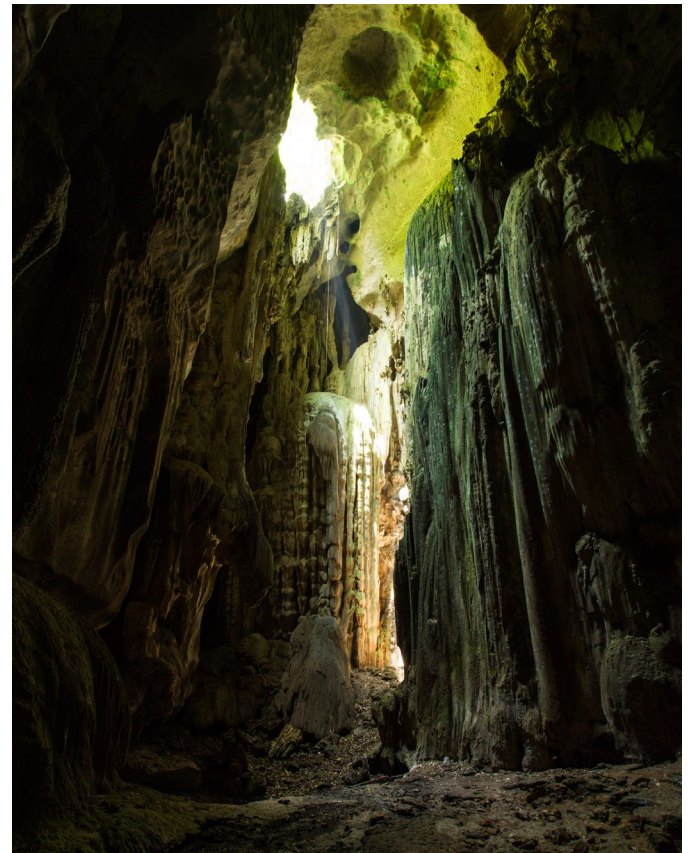
YTL Cement's approach to biodiversity continues to evolve through strategic partnerships, research-led action, and targeted site initiatives. This year, we have built on the foundations laid in previous years by translating research into site-level planning, strengthening academic collaboration, and taking on-the-ground actions to enhance ecological value.

Bukit Kanthan Geosite

Bukit Kanthan is located within the Lembah Kinta region in Perak and lies adjacent to our operations but is not part of our quarrying area. The site was selected for its ecological, geological, and biological significance, and plays an important role in supporting the Perak State Government's designation of Lembah Kinta as a National Geopark that promotes balanced sustainable development.

At Bukit Kanthan, we have continued to deepen our understanding of the site's ecological, geological, and biological significance. In collaboration with expert researchers, detailed mapping of high-value components is informing how we plan and manage our operations around the sensitive tropical limestone karst landscape.

As part of this effort, a team of expert researchers led by Professor Emeritus Dato' Dr. Ibrahim Komoo, an International Expert to the UNESCO Global Geoparks whose Engineering Geology, Geoheritage Conservation, and Sustainability Science, carried out comprehensive mapping of the Bukit Kanthan Geosite, focusing on geological, geomorphological, and biological features of high value. The findings demonstrate that the Bukit Kanthan Geosite sufficiently represents the broader ecological and geological significance of Gunung Kanthan.



Biodiversity Management



Tree Planting at Langkawi - Enhancing Site-Level Biodiversity Management

In conjunction with Hari Alam Sekitar Negara 2024, our Langkawi operations hosted a tree-planting initiative to strengthen local biodiversity and ecosystem resilience. In partnership with the Kedah Forestry Department, we planted 700 native forest tree saplings within our site – a step toward re-greening the landscape and restoring natural habitats.

The event brought together our employees and members of the local community, fostering shared environmental responsibility and strengthening relationships with our neighbours. Beyond its ecological value, the programme promoted awareness and participation in sustainability efforts at the grassroots level.

This initiative forms part of our broader commitment to site-level biodiversity management and reflects our ongoing effort to integrate nature-positive practices into our operations.

Strengthening Research through UIRC and Industrial Grant for Young Researcher Grants

The University-Industry Research Centre (UIRC) is Malaysia's first initiative of its kind, jointly established by YTL Cement and the Ministry of Higher Education. UIRC aims to strengthen collaboration between academia and industry in advancing research on tropical karst landscapes.

Launched in 2023, this five-year programme focuses on the conservation and sustainable management of resources by bringing together universities and researchers to co-develop knowledge and practical solutions. Through UIRC, we continue to support in-depth research on tropical karst ecosystems while cultivating a new generation of skilled researchers committed to sustainable and responsible development.

In December 2024, we hosted the inaugural UIRC Symposium, which gathered a total of 45 attendees including post-graduate students, young researchers, academic experts, and representatives from the Ministry of Higher Education to exchange ideas and explore the broader significance of karst landscapes, from biodiversity and geodiversity to cultural and heritage value.

UIRC is supported by a panel of experts and a scientific committee that ensures the quality, integrity and relevance of research outcomes. The results of this research will provide important information that complements the National Mineral Policy. It is essential to achieve a balance between conservation and the nation's development. This research will provide the country with a comprehensive understanding of our tropical limestone karst landscapes needed to make informed decisions on sustainable management.

To further encourage research that informs industry practice, we introduced the UIRC Industrial Grant for Young Researchers. This grant aims to support young lecturers in producing actionable insights that can guide sustainable site planning and biodiversity management in limestone environments.



Sustainable Supply Chain

At MCB, we recognise the importance of embedding sustainability across our supply chain to create long-term value for our stakeholders. We work closely with our suppliers to promote ethical business practices, environmental responsibility, and social accountability.

Understanding the challenges faced by small and medium enterprises (SMEs), particularly in resources and technical capacity, we conduct ESG assessments to help identify sustainability gaps and support improvement efforts. These assessments are part of our ongoing efforts to raise awareness and encourage continuous progress across our supply chain.

Through these initiatives, we aim to foster a more responsible and resilient supply network, aligned with our overall sustainability goals.

	FY2023	FY2024	FY2025
Number of existing suppliers assessed using			
Environmental criteria	122	247	317
Social criteria	122	247	317
Number of new suppliers assessed using			
Environmental criteria	NA	38	79
Social criteria	NA	38	79
Proportion spending on local suppliers (%)	NA	70%	61%

MCB has established a Sustainable Procurement Policy, which outlines the standards expected of any supplier working with a MCB Group company. The policy serves both as a reference and a communication tool for suppliers, procurement personnel, and other stakeholders. It sets out our expectations across key areas including Compliance, Code of Conduct, Product Quality and Safety, Environment, Labour Practices and Standards, Health & Safety, and Data Privacy.

We are committed to reviewing and updating our Sustainable Procurement Policy to reflect evolving best practices and developments in sustainability management. Through these initiatives, we aim to foster a responsible and resilient supply network aligned with our sustainability values.

SECTION 4

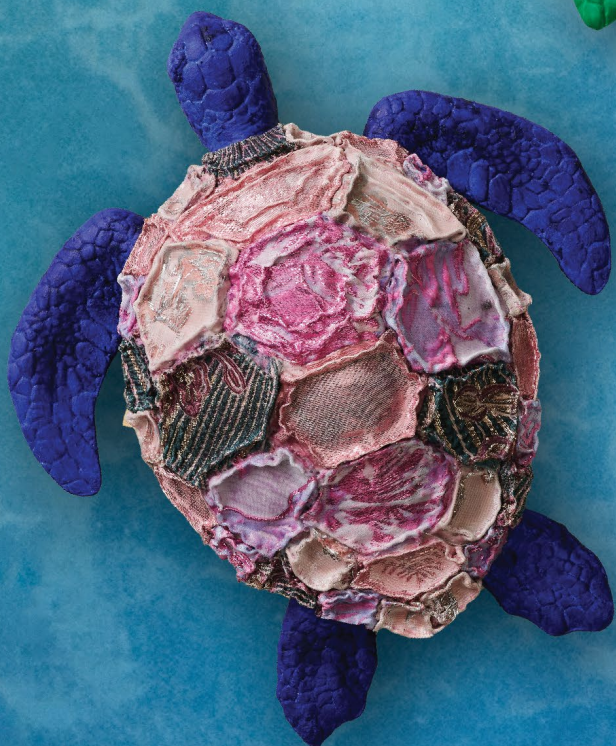
Operating Responsibly



Turtles painted by
Gabriel Cheah, Wan Jamila,
Lisa Teo, Khoon Hooi,
Fadhli Ariffin and Lim Anuar

- 62 Code of Conduct and Business Ethics
- 63 Anti-Bribery and Anti-Corruption
- 65 Preventing Anti-Competitive Behaviour

- 66 Data Security and Privacy
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Code of Conduct and Business Ethics

GRI 2-23

At MCB, we recognise that strong corporate governance is essential to sustainable business success and is highly valued by our stakeholders. It provides a solid foundation for informed decision-making, responsible operations, and long-term value creation.

Our Code of Conduct and Business Ethics (“the Code”) reflects the Group’s core values and serves as a practical guide for ethical and compliant behaviour across all areas of our business.

01	02	03	04
Scope and Applicability	Governance and Approval	Training and Communication	Accessibility
The Code applies to all directors, senior managers, and employees across MCB and its subsidiaries. It also extends to business partners, suppliers, contractors, and third-party service providers who are expected to uphold the same ethical standards when working with or on behalf of MCB.	The Code was reviewed and formally approved by the Board of Directors, representing the most senior level of governance within the organisation. The Board also oversees the Group’s Anti-Bribery and Anti-Corruption Policy, ensuring the policies are comprehensive and address key risks effectively. Responsibility for enforcing and adhering to the Code and related policies rests with senior leadership and employees across all business segments.	To support employees in understanding and applying the Code of Conduct, MCB delivers mandatory training modules through our Group’s online learning platform. These interactive e-learning modules, available in both the national language and English, include quizzes to reinforce key principles and ensure comprehension. In addition, the Code is communicated through new employee induction and internal channels such as company-wide memos and intranet updates. These initiatives help embed ethical behaviour into day-to-day operations and foster a strong, shared culture of integrity and accountability across the organisation.	For transparency and stakeholder engagement, the Code is publicly available on our corporate website at https://ytlcement.my/.

Through these measures, MCB reaffirms its commitment to responsible business conduct, transparency, and ethical governance.

Anti-Bribery and Anti-Corruption

GRI 205-1 | 205-2 | 205-3

MCB is committed to conducting our business with honesty and integrity, and we expect all employees to maintain a high standard of integrity. Our risk management strategy comprises of policy, training, risk assessment, audit and whistle-blowing.

Our Anti-Bribery & Corruption (ABC) Policy, which is overseen by the Board, reinforces the Group's Code of Conduct & Business Ethics and underpins our zero-tolerance stance against bribery and corruption. The Policy:

Defines the guiding principles and requirements to prevent, detect, and address corruption risks across the organisation.	Covers the different forms of corruption, including bribery, dealings with public officials, third parties, and donations.	Provides a comprehensive framework to ensure compliance and accountability.
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To ensure that employees are fully aware of their responsibilities, MCB communicates the ABC Policy to all staff through mandatory induction and refresher training. The communication covers:

The different elements and types of corruption, including bribery.	The Group's comprehensive anti-corruption approach. Training completion status is reported annually to the Board as part of its oversight responsibility.
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Similarly, all suppliers must comply with MCB's Anti-Bribery and Anti-Corruption Policy as part of compliance with MCB's Sustainable Procurement Policy to ensure that high standards of ethics and business conduct are adhered to across the value chain.



Anti-Bribery and Corruption

In 2024, we have updated our corruption risk assessment format. All locations were assessed for corruption risk using this new template. In addition, high risk areas and selected sites are audited by Group Internal Audit to ensure compliance and effectiveness of our anti-corruption programme.

Reference	Indicator	FY2023	FY2024	FY2025
Percentage of employees who have received training on anti-corruption				
C1(a)	Company total	95%	91%	97%
C1(a)	By employee level			
	Top management	100%	100%	100%
	Senior and middle management	99%	99%	99%
	Executive	100%	96%	98%
	Non-executive	81%	73%	94%
C1(a)	By function			
	Technical & Production	92%	89%	97%
	Admin, sales, support functions	100%	96%	97%
C1(b)	Percentage of operations assessed for corruption-related risks ⁽¹⁾	Was part of annual audit plan	100%	100%
C1(c)	Number of confirmed incidents of corruption	0	0	0
GAC12	Total amount of political contributions made	RM 0	RM 0	RM 0
GAC13	Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy	0	0	0
GAC14	Cost of fines, penalties or settlements in relation to corruption	RM 0	RM 0	RM 0

Note:

1. C1(b) is assessed every two years (last assessed in FY2024, next scheduled in FY2026).

Preventing Anti-Competitive Behaviour

MCB is committed to upholding the principles of fair competition and ensuring full compliance with the Competition Act 2010, as well as all relevant laws in the jurisdictions where we operate.

As the largest producer and supplier of cement and ready-mixed concrete in Malaysia, we recognise that adherence to competition laws is vital to protecting our reputation, managing legal and financial risks, and sustaining our long-term success.

We have established internal policies, practices, and guidelines to prevent anti-competitive behaviour and to promote ethical conduct throughout our operations. In line with our Code of Conduct & Business Ethics, all employees are expected to comply with relevant legal requirements when engaging with competitors, customers, suppliers, and trade associations, and to uphold responsible and commercially sound business practices.

To strengthen internal awareness and ensure employees understand their obligations, designated personnel are required to complete regular training on competition law.

During the year under review, there were no reported breaches of the Competition Act 2010 involving any MCB Group company or employee. Through ongoing training, active monitoring, and strong governance, MCB reinforces its commitment to integrity, fair market conduct, and long-term stakeholder trust.



Recorded zero breaches of the Competition Act 2010 in FY2025, underscoring our strong governance, ethical practices, and commitment to fair competition.

Data Security and Privacy

GRI 418-1

We respect our customers’ privacy and take measures to ensure the security of personal data that we collect, store, and process. We take precautions to keeping the data received safe and secure. Our approach:

01

Limit collection of personal data

We limit the collection of personal data to only as needed. Where we must collect the data, we are transparent about how the data will be used, and we do not disclose or use personal information for any purposes other than those agreed upon.

02

Raising awareness and educate

We constantly raise awareness on cyber security among our employees through various communication and training programmes. Through such programmes, we raise awareness of cyber threats and our information technology program, and share best practices with our employees, creating a culture of shared responsibility for the security of personal and sensitive data.

03

Continuous enhancement of security systems

Each year, we review the effectiveness of our system controls. The outcome of the review is translated into an action plan to enhance our security systems.



Indicators	FY2023	FY2024	FY2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0
(i) Received from external parties	0	0	0
(ii) Received from regulatory bodies	0	0	0

Compliance to Laws and Regulations

GRI 2-27

MCB is committed to complying with all applicable laws and as part of our broader commitment to responsible business conduct, risk management, and good governance.

We define significant instances of non-compliance as events that result in, or could reasonably be expected to result in, material legal, financial, reputational, or operational consequences for the Group. This includes cases that:

Result in substantial fines, penalties, or settlements.	Cause reputational damage or negative stakeholder response.	Involve repeated or systemic breaches.	Trigger reporting to senior management, the Board, or regulators.
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During the reporting period, MCB did not record any significant instances of non-compliance with environmental, social, or economic laws and regulations. No fines, penalties, or legal actions were imposed on any MCB Group entity or employee in relation to significant regulatory non-compliance.

Through proactive monitoring, training, and internal controls, we continue to strengthen our compliance culture.

At MCB, we commit to avoid and reduce potential environmental impact from our operation. A key aspect of our environmental management system is the prevention of pollution through air emission pollutants control, effluents management, waste management and compliance with regulations.

We take a proactive approach in minimising our environmental impact by adopting good manufacturing practices, equipping our plants with pollution control systems and raising awareness among our employees.

During the reporting year, we had:

Recorded a total of 980 hours of training on pollution control, environmental compliance and waste management.	No significant incidents related to environmental compliance in locations where we operate.
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Indicators	Target	FY2023	FY2024	FY2025
Sites with ISO 14001:2015 Environmental Management Systems	100% of cement plants are certified	100% of our cement plants are certified	100% of our cement plants are certified	100% of our cement plants are certified
Number of significant non-compliance related to environmental	Zero incident			Zero incident
Number of incidents of non-compliance with water quality/quantity permits, standards and regulations	Zero incident			Zero incident

SECTION 5

Building Capacity and the Community



Turtles painted by
Bayu Utomo, Wong Siew Lee,
Azaikmal Rashid, Syukur Rani,
Ho Meikei and Ajis Mohamad

70 Occupational Health and Safety

82 Human Resources Development

92 Community Investment



Occupational Health and Safety

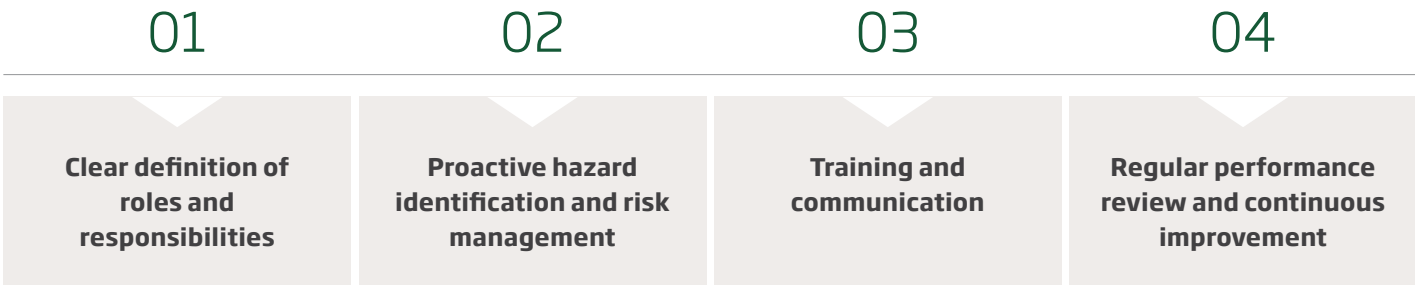
H&S Management System

GRI 3-3 | 403-1 | 403-2 | 403-4

MCB prioritises health and safety as a core responsibility and an essential part of how we operate. This commitment extends to our employees, contractors, suppliers, and all external stakeholders involved in our activities.

We are committed to providing a safe and healthy working environment for all employees, contractors, and stakeholders who work in our operations. Our occupational health and safety (H&S) management approach is guided by a preventive mindset, compliance with applicable laws and regulations, and alignment with ISO 45001.

Our approach is grounded in four key pillars:



The Board of Directors provides strategic oversight and direction for health and safety across all business units within the Group. Each business unit develops its own tailored H&S programmes, addressing the unique operational risks and site-specific requirements of its activities.

MCB’s H&S organisation is anchored by a Corporate H&S Department at the head office, which supports H&S functional teams across all business units and subsidiaries. To maintain consistency in H&S practices, the Corporate H&S Department spearheads the standardisation of policies and procedures across the group.

At the operational level, every business unit establishes a Safety and Health Committee (SHC) to drive employee engagement and continuously improve workplace health and safety conditions. The responsibilities of the SHCs include:

Monitoring implementation of the site’s annual H&S plan.	Reviewing and strengthening site H&S systems.	Leading communication and engagement initiatives to promote a safety-first culture.
Conducting workplace inspections and addressing unsafe practices.	Reviewing audit findings and tracking corrective actions.	Holding regular meetings to review progress and identify areas for improvement.

Occupational Health and Safety

Each SHC is chaired by the site's Plant Manager or Head of Operations, who also serves as the key liaison with the Group's senior management. Regular review meetings are held to discuss performance, action plans, and any additional support or resources required.

In addition to these formal engagements, site management regularly visits operational areas, directly interacting with workers. During these visits, they address any unsafe conditions or behaviours, while also reinforcing and encouraging safe practices. This hands-on approach ensures that H&S remains a priority across all levels of our operations.



Health and Safety Policy

Health and Safety is a core value at YTL Cement. We aim to provide a healthy and safe work environment with zero harm to our employees, contractors, and related stakeholders, as well as to protect our assets. We believe in visible leadership and personal accountability for health and safety at all levels throughout our organisation.

Our Commitment	
Zero Harm	Provide conducive working environment for employees and contractors that is safe, healthy and secure.
Compliance to Legislations	Conform to relevant standards, policies, rules and procedures, within the national legal and regulatory framework.
Safety Risk Management	Establish safety guidelines and procedures to minimise occupational health and safety risks from operations.
Safety Culture	Empower employees to take ownership and support each other in creating a safe and healthy working environment for everyone.
Open Communications	Provide channels for the dissemination of information and to receive feedback.
Continuous Improvement	Periodic review of H&S performance to monitor progress and further improve leading and lagging indicators, in order to reduce H&S incidents.

Occupational Health and Safety

Hazard Identification, Risk Assessment, and Incident Investigation

GRI 403-2

MCB employs a structured approach to identify work-related hazards and assess associated risks for employees and other workers whose work or workplace is controlled by the organisation. These processes are designed to comply with applicable legal requirements and align with recognised international standards, such as ISO 45001.

Hazard Identification and Risk Assessment

Routine hazard identification and risk assessments are conducted regularly, encompassing scheduled site inspections, task observations, and environmental monitoring, including assessment of exposure to noise and dust.

Non-routine assessments are triggered by changes in operating procedures or equipment, incident investigations, worker feedback and results from health surveillance and environmental monitoring. This ensures that emerging risks are promptly identified and addressed.

Our approach follows the hierarchy of controls, prioritising hazard elimination, substitution, engineering and administrative controls, and personal protective equipment, to effectively minimise risks. To ensure process quality, all personnel involved in hazard identification and risk assessment are trained and supported by refresher sessions to maintain standards.

The results from these assessments contribute to the continual improvement of our Occupational Health & Safety Management System, guiding control measures, policy reviews, and performance evaluations to enhance workplace safety consistently.



Incident Investigation Process

We conduct thorough investigations of all work-related incidents to determine root causes and assess hazards and risks involved. Investigation teams include trained personnel working closely with affected workers to ensure a comprehensive understanding of incidents and effective resolution. Results and corrective actions are reviewed regularly by SHC to foster continuous improvement in workplace safety.

Occupational Health and Safety

Risk Management and Safe Work Practices at Langkawi Plant

Langkawi Plant adheres fully to the MCB Job Risk Assessment Procedures, ensuring that all tasks carried out within the plant premises are supported by appropriate risk management documentation. For non-routine tasks, a Job Risk Assessment (JRA) is prepared by the task owner, while routine tasks are governed by Standard Operating Procedures (SOPs) developed by the relevant department.



Each task must be accompanied by a valid Permit to Work (PTW) and, where applicable, a High Hazard Permit (HHP). HHPs are required for tasks with elevated risk profiles, such as confined space entry, work at height, hot work, roof work, ground breaking (excavation), and night lifting operations.

Prior to the commencement of any task, a safety briefing is conducted by the job supervisor for all team members involved. Attendance and key information from this briefing are documented in the Pre-Job Briefing and Safety Intervention Form. This form also serves as a tool to record any safety observations or interventions made by line management or visitors during site visits, enabling timely follow-up and continuous improvement.

Upon completion and handover of the task to the area owner, all supporting documents—including the JRA, PTW, HHP, and Pre-Job Briefing & Safety Intervention forms—must be completed, signed off by the relevant department head, and filed for record-keeping. These documents are retained for a minimum of 12 months to support future audits and ensure traceability.

Each task must be accompanied by a valid Permit to Work (PTW) and, where applicable, a High Hazard Permit (HHP).

Occupational Health and Safety

Occupational Health Services

GRI 403-3

Our occupational health services are structured to proactively identify, assess, and manage workplace health risks, while promoting a safe and supportive working environment. This encompasses regular workplace risk assessments, health surveillance programs, ergonomic evaluations, and the provision of medical support.

We maintain a network of panel clinics nationwide to ensure employees have convenient access to primary healthcare and occupational medical services, including treatment for work-related injuries, and fitness-for-work assessments.

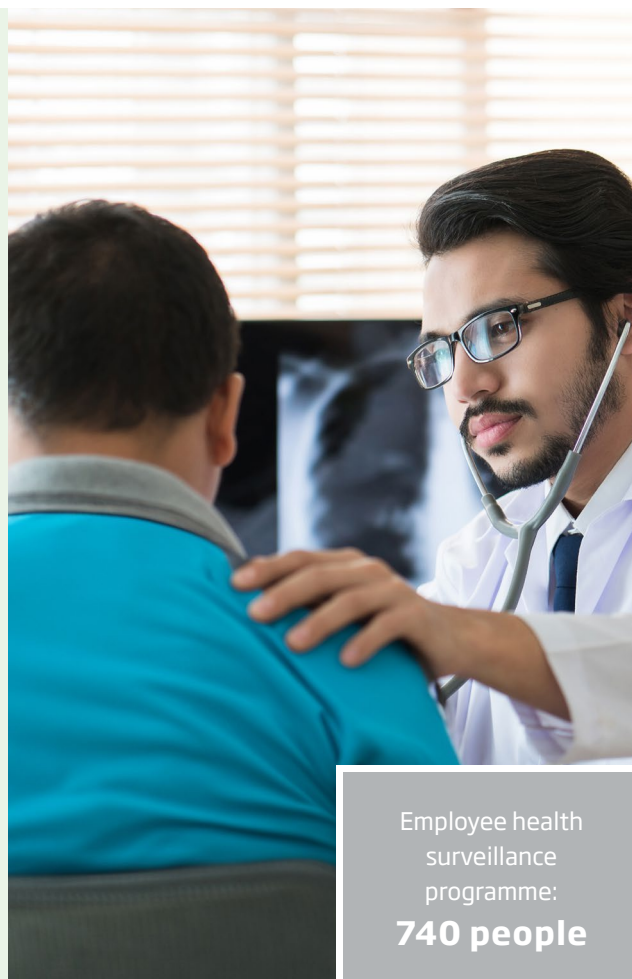
Health Surveillance: Caring for Our Workforce

At MCB, the health and well-being of our people are a priority. We conduct health surveillance for employees at all our cement plants every two years, in line with our Occupational Health and Safety Management System and the USECHH Regulation 2000.

During the reporting period, each plant carried out its alternate-year health surveillance programme. For example, our PHS Plant conducted in-house screenings over several days, reaching 142 permanent employees and 108 contractor personnel. This convenient approach ensured all workers had access to the assessments without disrupting operations.

The programme includes comprehensive medical evaluations tailored to workplace risk profiles, such as lung function tests, chest X-rays, vision screenings, and general health checks. More than fulfilling regulatory requirements, these initiatives demonstrate our proactive approach to early detection of occupational illnesses, prevention of health deterioration, and timely intervention.

By prioritising the health of our people, we not only meet compliance standards but also encourage a workplace culture of care, trust, and shared responsibility.



Employee health
surveillance
programme:

740 people

Occupational Health and Safety

Employee Participation

GRI 403-4

We ensure that all workers, ie employees and non-employees working with us, are meaningfully involved in the development, implementation, and evaluation of our H&S Management System. This participatory and inclusive approach helps cultivate a safety-first culture, ensuring that H&S is not only a management responsibility but a shared commitment across all levels of the organisation.

01 Formal and Direct Participation

Worker participation in H&S is structured in accordance with local legal requirements and supported by both formal representation and direct engagement. At larger sites, worker representatives participate through established Safety and Health Committees (SHCs). At smaller operations, workers are directly involved in safety-related decisions, including risk assessments, incident investigations and audits.

02 Safety and Health Committees (SHCs)

Each operational site maintains an SHC comprising both management and worker representatives.

These committees are appointed according to national regulations and internal guidelines. SHCs meet regularly to review workplace conditions, monitor implementation of the H&S plan, and advise on improvements.

03 Access to H&S Information

We maintain open and transparent communication with all employees and contractors on matters related to workplace health and safety. To ensure comprehensive access to H&S information, we disseminate policies, procedures, safety performance updates, and alerts through multiple channels, including toolbox talks, digital platforms, bulletin boards, and regular team briefings.

Engagement with the workforce is an integral part of our H&S approach. We conduct frequent toolbox talks and promote open dialogues on-site to ensure that workers are informed, involved, and empowered to contribute to a safer workplace. Employees and contractors are promptly notified of any work-related incidents, including investigation findings and corrective actions taken to prevent recurrence.

Our SHC meetings serve as a dedicated forum for employees to raise concerns, offer feedback, and collaborate on improvements. This fosters a culture of shared responsibility, transparency, and continuous enhancement of our H&S practices.

During plant shutdowns and maintenance periods, we conduct daily coordination meetings between our H&S team and the contractors' H&S coordinators. These sessions focus on reviewing safety observations, addressing unsafe behaviors, sharing best practices, and reinforcing compliance with safety protocols.



To ensure both employees and contractors remain informed, we regularly share H&S bulletins, updates, and safety alerts. In the event of serious incidents, we develop and distribute comprehensive "lessons learned" documents. These reports detail the incident circumstances, root causes, and the preventive measures implemented, ensuring knowledge is effectively shared across all levels of the organisation to avoid recurrence.

Occupational Health and Safety

My Safety Intervention (MySI): Empowering Frontline Ownership of Workplace Safety

My Safety Intervention (MySI) is a programme designed to empower the operations team to take active ownership in creating a safer workplace. It encourages team members to conduct safety observations during site visits and to report both safe and unsafe behaviours and conditions.

A key element of the programme is direct engagement: team members are encouraged to initiate conversations with workers on site. Positive reinforcement is given when safe acts are observed, motivating continued safe behaviour. When unsafe acts are identified, open discussions help workers understand the potential consequences and take corrective actions.

Each MySI interaction is documented through a brief digital report submitted to the HSE Department. These reports support record-keeping and enable timely follow-up on any required corrective actions.

MySI also serves as a platform for reporting unsafe conditions with accompanying photos and descriptions, facilitating swift interventions to prevent incidents. Importantly, it fosters a culture where open feedback on safety is welcomed and valued.

The programme is currently being piloted at the Kanthan Plant, with plans for broader rollout. Over time, MySI is expected to contribute to strengthening a proactive and positive safety culture across the organisation.



**Designed to empower the
operations team to take active
ownership in creating a safer
workplace.**

Occupational Health and Safety

Worker Training on Occupational Health and Safety

GRI 403-5 | 403-7

As part of our broader commitment to responsible operations, we place strong emphasis on providing comprehensive H&S training across all levels of our workforce.

01 Assessment of Training Needs

We conduct regular assessments of training needs based on job-specific risk evaluations, incident reports, and legal compliance requirements. These assessments are coordinated by our H&S department in collaboration with site supervisors and Human Resources.

02 Design and Delivery of Training

Our H&S training programmes are tailored to meet both general awareness and role-specific requirements. Training modules include:

General safety induction for all new hires	Fire safety and emergency response	Use of personal protective equipment (PPE)
Chemical and hazardous material handling	Working in confined spaces	Machine safety and lockout-tagout procedures



Safety training at MCB is delivered by certified internal safety officers and accredited external trainers, ensuring technical accuracy and alignment with national regulatory requirements. Training sessions combine classroom-based theoretical instruction with practical demonstrations, where applicable, to reinforce understanding and support hands-on learning. In addition, online training modules are offered to expand accessibility and reach a wider group of employees across different locations. This blended approach ensures that employees are equipped with the knowledge and skills needed to work safely and comply with relevant health and safety standards.

Occupational Health and Safety

03

Accessibility and Compensation

All occupational H&S training is provided free of charge to training participants and during paid working hours. Attendance is mandatory for relevant job functions, and make-up sessions are scheduled whenever necessary.

04

Evaluation of Effectiveness

To ensure continuous improvement, we evaluate the effectiveness of our training through post-training assessment, workers feedback, workplace observations, and incident trend analysis. Findings are used to refine future training content and delivery methods.

Through our structured and inclusive approach to H&S training, we aim to foster a safety-first culture and empower employees with the knowledge to manage risks.

Health & Safety Training					
Total training hours (Hours)			Number of employees trained on health and safety topics (Persons)		
FY2023		31,073	FY2023		972
FY2024		31,197	FY2024		1,365
FY2025		43,755	FY2025		1,263

Occupational Health and Safety

H&S Performance

GRI 403-9

We are committed to continuously enhancing our H&S practices to minimise risks and protect all stakeholders. At the Group level, we uphold a zero-fatality target across all operations, while individual subsidiaries may adopt additional site-specific targets tailored to their operational environments.

The following data reflects our ongoing efforts to foster a safe, resilient, and responsive workplace. By monitoring key safety indicators, we aim to drive continuous improvement, address areas of concern, and strengthen a proactive safety culture across all levels of our organisation.

Reference	Indicator	Unit	FY2023	FY2024	FY2025
Leading indicators					
	Monitoring				
	Workplace inspections	Number	1,344	2,248	2,390
	Employee health surveillance	Persons	470	645	740
	Standard Operating Procedure (SOP) Reviews	Number	556	561	496
	Reporting				
	Near-miss report received	Number	19	25	13
	Management				
SHS12	Percentage of cement plants with ISO 45001 certification	%	100%	100%	100%
Lagging Indicators					
C5(b)	Number of hours worked	Hours	9,270,489	9,594,013	9,866,571
	Work-related fatalities				
C5(a), SHS38	Employee fatalities	Number	0	0	0
C5(a), SHS40	Contractor fatalities	Number	1	1	0
C5(b)	Lost time injuries (LTI)	Number	21	24	18
	Employee LTI	Number	13	12	13
	Contractor LTI	Number	8	12	5
	Lost Time Injuries Frequency Rate (LTIFR)¹	Rate	2.27	2.50	1.82
	Employee LTIFR	Rate	2.80	2.73	2.90
	Contractor LTIFR	Rate	1.73	2.30	0.93
	Total Injuries Frequency Rate (TIFR)²	Rate	3.24	5.31	3.45
	Employee TFIR	Rate	3.44	4.56	4.02
	Contractor TFIR	Rate	3.03	5.95	2.97
C5(b), SHS15	Lost Time Incident Rate (LTIR)³	Rate	0.45	0.50	0.36
	Employee LTIR	Rate	0.56	0.55	0.58
	Contractor LTIR	Rate	0.34	0.46	0.19

Notes:

1. LTIFR: LTI divided by million hours worked.
2. TIFR: Total number of injuries divided by million hours worked.
3. LTIR: Number of lost time injuries divided by total number of hours work, multiplied by 200,000. This follows the formula provided in Bursa's Sustainability Guideline for Common Indicator C5(b).

Occupational Health and Safety

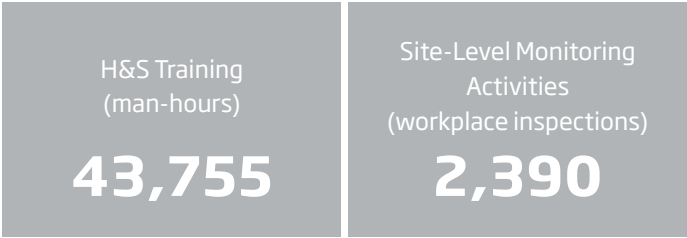
H&S Performance

In FY2025, we recorded an improvement in H&S lagging indicators. Notably, there were no fatalities, and the total number of Lost Time Injury (LTI) incidents declined compared to the previous year. These improvements reflect the effectiveness of our ongoing efforts to foster a safer working environment.

A key focus has been on enhancing awareness of work-related hazards and promoting safe working behaviours among all workers. In FY2025, we significantly increased H&S training, delivering a total of 43,755 man-hours of training across our operations. These sessions are designed to equip workers with the knowledge and skills to identify and mitigate risks on site.

To complement training, we also intensified site-level monitoring activities. A total of 2,390 workplace inspections were conducted across all operational sites to identify unsafe conditions and intervene where necessary. These proactive measures support our goal of reducing injuries and strengthening our safety culture.

However, the number of near-miss incidents reported remains low, indicating an area for further improvement. We recognise the need to foster a more open reporting culture and will continue working to encourage all workers, including subcontractors, to report near-misses without hesitation. Increasing near-miss reporting is vital for identifying risks before they result in harm and is a key part of our prevention-focused approach.



Occupational Health and Safety

Strengthening Fleet Safety Through Digital Tools and Capacity Building

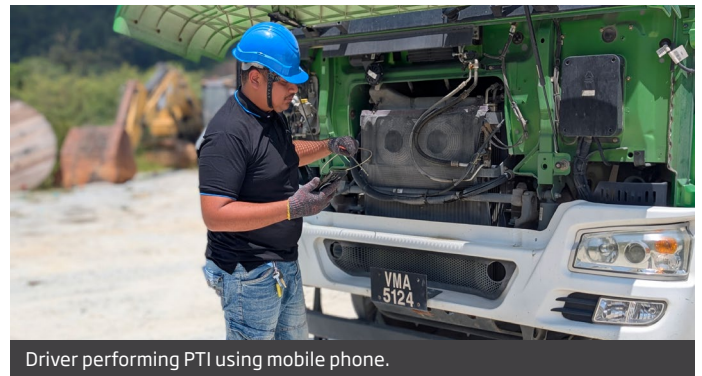
YTL Cement has introduced a digital Pre-Trip Inspection (PTI) Checklist as part of its commitment to fleet safety and operational excellence. Integrated into an in-house developed Driver App, the PTI Checklist includes safety messages and alerts, vehicle and driver condition checks, and cleanliness inspections. Its content is aligned with local regulatory requirements as well as the YTL Cement Logistics Safety Standard.

Delivery assignments are only issued upon successful completion of the PTI Checklist. Any defects must be rectified and documented with supporting evidence before a vehicle is cleared for operation. This system promotes daily accountability and helps prevent safety issues before trucks leave the yard.

To monitor compliance and ensure continuous improvement, half-yearly Logistics Safety Audits are conducted across all business units. Led by the Health & Safety (H&S) Team and supported by the Fleet Team, these audits include verification of documentation and records, vehicle inspections, and interviews with drivers to assess alignment with both legal and internal safety standards.

All YTL Cement fleet truck drivers are required to complete an annual one-day Defensive Driving Training (DDT). Conducted by internal driver trainers, the program includes classroom sessions, practical demonstrations, and in-cabin assessments to reinforce safe driving practices and evaluate driver competency.

To further strengthen road safety management, Fleet Team members are being trained as Work-Related Road Safety OSH-Coordinators. In FY2025, several members completed this certification through MIROS (Malaysian Institute of Road Safety Research), with the remaining team members scheduled to attend the training in FY2026. This initiative enhances internal expertise and supports a culture of road safety excellence throughout our logistics operations.



Driver performing PTI using mobile phone.

Human Resource Development

GRI 2-7

Our people are the foundation of our long-term success. We are committed to fostering a safe, inclusive, and supportive workplace where every employee is valued and empowered to grow. Through fair employment practices, continuous learning opportunities, and open dialogue, we aim to build a resilient and engaged workforce. We believe that investing in our people not only drives operational excellence but also strengthens our ability to create sustainable value for our stakeholders and the communities we serve.

The majority of our workforce consists of permanent employees, reflecting our commitment to providing stable and long-term employment. This approach supports stronger employee engagement, continuity of knowledge, and deeper alignment with our company's values and goals. By offering secure employment, we are better positioned to attract and retain skilled talent, invest in long-term development, and cultivate a dedicated and experienced team that drives our sustainability ambitions forward.

In this section, we outline our approach to responsible labour practices and our commitment to building a strong and future-ready workforce. This includes initiatives focused on attracting the right talent, retaining skilled employees, and investing in continuous development through training, performance management, and career advancement opportunities. These efforts are central to ensuring that our workforce remains engaged, competent, and aligned with our long-term business and sustainability goals.



Commitment to Local Employment

We are committed to supporting local communities by prioritising local employment and under-privileged groups across our operations. By hiring from the surrounding areas, we not only contribute to economic development but also foster stronger community ties. Our recruitment practices aim to provide fair opportunities for local talent, including upskilling and career development pathways to ensure long-term employability. This approach enables us to build a resilient workforce that understands the local context and supports our operational continuity.

Human Resource Development

Labour Standards and Practices

GRI 2-23 | 2-24 | 2-25 | 2-26 | 406-1 | 407-1 | 408-1 | 409-1

We uphold the fundamental principles of human rights as part of our responsibility to provide a safe, respectful, and fair workplace. By adhering to local laws and recognised global standards, we reinforce our commitment to ethical business practices and a supportive work environment across all operations. These include:

01 Prohibition of child labour, forced labour and human trafficking

We are against all forms of forced labour and child labour, including modern slavery, bonded labour, and human trafficking. We ensure all employment are voluntary, and workers' assent obtained without coercion. We are committed to the elimination of child labour by prohibiting the use of underage workers at our operations and by our contractors.

04 Safe and healthy working condition

We provide working conditions and environment that are safe, hygienic, and in accordance with industrial hygiene principles. We ensure compliance with local law on working hours and overtime. We also provide safe water for consumption and restrooms according to hygiene standards.

02 Equal opportunities, diversity, and inclusion

We are against all forms of discrimination against our employees based on race, colour, gender, language, religion, political or other opinion, nationality, age, disability, or other characteristics. At MCB, we value talents and performance. We promote equal pay for equal work.

05 Freedom of association and collective bargaining

Employees are granted the flexibility to express their opinions freely and safely. Feedback and constructive criticism are treated with confidentiality and raised to the relevant parties for follow up and action. We do not prevent our employees from being associated with any external bodies, so long as it does not jeopardise the Company's reputation, represent a conflict of interest and/or hinder their performance at work.

03 Prevention of harassment

We strive to protect workers from any acts of physical, verbal, sexual or psychological harassment, bullying, stalking, intimidation, abuse, or threats.

06 Compensation

Employees are ensured the right to minimum wage and fair compensation. In addition to compliance with regulations, we strive to exceed minimum wage by regularly benchmarking our compensation programme with that of the industry as part of our talent attraction and retention initiative.

Our policy on labour standards is incorporated in our Code of Conduct and Business Ethics, which is communicated to employees through our internal Bulletin and is published on both our corporate website and internal communication platform, The Blueprint.

Number of substantiated complaints concerning human rights violations

FY2023:

0

FY2024:

0

FY2025:

0

Human Resource Development

Prevention of Harrassment

We commit to providing a work environment where our employees can perform their best. We prevent bullying and workplace harassment by stating this expectation of non-discrimination and professional conduct in our Code of Conduct & Business Ethics. In addition to equipping new managers with the right skills to handle reports of bullying or harassment, we have established whistleblowing channel to enable employees and stakeholders to report incidents in confidence.

During the reporting period, we did not have any incident of labour standards non-compliance.

Prevention of Child Labour and Forced Labour

We are firmly committed to upholding human rights and maintaining ethical labour practices across all our operations. The company strictly prohibits the use of child labour and any form of forced or involuntary labour. We comply fully with all applicable local labour laws and regulations, and expect the same standards from our contractors and suppliers. Employment is based on free choice, and all workers are of legal working age as defined by national legislation. Through regular audits and supplier engagement, we actively monitor our operations to ensure a safe, fair, and respectful working environment for all.

Guided by our Human Resources (HR) pillars, we are committed to creating a safe, healthy, and inspiring workplace where every employee feels supported and empowered to reach their full potential. We invest in learning and development while we strengthen our ability to deliver exceptional products and services.

Our HR Pillars:

01	02	03
Building a Diverse and Inclusive Workforce	Ensure Employee Wellness	Growing our Talent
We build a diverse and inclusive workforce by: • Maintaining communications and engagement platforms for two-way communications • Encouraging employee volunteerism • Creating a work environment that is inclusive and promotes diversity	We uphold the well-being of our employees by prioritising H&S to promote a healthy and safe working environment. We ensure employee wellness by: • Putting in place a robust H&S management system • Develop awareness and competencies related to health and wellness • Various initiatives to promote employee wellness	We recognise and reward our employees fairly. We are committed to continuously re-skill and up-skill our employees to help them grow. We grow our talent by: • Attracting and retaining talent • Investing in people development • Having a robust performance management system that is consistent, measurable and reward good performance

Human Resource Development

Building a Diverse and Inclusive Workforce

GRI 405-1

We believe that diversity is a strength that drives innovation, collaboration, and long-term success. Our workforce reflects a wide range of backgrounds, experiences, and perspectives, and we are committed to providing equal opportunities for all employees, regardless of race, religion, gender, age, nationality, or physical ability.



We continue to foster an inclusive workplace through policies and practices that promote fairness, respect, and non-discrimination. All employees are treated with respect and provided with equal opportunities to contribute and thrive. Employment decisions such as hiring, promotions, training and benefits are based on skills, efforts, achievements and contributions. We strive to create a merit-based culture that motivates employees and encourages professional growth. Each year, we implement initiatives aimed at reinforcing workplace harmony and creating a progressive work culture where everyone feels valued and empowered to contribute. Initiatives implemented include:

Nature and community-linked CSR programmes that offer opportunities for our employees from all levels and age groups to participate as volunteers.

We regularly form cross-functional teams to manage projects and innovation programmes. This not only brings together employees from different functions but also creates opportunities for employees to lead initiatives outside their departments.

Our HR Department collaborates with Heads of Department to identify training needs, aligning them with both performance objectives and team-specific requirements.

We organise physical celebrations and staff cohesion events during major festivities to build strong employee bonds and a harmonious workplace culture.

Human Resource Development

Diversity of the Board of Directors

We value diversity within our Board of Directors as a key driver of balanced decision-making and effective governance. Our Board comprises individuals with diverse backgrounds in terms of gender, professional background, and industry expertise. This diversity supports a broader range of perspectives and enhances our ability to navigate complex challenges, strengthen oversight, and align with stakeholder expectations.

Reference	Indicator	FY2023	FY2024	FY2025
Board of Directors				
GCG03	Number of directors, company total	8	8	8
GCG04	Number of independent directors	3	3	3
Gender				
GCG05	Number of women on the board	3	3	3
C3(b)	Female, percentage	37.5%	37.5%	37.5%
C3(b)	Male, percentage	62.5%	62.5%	62.5%
Age group				
C3(b)	29 and below	0	0	0
C3(b)	30 - 50	0	0	0
C3(b)	51 - 60	12.5%*	12.5%*	0
C3(b)	61 and above	87.5%*	87.5%*	100%

* In the FY2024 Sustainability Report, the age of one director was incorrectly stated. This has been rectified in the current report. The correction does not affect any other disclosures or statements presented.

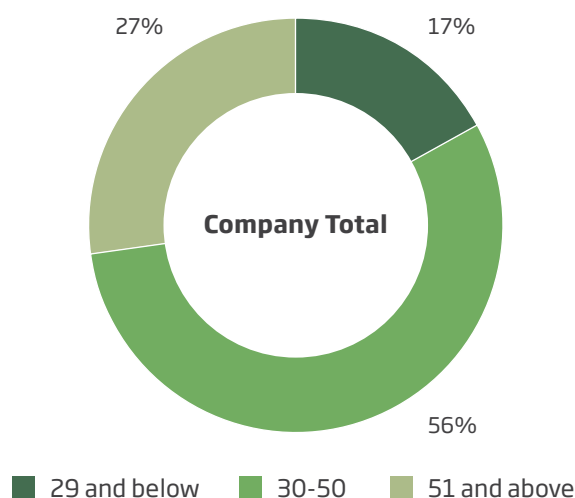
Human Resource Development

Employees Diversity

We maintain a policy of non-discrimination and respect all our employees across all roles and functions. All employees are expected to contribute to a workplace culture that is inclusive, respectful, and free from any form of harassment or bias. We are committed to upholding equal opportunities in recruitment, development, and career progression throughout the Group. This commitment is supported by our Code of Conduct and Business Ethics, which is accessible on our corporate website.

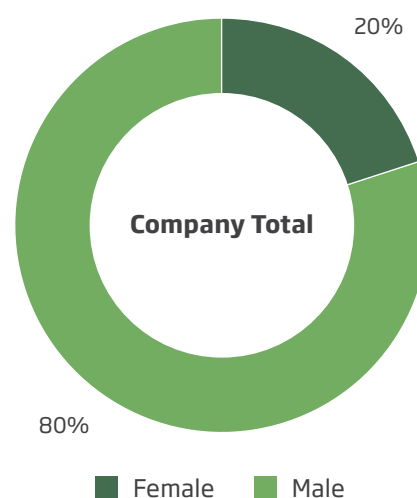
Employee Categories

% by age group



	29 and below	30-50	51 and above
Employee Level			
Top Management	0%	21%	79%
Senior and Middle Management	1%	62%	37%
Executive	13%	58%	29%
Non-Executive	34%	50%	16%
Function			
Technical & Production	18%	54%	28%
Administrative	14%	61%	24%

% by gender



	Female	Male
Employee Level		
Top Management	29%	71%
Senior and Middle Management	33%	67%
Executive	24%	76%
Non-Executive	5%	95%
Function		
Technical & Production	6%	94%
Administrative	58%	42%

Indicator	FY2023	FY2024	FY2025
Percentage of employees that are contractors or temporary staff	8%	11%	11%
Percentage of global staff with a disability	0.5%	0.4%	0.4%
Percentage of women in the global workforce	20%	20%	20%

Human Resource Development

Talent Attraction

Creating a workplace that is inclusive, engaging, and growth-oriented is central to attracting the right talent. We focus on building a strong employer brand that appeals to individuals seeking purpose-driven careers and long-term development. By offering meaningful work, career advancement opportunities, and supportive recruitment channels such as referral programmes and outreach initiatives, we continue to strengthen our ability to attract skilled and diverse candidates who can contribute to our sustained success.

We value diversity and are committed to hiring and promoting by merit. we are committed to providing employees with access to equal opportunities across MCB, regardless of their:

Race

Religion

Gender

Age

Disabilities

Employee Turnover

GRI 401-1

We recognise that retaining talent is essential to long-term business continuity and operational resilience. While some turnover is a natural part of workforce dynamics, we strive to reduce voluntary attrition through ongoing engagement and career development opportunities. Our structured performance review process, competitive compensation, and focus on employee well-being contribute to a supportive work environment that encourages long-term commitment and professional growth.

Total Number of Employee Turnover by Employee Category

Employee Turnover	FY2023	FY2024	FY2025
Company total			
Function			
Technical & Production		149	178
Administrative		40	20
Gender			
Female	45	43	44
Male	148	146	154
Age group			
Under 30		64	84
30-50		65	41
Over 50		60	73

Human Resource Development

Reference	Full-time staff voluntary turnover* rate	Turnover
SLS24	MCB	10%
SLS28	Sector	No data
SLS28	Country	16.2%

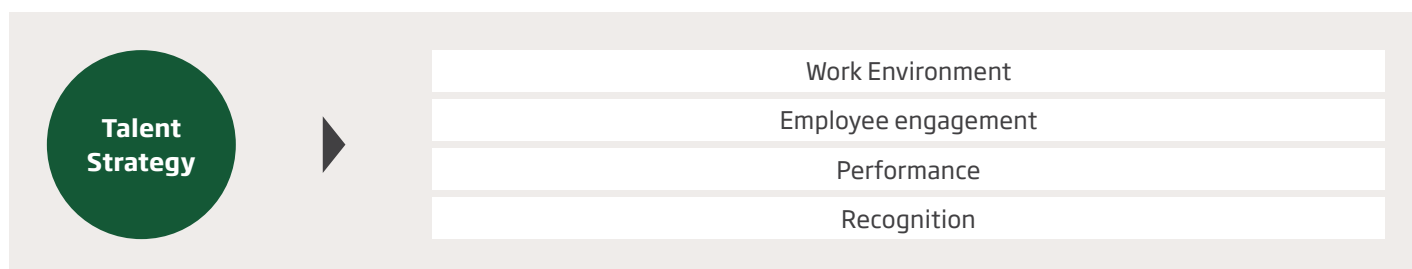
* Turnover rate calculated as the total number of turnover during the reporting period against total number of employees as of 30 June 2025.

Employee turnover at our company remains within a stable and sustainable range, indicating the effectiveness of our people-focused strategies.

Talent Retention

Retaining talent is vital to strengthening our organisational capabilities and sustaining long-term performance. We value our employees and are committed to creating an environment where they can thrive, grow and build meaningful careers with us.

Our talent strategy is built around four key pillars:



Work Environment

Fostering a positive and respectful work environment is fundamental to how we operate.

Our initiatives focus on three key areas:

01

A non-discriminatory employment where we believe in creating a workplace where everyone is respected, valued, and given the chance to contribute meaningfully. We ensure all employees are treated fairly regardless of race, gender, age, religion or background.

02

A work environment that is safe and healthy, adhering to the highest standards of occupational health and safety.

03

A conducive work environment that is essential for productivity and innovation. We strive to create a culture where collaboration, creativity, and open communication are encouraged.

Human Resource Development

Employee Engagement

We recognise that employee engagement is key to fostering a motivated and committed workforce. Regular engagement provides valuable insights, enabling us to address feedback through targeted initiatives such as incentive programmes and team-building activities. Open communication is encouraged through inter-departmental town halls and feedback sessions, which help strengthen collaboration and workplace relationships.

Performance

GRI 404-3

We maintain a structured performance management system to ensure alignment between individual contributions, departmental objectives, and overall company strategies. All employees receive regular performance and career development reviews to support their professional growth and ensure transparency in performance evaluation. Our performance framework uses a standardised template that helps track progress, provide constructive feedback, and identify development opportunities. This approach not only promotes accountability but also strengthens employee engagement and motivation across the Group.

Recognition

We are committed to recognising and rewarding our employees fairly for their contributions. Equal opportunities for growth and career advancement are fundamental to our approach, ensuring that all employees are evaluated based on merit and performance. Our compensation and benefits programmes are regularly reviewed against industry benchmarks to remain competitive and relevant. Through fair remuneration, recognition initiatives, and transparent career progression pathways, we aim to foster a motivated and high-performing workforce.



Training and Development

GRI 404-1 | 404-2

We place strong emphasis on continuous learning to individual development goals and support organisation long-term growth. Our approach encourages discipline of learning and skills transfer through various formats, including classroom sessions, on-the-job training, cross-training, and project-based learning. Employees participate in a wide range of courses addressing soft and technical skills, from plant operation, safety and compliance, to emerging technologies, and programmes aimed at personal effectiveness and strengthening leadership capabilities. We aim to build a skilled and future-ready workforce that can adapt to changing operational and industry demands.

Employee Development Training to Enhance Knowledge and Individual Skills

	Unit	FY2023	FY2024	FY2025
Total hours as a company	Hours	23,427	26,466	31,410
Average hours per employee	Hours	11.7	13.1	16

Human Resource Development

Total Hours of Training by Employee Category in FY2025

Employee Category	Total training hours		
	Female	Male	Total
Top Management	80	49	129
Senior and Middle Management	2,259	9,501	11,760
Executive	4603.5	14,120	18,723.5
Non-Executive	57	740.5	797.5
Total	6,999.5	24,410.5	31,410

Employee Role	Persons trained	Training hours
Technical & Production	1,493	24,415.5
Administrative	471	6,994.5



RISE-ing to Lead! (R.I.S.E. Program Module 1 | 19-20 May 2025)

The RISE Essential Leadership Program marks the beginning of a developmental journey designed to cultivate effective supervisory and leadership capabilities within our cement business. Structured around four progressive stages – READY, IMPACT, SHARPEN, and EMBED – the programme focuses on building core strengths such as self-leadership, emotional intelligence, problem-solving, and business acumen. Through immersive workshops, real-world assignments, and personalised coaching, RISE equips emerging leaders to lead with clarity, confidence, and a strong sense of purpose.

Visual Inspection of Welded Joints Training

Operational and technical skills are fundamental to maintaining the quality, safety, and efficiency of our operation. The Visual Inspection of Welded Joints training is a five-day competency-based programme held in September 2024, aimed at enhancing technical proficiency in weld inspection – a critical aspect of structural integrity and equipment reliability. Through the programme, participants gained hands-on experience with inspection methods, using tools and gauges, as well as learned to identify welding defects, prepare job reports and interpret inspection results.

Community Investment

Building Together with and for the Communities Around Us

BUILDS is the Corporate Social Responsibility arm of YTL Cement, dedicated to supporting causes that extend beyond business priorities. Its mission is rooted in advancing the wellbeing of people and the environment, while contributing to meaningful and sustainable progress.



Guided by three core pillars: Community, Environment, and Potential, BUILDS is dedicated to creating long-term impact in the areas where we operate. These pillars shape strategic initiatives that are often delivered through targeted sponsorships and partnerships, reinforcing our commitment to equity, inclusion, and shared prosperity.

One such initiative is the University Industry Research Consortium (UIRC), launched in October 2023, the first of its kind in Malaysia. Developed in collaboration with the Ministry of Higher Education, local universities, and subject matter experts, the UIRC supports research on tropical limestone karst landscapes and contributes to the National Mineral Policy. Complementing this effort, the UIRC Young Researcher Industrial Grant was introduced in 2024 to empower early-career lecturers with opportunities to pursue innovative ideas and strengthen collaboration between academia and industry in areas of mineral and environmental sustainability.

In parallel, we are advancing environmental awareness through training programmes for universities and the public, focused on circular economy principles and resource conservation. These efforts support our sustainability agenda while nurturing future talent, building stronger community relationships, and reinforcing our role as a responsible industry leader.

Our reach extends to state-level initiatives in Langkawi, Perak, and Pahang, where we collaborate with local Departments of Environment, NGOs, and schools. These partnerships support environmental conservation, broaden access to education, and promote greater community awareness, underscoring our long-term commitment to inclusive development through purposeful local engagement.

Our community investment programmes are in line with business strategies, especially in the areas of promoting sustainable construction and environmental responsibility. All our BUILDS initiatives are aligned with this focusing on long-term impact, delivering positive outcomes for society and our business.

Community Investment



BUILDS, YTL Cement's CSR arm, champions community, environment, and talent development—impacting 32,472 people in FY2025 while promoting sustainability and shared prosperity.

In FY2025, BUILDS initiatives received an investment of RM1,514,927.55. This funding reached 32,472 individuals and contributed to 2,268 hours of employee volunteerism, demonstrating our ongoing dedication to inclusive growth and creating shared value.

To further cultivate employee engagement, we launched the BUILDS Volunteer Programme in June 2025. This initiative matches employees with causes aligned to our three pillars, encouraging greater participation while ensuring every contribution makes a meaningful difference. Volunteers are supported throughout the process and recognised for their efforts, fostering a culture of appreciation, purpose, and collective impact across the organisation.

BUILDS' Three Core Pillars



Community

We work alongside community members and various stakeholders to enrich lives and improve livelihoods.



Sustainability

We are proactive in our effort to protect wildlife and conserve the environment around us. We aim to operate sustainably and responsibly following the appropriate standards.



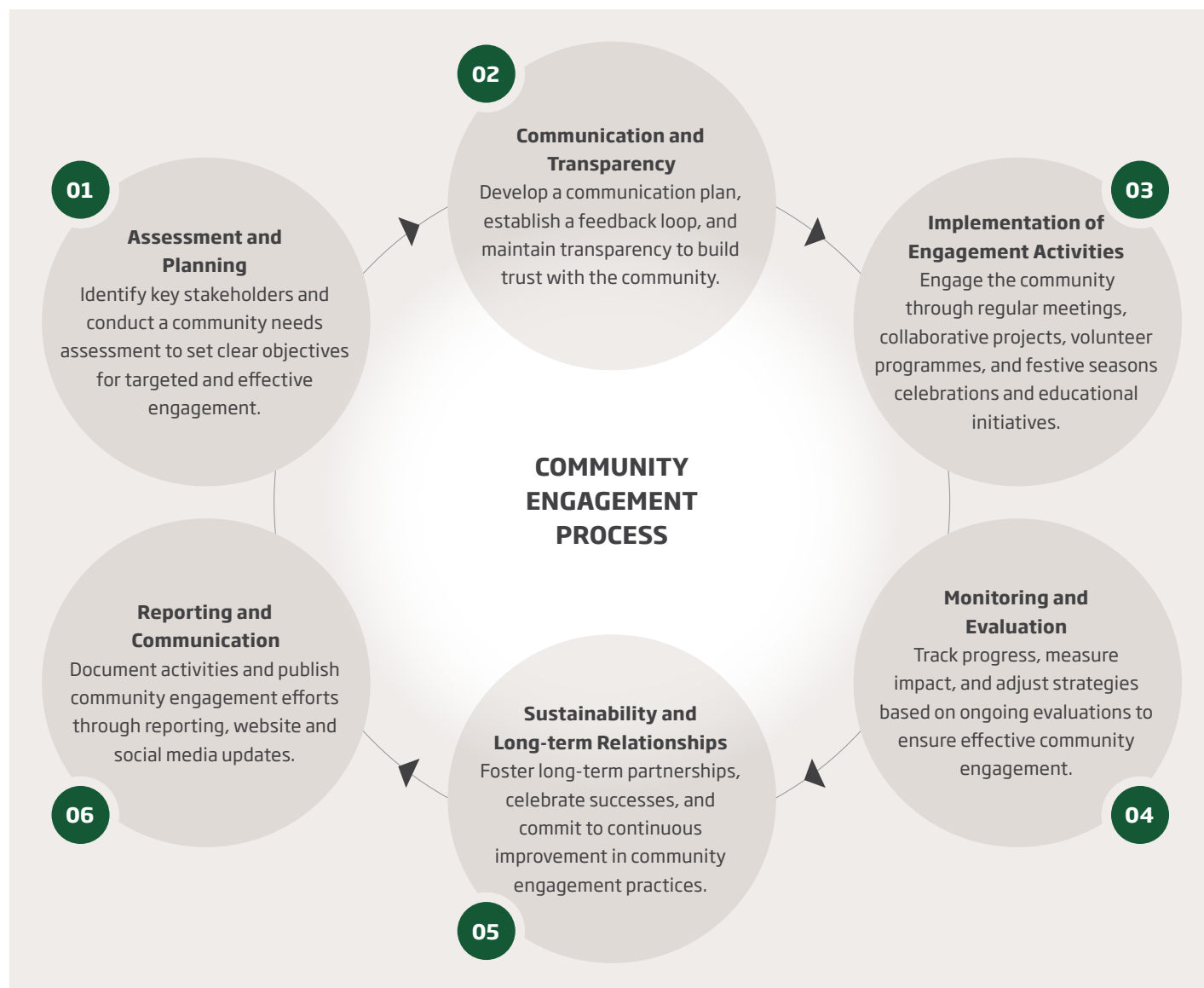
Potential

We aim to inspire and encourage creative curiosity across all levels of education, skillsets, and talent.

Community Investment

BUILDS' Community Engagement Process

Our Community Engagement Process involves proactive collaboration with local communities, managed by our dedicated plant-level committee to ensure effective and responsive engagement.



All Community Investment

	Unit	FY2023	FY2024	FY2025
Total amount*	RM	222,839	1,499,744	1,514,928
Number of beneficiaries	persons	32,646	35,635	32,472
Number of volunteers	persons	216	458	753
Total volunteering hours	hours	1,102	1,473	2,268

* Total amount invested in the community where the target beneficiaries are external to the listed issuer.

Community Investment



COMMUNITY

BUILDS works alongside community members and various stakeholders to enrich lives and improve livelihoods

Community Projects

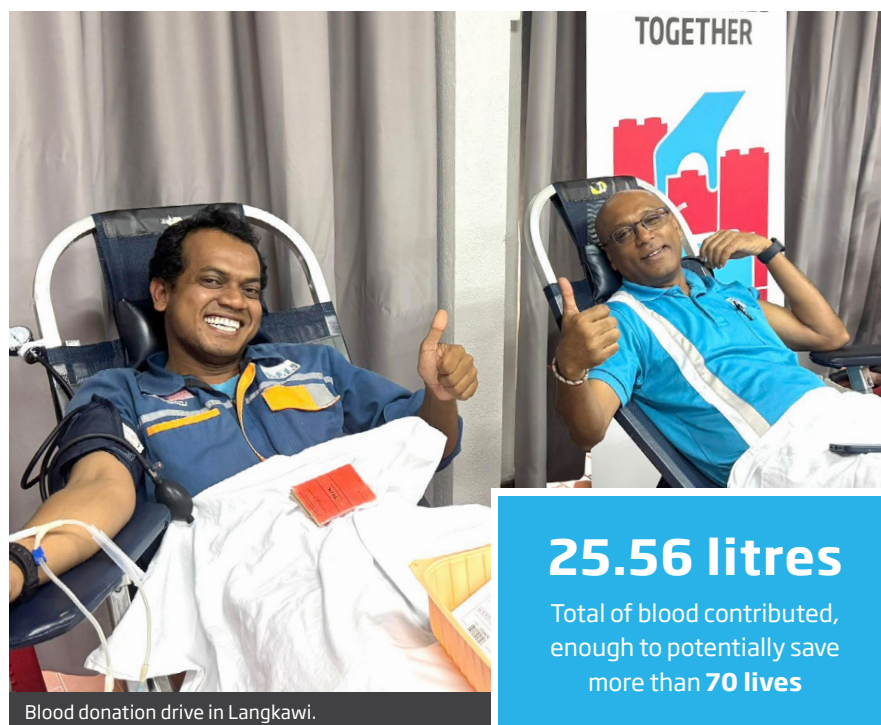
	Unit	FY2023	FY2024	FY2025
Total spend	RM	69,851	81,955	1,082,405
Number of beneficiaries	persons	12,393	14,585	12,792
Number of volunteers	persons	88	249	301
Total volunteering hours	hours	355	616	761

In line with our continued dedication to community development, we have launched initiatives aimed at addressing local needs and unlocking long-term opportunities. Through targeted funding, in-kind support, and active volunteerism, we remain committed to improving the well-being and resilience of the communities we serve.

Blood Donation to Save Lives

As part of our ongoing commitment to public health and community well-being, we participated in two blood donation campaigns during the financial year. Both events were held at our Langkawi Plant in collaboration with Hospital Sultanah Maliha.

In May 2025, 34 employees contributed a total of 10.78 litres of blood. A second campaign held in November 2025 saw 30 employees donating 14.78 litres. Altogether, these efforts collected over 25.56 litres of blood, enough to potentially save more than 70 lives.



Blood donation drive in Langkawi.

25.56 litres

Total of blood contributed, enough to potentially save more than **70 lives**

Community Investment

YTL Cement Extends Support to PERAK Education Fund

Driven by our dedication towards fostering educational advancement and nurturing future leaders, YTL Cement extended a RM1 million contribution to the Yayasan Bina Upaya Darul Ridzuan in 2025. This strategic investment reflects our strong partnership with the state of Perak and our dedication to supporting equitable access to quality education for students from diverse socio-economic backgrounds.

The Perak Education Fund was established to empower students from underserved communities by providing scholarships, financial assistance, and academic support programmes aimed at reducing barriers to education. To date, a total of 749 students has directly benefitted from these initiatives, gaining access to both secondary and tertiary education, equipping them with the knowledge and skills needed to succeed in an increasingly competitive and knowledge-based economy.

Beyond educational support, RM198,400 from the fund was channelled to assist families in need, including new entrepreneurs striving to build a better livelihood, as well as families affected by natural disasters in which reflecting a holistic approach to community upliftment.

By investing in young talents within the communities where we operate, we are actively contributing to the development of a skilled, resilient, and empowered generation that can drive Malaysia's sustainable future. This contribution not only strengthens our relationship with the Perak state government but also reinforces our role as a responsible and community-focused industry leader.

Cement Donations to Support Local Infrastructure Development

As part of BUILDS' continued efforts to support local development, YTL Cement contributed to community infrastructure through targeted cement donation initiatives in 2025. These donations supported the refurbishment and upgrading of key facilities, helping to improve safety, accessibility, and functionality for residents.

Beneficiaries included public institutions, schools, and places of worship such as BOMBA Langkawi, SK Sungai Menghulu, Kampung Ewa Community, SRJK (C) Chung Hwa, and Balai Polis Padang Matsirat in Langkawi, as well as the Chemor Sri Mamaratther Muniswarar Temple and the Taman Chemor Idaman Community in Perak.

These contributions are part of our broader strategy to strengthen public amenities and contribute meaningfully to the long-term development of the communities we serve.

Community Investment

Celebrating Cultural Diversity Through Community Engagement

Festive celebrations continued to serve as a vital part of our community outreach under BUILDS, allowing us to strengthen relationships, honour cultural traditions, and provide meaningful support to the communities surrounding our operations.

In conjunction with Deepavali, the Kanthan Plant organised a hamper distribution programme for 30 underprivileged families in Taman Dovenby, Sungai Siput. Each hamper was distributed by a team of 15 Kanthan Plant volunteers. The initiative was part of our effort to ensure that the joy of the festival was shared inclusively with the local community.

To celebrate Chinese New Year, Kanthan Plant supported SJK (C) Rimba Panjang's Standard Six Graduation Day, which was held in conjunction with the festive celebration. A total contribution of RM3,000 was made to support the event, and was attended by close to 500 participants, including students, teachers, parents, and local residents. In addition, 30 festive hampers were distributed to members of the local Chinese community in Kanthan Baru, further reinforcing our commitment to cultural inclusivity and goodwill.

During the holy month of Ramadhan, BUILDS organised a series of impactful engagements. At Masjid Bukit Sagu in Pahang, a donation enabled the mosque to host a *Majlis Berbuka Puasa* for 100 community members. In Langkawi, a *buka puasa* gathering was held with 102 guests in attendance, fostering unity and reflection during this significant month. At Perak Hanjoong Simen, more than 150 employees gathered at the plant for an iftar session, followed by a second gathering attended by the engineering team and Heads of Department which demonstrating the importance of internal solidarity.

Further outreach in Padang Rengas, Perak and Bukit Sagu, Pahang included donation drives that supported 25 mosques, surau, and police stations, reaching an estimated 2,700 community members. These efforts enabled places of worship and service to better support their congregations and maintain vital connections during the fasting period.



Community Investment

BUILDS celebrated festivals with hamper donations, support for local events, and community gatherings during Deepavali, Chinese New Year, Ramadhan, and Hari Raya, fostering unity and support in the communities.

In preparation for Hari Raya Aidilfitri, the Kanthan Plant in Perak led a celebration and donation drive with residents of Taman Dovenby, Sungai Siput. The event began with hamper donations and continued with a majlis berbuka puasa held at the Surau Taman Dovenby. In Langkawi, an internal Hari Raya gathering brought together employees and stakeholders in a joyful setting, strengthening workplace bonds. Whereas our Perak Hanjoong Simen team organised a large-scale celebration that united 150 employees and 50 invited guests, including representatives from key stakeholders, reflecting the spirit of collaboration and appreciation among community partners.

Across all festive programmes, we combined cultural celebration with practical support, distributing hampers, contributing to local events, and hosting inclusive gatherings that fostered unity, dignity, and mutual respect.

Supporting Communities with Proceeds from BUILDS Recycling Open Day

As part of our efforts to promote a circular economy and support social enterprises, we concluded the BUILDS Recycling Campaign with the handover of proceeds raised during the BUILDS Recycling Open Day held at Wisma YTL Cement. The funds were channelled to Hara Makers, a local upcycling social enterprise, during a ceremony at PJ Eco Recycling Plaza on 17 December 2024.

The donation will support Hara Makers in advancing environmental sustainability while generating economic opportunities for marginalised groups. By equipping individuals, particularly housewives and single mothers with sewing and upcycling skills, the initiative enables them to transform discarded materials into eco-conscious products. Programmes such as *Reimagine Plastic* and *We Are Still Useful (WASU)* exemplify the enterprise's mission to turn waste into resources while uplifting livelihoods.

This initiative reflects our continued commitment to responsible waste management, community development, and inclusive growth.



Community Investment

Greening Langkawi Through National Environment Day 2024

On 22 October 2024, BUILDS collaborated with the Penang Port Commission (PPC) to commemorate Hari Alam Sekitar Negara 2024 through a large-scale tree planting event hosted at Kedah Cement Jetty in Langkawi. The initiative was supported by the Kedah Forestry Department and reflected months of careful preparation by the Langkawi Plant team to ensure sustainable implementation.

The effort culminated in the planting of 40 Merawan Siput Jantan trees within the jetty grounds, complemented by 700 forest trees donated by the Kedah Forestry Department. Preparatory work included soil enhancement, repurposed conveyor belts as planting "pots," and an automated watering system to ensure long-term care and tree survival.

Officiated by the Chairman of PPC, Tuan Jeffrey Chew Gim Eam, the event welcomed around 100 participants, including representatives from the Kedah DOE, Kedah Forestry Department, Langkawi Development Authority (LADA), Jabatan Kerja Raya (Langkawi), SK Ewa, SK Penghulu Ahmad, Petronas, and the Langkawi Police.

BUILDS and the Penang Port Commission planted 740 trees in Langkawi and removed 620 kg of plastic waste from a local beach, emphasising sustainability and community engagement.



Community Investment

In Langkawi, we demonstrated our commitment to environmental sustainability through a targeted beach cleaning initiative near our plant operations. Thirty-one dedicated employees joined forces with five contractors in a collective effort that removed an impressive 620 kg of plastic waste and bottles from the coastal area. This hands-on activity not only addressed immediate pollution concerns but also served as a powerful platform for raising awareness about marine conservation among participants and the local community.

The success of this initiative reflects BUILDS' integrated approach to environmental stewardship, where operational responsibility converges with community engagement. By physically restoring the beach ecosystem while simultaneously educating stakeholders, we create dual impact: immediate environmental improvement and long-term behavioral change. Such efforts directly support our broader sustainability goals of reducing pollution and promoting circular economy principles.

Each of these interconnected initiatives underscores BUILDS' commitment that environmental protection requires both action and education. Through such hands-on, employee-driven activities, we translate corporate sustainability commitments into tangible local improvements while fostering a culture of environmental responsibility among our workforce and partners.

Creating High-Value Jobs for the local Community

Our operations across the country create high-value jobs for the local community, with 90% of our plant workforce comprising local talent, including engineers, technicians, and managers. We also extend our commitment to local economic growth by engaging and supporting local suppliers throughout our supply chain. By sourcing materials and services locally, we create additional job opportunities, strengthen local businesses, and foster a more resilient and interconnected economy. This approach not only drives sustainable growth but also ensures that the benefits of our operations contribute directly to the long-term prosperity and stability of the communities we serve.

Our Performance

Reference	Indicator	FY2024	FY2025
Bursa C7(a)	Proportion of spending on local suppliers	70%	61%

In the reporting period, the proportion of spending on local suppliers has reduced due to implementation of capital expenditure projects in our cement operation.

Community Investment



SUSTAINABILITY

BUILDS is proactive in our effort to protect wildlife and conserve the environment around us. We aim to operate sustainably and responsibly following the appropriate standards.

Sustainability Projects

	Unit	FY2023	FY2024	FY2025
Total spend	RM	62,282	69,646	236,684
Number of beneficiaries	persons	1,671	2,500	1,136
Number of volunteers	persons	86	165	314
Total volunteering hours	hours	650	737	1,250

BUILDS is proactive in our efforts to conserve biodiversity and the environment around us.

Annual Environmental Education and Volunteer Programme: Building Environmental Stewardship Through Collective Action

Since 2022, our Annual Environmental Education and Volunteer Programme has served as a foundation of our commitment to environmental stewardship and community engagement. Anchored in the belief that real change happens when everyone plays a part, this programme brings together a diverse combination of stakeholders which includes government agencies, local communities, schools, NGOs, business partners, and our own employees in a shared mission to protect, restore, and preserve our natural environment.

Since 2022, our Environmental Education and Volunteer Programme has brought together stakeholders in conservation efforts, promoting sustainability through activities like reef planting, clean-ups, and tree planting.

In FY2025, the programme continued to drive collaborative action through hands on volunteering and education efforts in Langkawi, Perak, and across our plant communities. Activities included coral preservation and conservation - terms used in the press release, clean-up campaigns, recycling drives, and tree planting, each designed to raise awareness and strengthen local environmental resilience.

The initiative also provides more opportunities for our employees to volunteer meaningfully. By extending participation across different plants and business units, we have enabled a wider group of staff to take part in environmental action. These shared experiences reinforce our values and encourage ownership in the company's sustainability journey.

Through strategic partnerships and inclusive design, the programme continues to bring lasting benefits to communities and ecosystems while fostering a culture of responsibility across our organisation.

Community Investment

Preserving Coastal Beauty Through Community Action

The Langkawi Plant team co-organised a beach clean-up on 17 May 2025 at Pengkalan Nelayan Pasir Hitam. The initiative was carried out in collaboration with Trash Hero Langkawi and brought together volunteers from across the community, including employees, their families, local communities, and Trash Hero representatives.

Together, the group collected nearly 300 kilograms of trash, ranging from plastic bottles and ropes to styrofoam, slippers, clothing, and discarded lighters. The activity not only helped restore the cleanliness of the coastal area but also raised awareness about the growing issue of marine waste.

This initiative is part of the Langkawi Plant team's broader mission to protect the island's natural environment while strengthening ties with the community.



Tree Planting Across Perak and Langkawi: Growing Greener Together

Driven by our deepening commitment to environmental stewardship, we planted a total of 769 trees across Perak and Langkawi during the financial year. This is our most ambitious effort to date and reflects our dedication to restoring natural spaces while engaging employees and communities in meaningful climate action.

In Perak, 150 trees were planted within the quarry area of our Perak Hanjoong Simen Plant. Over four months, 10 employee volunteers dedicated their Saturdays to this effort, helping to rejuvenate our industrial landscape with hardy native species. This initiative reflects BUILDS' commitment to sustainability through practical action and employee involvement.

In Langkawi, our team spent eight months working with local schools and authorities to plant 619 trees across the island. These efforts included collaborations with SK Penghulu Ahmad and Tabika KEMAS Kedah Cement. A total of 90 trees were planted at the Kedah Cement premises, supported by a tree donation from the Kedah Forestry Department. Sustainability was further embraced through the creative reuse of detergent containers, which were transformed into watering cans by employees and local recycling centres.

In FY2025, we planted 769 trees across Perak and Langkawi, strengthening our commitment to environmental stewardship through employee and community collaboration.

Community Investment

On 15 May 2025, another session was held at Housing B where 46 Merawan Siput Jantan trees were planted. Students, teachers, residents, and employees joined hands to green the housing entrance and promote environmental awareness.

Altogether, more than 1,400 trees have been planted across Perak and Langkawi over the past three years. As we look ahead, we are committed to expanding these efforts and continuing to build stronger and greener communities.



Interplant Recycling Campaign: Driving Sustainable Waste Management Across Our Operations

As part of our commitment to sustainability and operational excellence, BUILDS launched the 2024 Interplant Recycling Campaign across all YTL Cement facilities. This campaign aimed to promote waste reduction, enhance resource efficiency, and strengthen employee involvement in advancing our environmental goals.

The campaign set out with an ambitious target of collecting 10,000 kg of recyclable materials and thanks to the outstanding participation and collective effort of employees across all sites, we far exceeded this goal. A total of 81,346.90 kg of recyclables was collected, comprising 42,681.29 kg of paper, 17,864.60 kg of metals, 1,304.60 kg of e-waste, 869.70 kg of plastics, and 866.01 kg of textiles. Recycling stations were installed at strategic points across each plant, supported by clear signage and educational materials to guide employees on proper waste segregation practices.

The campaign fostered friendly competition between sites and inspired a strong sense of ownership among teams. Perak Hanjoong Simen Sdn. Bhd. emerged as the top-performing plant, collecting a remarkable 26,425 kg of recyclables. In recognition of their achievement, the plant was awarded RM2,000 to celebrate the success with their team. This outstanding performance highlights the power of teamwork and shared environmental responsibility.

BUILDS' 2024 Recycling Campaign exceeded its 10,000 kg goal, collecting 81,346.90 kg. Perak Hanjoong Simen led with 26,425 kg. The campaign also involved community outreach and sustainability initiatives like school partnerships and beach cleanups.

Community Investment

Beyond internal engagement, several plants extended their impact through community outreach. The Kanthan Plant donated recycled textiles to support Orang Asli communities in Perak, contributing to local well-being through responsible reuse. The Perak Hanjoong Simen Plant partnered with Sekolah Menengah Kebangsaan Tun Perak, organising a recycling initiative that included donations to the Padang Rengas community and involvement of students in sustainability practices. Meanwhile, the Langkawi Plant conducted a beach cleanup and recycling drive, mobilising 40 volunteers to preserve the local coastal environment while fostering public awareness on responsible waste disposal.

The success of the Interplant Recycling Campaign demonstrates how targeted environmental initiatives can create simultaneous benefits, reducing our ecological footprint, engaging employees, supporting local communities, and improving operational practices. As we continue to scale and refine this programme, it stands as a strong example of how circular economy principles can be effectively implemented across industrial operations.



Recycling collection at Langkawi Plant.

Recycling Open Day at Wisma YTL Cement

BUILDS successfully organised a Recycling Open Day at Wisma YTL Cement, engaging both employees and the local community in a collective effort to promote environmental sustainability. The event resulted in the collection of 3,173 kg of recyclable materials, including paper, plastics, metals, and electronic waste, through the active participation of 25 employees and community members. This initiative not only diverted a significant amount of waste from landfills but also raised awareness of responsible waste management and the importance of adopting a circular economy model.

The event featured educational booths and interactive activities designed to demonstrate proper waste segregation and highlight the environmental benefits of recycling. Participants gained valuable insights into how everyday materials can be repurposed into useful resources.

Attendees participated in engaging activities designed to raise eco-consciousness. A candle-making workshop, hosted by Hara Makers, provided an opportunity to craft eco-friendly candles, with proceeds going towards the refugee and B40 communities. Fun and interactive mini games educated both children and adults on the importance of recycling in a light-hearted manner.

BUILDS successfully organised a Recycling Open Day at Wisma YTL Cement, collecting 3,173 kg of recyclables, raising environmental awareness, and supporting social impact through educational activities, a candle-making workshop, and proceeds for the refugee and B40 communities.

Community Investment

Guests also enjoyed refreshing Farm Fresh milk and ice cream, while each attendee received a BUILDS drinking bottle as a token of appreciation for their contribution to the campaign.

The success of this year's campaign went beyond environmental gains. At the Open Day, funds raised from recyclables were channelled to a Hara Makers, underscoring YTL Cement's commitment to sustainability and social impact.

The strong response to the Recycling Open Day underscores a growing environmental consciousness among our employees and community stakeholders. This successful initiative will serve as a catalyst for broader sustainability programmes, with plans already in motion to implement regular recycling campaigns across all operational sites. By sustaining this momentum, we aim to institutionalise sustainable waste management practices that contribute meaningfully to reducing our environmental footprint while encouraging positive behavioural change across the communities in which we operate.



Community Investment



Potential

BUILDS aims to inspire and encourage creative curiosity across all levels of education, skillsets, and talents.

Potential Projects

	Unit	FY2023	FY2024	FY2025
Total spend	RM	90,704	1,348,143	195,839
Number of beneficiaries	persons	18,582	18,550	18,544
Number of volunteers	persons	42	44	47
Total volunteering hours	hours	97	120	110

BUILDS works with Ministry of Higher Education on limestone karst research

As part of our ongoing efforts to support education and environmental conservation, BUILDS has partnered with the Ministry of Higher Education (MOHE) in launching Malaysia’s first University-Industry Research Consortium (UIRC). This initiative marks a significant milestone in strengthening the link between academia and industry to support Malaysia’s transition to a more sustainable and knowledge-driven economy.

The UIRC was developed in collaboration with five leading local universities; Universiti Kebangsaan Malaysia (UKM), Universiti Sains Malaysia (USM), Universiti Malaysia Pahang Al-Sultan Abdullah (UMPAS), Universiti Malaysia Sabah (UMS) and Universiti Malaysia Sarawak (UNIMAS). Through this initiative, it is aimed to help in advancing research on tropical limestone karst landscapes, a critical yet often overlooked area in environmental conservation and land-use planning. This long-term programme seeks to generate new scientific insights that will inform and enhance the implementation of the National Mineral Policy, while also shaping future environmental management strategies.

Through this collaboration, YTL Cement has committed to funding research grants over a five-year period, supporting postgraduate students in conducting specialised studies. The UIRC also serves as a platform for knowledge exchange between researchers, industry practitioners, and policymakers, ensuring that research outputs are relevant, applicable, and aligned with the country’s sustainability objectives.

The consortium adopts a multi-disciplinary research approach which focusing in five key thematic areas:

Geodiversity and tropical limestone karst landscapes.
Biodiversity and tropical limestone karst ecosystem.
Archaeology, history and culture in tropical limestone karst.
Economic and sustainable management of limestone resources.
Sustainable use of tropical limestone karst for conservation and public education.

Community Investment

These research areas were selected to support the implementation of the National Mineral Policy, while also contributing to broader national goals in environmental sustainability, heritage conservation, and education.

This initiative builds upon YTL Cement's earlier efforts to map the geological and biological value of Bukit Kanthan Geosite, which contributes to the Perak State Government's designation of Lembah Kinta as a National Geopark. Looking ahead, YTL Cement plans to establish a dedicated Research and Education Centre at Bukit Kanthan to serve as a national hub for limestone karst conservation and knowledge exchange.

Beyond advancing scientific knowledge, the UIRC reflects BUILDS' potential and education pillar by nurturing local talent and fostering the next generation of environmental leaders. By equipping students with real-world research opportunities, we aim to empower them with the skills and experience needed to contribute meaningfully to national and global sustainability challenges.

This initiative reinforces BUILDS' role in bridging industry and academia, while demonstrating our commitment to long-term environmental and educational progress. It stands as a testament to our belief that meaningful partnerships can drive impactful, system-wide change—both for our industry and for the nation.

BUILDS launched Malaysia's first University-Industry Research Consortium (UIRC) with MOHE, advancing limestone karst research to support sustainability and foster academia-industry collaboration.

UIRC Roadshow: Promoting research and industry collaboration

To further strengthen awareness and engagement, UIRC Roadshow was introduced to connect directly with students, researchers and faculty across participating universities. Students and academic leaders gathered at their respective universities; Universiti Kebangsaan Malaysia (UKM) and Universiti Malaysia Sabah (UMS), to explore collaborative research opportunities under the consortium.

The roadshows were led by Professor Emeritus Dato' Dr. Ibrahim Komoo, who is also the UIRC Director. He highlighted the importance of limestone karst research in sustainable development. Professor Dato' Dr. Mokhtar Saidin also provided insights into archaeology in karst environment, followed by Q&A session.

The roadshow plays a vital role in connecting academia and industry, supporting BUILDS' goal to nurture future researchers and strengthen national sustainability efforts.



Community Investment

UIRC Industrial Grant for Young Researchers

Under the umbrella of the University-Industry Research Consortium (UIRC), YTL Cement introduced the UIRC Industrial Grant for Young Researchers, an initiative designed to support early-career lecturers from participating universities in advancing research on tropical limestone karst sustainability.

This grant is specifically targeted at young lecturers—academics in the early stages of their careers, who demonstrate research potential and commitment to contributing towards Malaysia's environmental knowledge base. The programme provides financial assistance, industry exposure, and collaborative opportunities to help these researchers generate impactful studies aligned with national sustainability objectives.

By empowering young academics through funding and industry-academic collaboration, the UIRC Industrial Grant not only strengthens Malaysia's research capacity but also nurtures the next generation of thought leaders in environmental conservation. This initiative reinforces BUILDS' commitment to fostering long-term, research-driven sustainability solutions that benefit both the academic sector and the nation's development goals.

UIRC Inaugural Symposium

In December 2024, BUILDS hosted the first UIRC Symposium under the University-Industry Research Consortium (UIRC), bringing together 45 participants including post-graduate students, young researchers, academic experts, and representatives from the Ministry of Higher Education, led by Datuk Professor Dr. Azlinda binti Azman, Director General of Higher Education.

The symposium provided a platform to exchange insights on Malaysia's tropical limestone karst landscapes, covering key themes such as biodiversity, geodiversity, and cultural heritage. Young lecturers also presented UIRC-funded research, highlighting the role of academia in informing sustainable site planning and national policy.

Supported by a dedicated scientific committee, the event reinforced the consortium's goal to bridge academic research with real-world industry and environmental applications. The symposium marks a key milestone in fostering collaboration and developing research that supports the National Mineral Policy.



Community Investment

YTL Cement Scholarship Scheme

The YTL Cement Scholarship provides essential support to students pursuing tertiary education at local institutions, enabling them to realise their academic potential and contribute meaningfully to the nation's development. In 2025, we welcomed 7 new recipients, bringing the total number of scholars supported since the programme's inception in 2007 to 101. Reflecting our continued commitment to capacity building, the scholarship was previously focused on engineering disciplines and has now been extended to include students undertaking a Bachelor of Science in Chemistry. This expansion aligns with our long-term goal of developing a skilled, future-ready workforce that will strengthen Malaysia's construction and materials science sectors.

Back-to-School programme

In support of our long-standing commitment to equitable education, we implemented the Back-to-School Programme across two key plant locations—Langkawi and Kanthan. This initiative aimed to support students from underserved communities as they prepared for the new academic year by providing school vouchers and essential educational materials.

In Langkawi, the programme was carried out in collaboration with SK Ewa. A total of 30 students received RM50 school vouchers to help ease the cost of school supplies. The event, which also featured the 'Permainan Tradisional Wow Madani' cultural activity, was held with the involvement of local community leaders including Dato' Halimah Hassan, Director of Green Enable Technologies, and Mr. S. Jayasimhan, Senior General Manager of the Langkawi Plant.

BUILDS launched the Back-to-School Programme at Langkawi and Kanthan plants, providing 180 underserved students with school vouchers and supplies, while fostering community engagement through cultural activities and educational support.

In Kanthan, the initiative reached 150 students from Standard 1 to 6 at Sekolah Jenis Kebangsaan Tamil Ladang Dovenby in Sungai Siput, Perak, on 24 February 2025. The team, led by Mr. Sekar Kaliannan, Senior General Manager of the Kanthan Plant, distributed school workbooks and supplies to help students begin their academic journey well-equipped and confident.

This initiative, anchored under BUILDS' Education Pillar, reinforces our continued efforts to promote access to quality education and deepen our engagement with the communities in which we operate.



Community Investment

Expanding Access to Holistic Education: Bintang Cemerlang 2.0

Bintang Cemerlang, an initiative by Sentul Raya Sdn Bhd (a subsidiary of YTL Land), was first launched in 2008 in collaboration with the Ministry of Education and Dewan Bandaraya Kuala Lumpur (DBKL) to support educational development among schoolchildren in the Sentul community.

In 2025, Sentul Raya introduced Bintang Cemerlang 2.0, a refreshed programme in partnership with BUILDS, UCSI University, and the Department of Federal Territories (Jabatan Wilayah Persekutuan). Through Bintang Cemerlang 2.0, we continue our commitment to inclusive education for schoolchildren from B40 families residing in Program Perumahan Rakyat (PPR) communities in Sentul.

The programme offers enrichment programme in core subjects such as Bahasa Melayu, English, and Mathematics, while incorporating creative, physical, and values-based learning to promote holistic development. Besides that, the teachers from participating schools will be offered the opportunity to go through workshops to equip them with the right skills to support the implementation of the programme.

BUILDS supports Bintang Cemerlang 2.0 through in-kind contributions, on-ground coordination, and the active participation of its volunteers.

Bintang Cemerlang at a Glance

01

Established in 2008 through a strategic partnership with Sentul Raya Sdn Bhd, the Ministry of Education, and DBKL.

02

80,000+ beneficiaries (students and their families) since inception.

03

Focused on **holistic education** – academics, sports, arts, and sustainability.

04

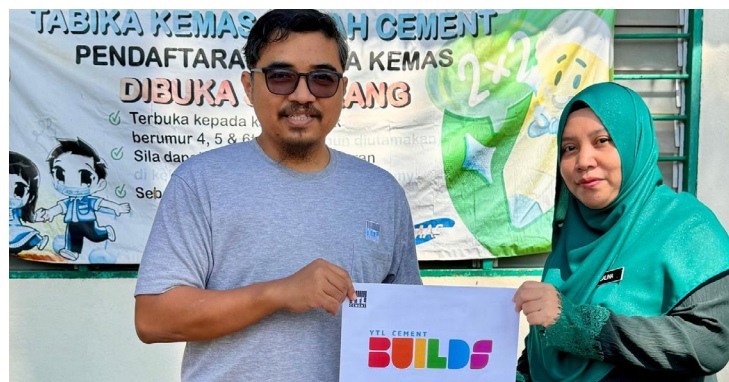
In **2024**, BUILDS became the main implementor, lending expertise and manpower to expand its reach and impact.



Community Investment

BUILDS Supports School Extra-Curricular Programmes

We continue to support our adopted schools by funding their extracurricular programmes. These activities play an important role in complementing academic learning, giving students the chance to explore new interests, uncover their strengths, and build key life skills for the future. In the current financial year, we have contributed to the following initiatives:



1	Tournament Chess MSSD Kedah for Sekolah Kebangsaan Ewa in July 2024	13	Donation to update petanque court for Sekolah Menengah Kebangsaan Bukit Goh in January 2025
2	Donation for co-curriculum unit development Netball Tournament Langkawi (MSSK Kedah) for Sekolah Penghulu Ahmad in July 2024	14	Donation of two sets of ReRo Micro to Sekolah Menengah Kebangsaan Bukit Goh's computer club in January 2025
3	Support track and field championship for Sekolah Kebangsaan Bukit Sagu and Sekolah Kebangsaan Bukit Kuin in July 2024	15	Donation to joint uniform units camps for Sekolah Kebangsaan Bukit Sagu in January 2025
4	Programme for Sekolah Menengah Kebangsaan Bukit Sagu in August 2024	16	Support Sekolah Kebangsaan Bukit Sagu cross-country running event in February 2025
5	Donation for sports championship to Sekolah Kebangsaan Bukit Sagu 1 for 2024/2025 session in August 2024	17	Support Sekolah Menengah Agama Al-Maarif's Science Innovation team to Bangkok International Intellectual Property, Invention, Innovation and Technology (IPITEx 2025) international level in February 2025
6	Support robotic team for the National Robotic Competition at the national level for Sekolah Menengah Kebangsaan Bukit Goh in September 2024	18	Support archery sports facility of Sekolah Kebangsaan Ewa in November 2024 and May 2025
7	"Program Satu Murid Satu Sukan" sports equipment and jerseys donation for Sekolah Kebangsaan Langkawi in October 2024	19	Support track and field championship for Sekolah Kebangsaan Bukit Sagu, Sekolah Kebangsaan Bukit Sagu 2 and Sekolah Kebangsaan Bukit Kuin in May 2025
8	Support joint uniform units camps for Sekolah Kebangsaan Bukit Sagu 2 and Sekolah Kebangsaan Bukit Kuin in October 2024	20	Support 'Development Plan of Student Athletes' for Sekolah Maktab Mahmud Langkawi in May 2025
9	Support green project "Taman Herba" for SJK(C) Min Man and SJK(C) Chung Hwa in October 2024	21	Donation for track and field championship for Sekolah Kebangsaan Bukit Sagu in June 2025
10	Build goalposts for handball team of Sekolah Kebangsaan Ewa in November 2024	22	Donation for track and field championship for Sekolah Kebangsaan LKPT Bukit Goh in August 2025
11	Support robotic team to participate in World Robot Games, Singapura (WRG 2024) for Sekolah Menengah Kebangsaan Bukit Goh in November 2024	23	Donation for track and field championship for Sekolah Kebangsaan Bukit Goh in July 2025
12	Support Sports Day for Tabika KEMAS Bukit Kuantan in December 2024	24	Donation for sports championship to Sekolah Kebangsaan Bukit Sagu 1 for 2025/2026 session in August 2025

Community Investment

Celebrating Culture and Creativity Through Art

Since 2019, we have proudly supported Malaysian artists through a special programme that features their artwork on our signature cookie jar—a diplomatic gift sent to friends and partners around the world. Each year, the chosen artwork is also replicated on the cover of our annual report, maximising its reach and helping to spotlight local talent on a global platform.

Through our Potential Pillar, we continue to inspire and encourage creative curiosity across all levels of education, skillsets, and talents. This year, we are proud to feature renowned Malaysian artist Ronnie Mohamad and his Tug-of-War series on our cookie jar. The artwork is a powerful representation of teamwork, trust, and discipline—values that echo our commitment to community-building and shared progress.

Ronnie's work captures the spirit of tug-of-war, a sport deeply rooted in collective effort, strategy, and perseverance. Central to his visual narrative is the anchor, a symbol of strength and reliability that mirrors the unity required to achieve success—both on the field and within communities.

An established figure in Malaysia's art scene, Ronnie began his journey as a self-taught artist at the age of 17, mastering various mediums including pastel, oil, acrylic, and charcoal. His deep expertise in portraiture and the human figure allows him to bring subjects to life with both technical precision and emotional resonance. Ronnie's work is not only visually compelling but also carries a strong cultural thread—preserving local stories and traditions through his artistic lens.

"Art is my way of storytelling and preserving culture. For this series, I focused on tug-of-war, a sport that symbolises teamwork and community effort. I travelled to Terengganu, Malaysia, to photograph authentic scenes, capturing the energy and emotions of the players."

Using charcoal, I emphasised the contrast of strength and determination, with texture adding depth and emotion. Each stroke reflects the players' focus and energy.

This artwork celebrates Malaysia's heritage by showcasing unity and determination. Through it, I hope to share our culture and inspire others to appreciate the stories that shape us."

– Ronnie Mohamad



Community Investment

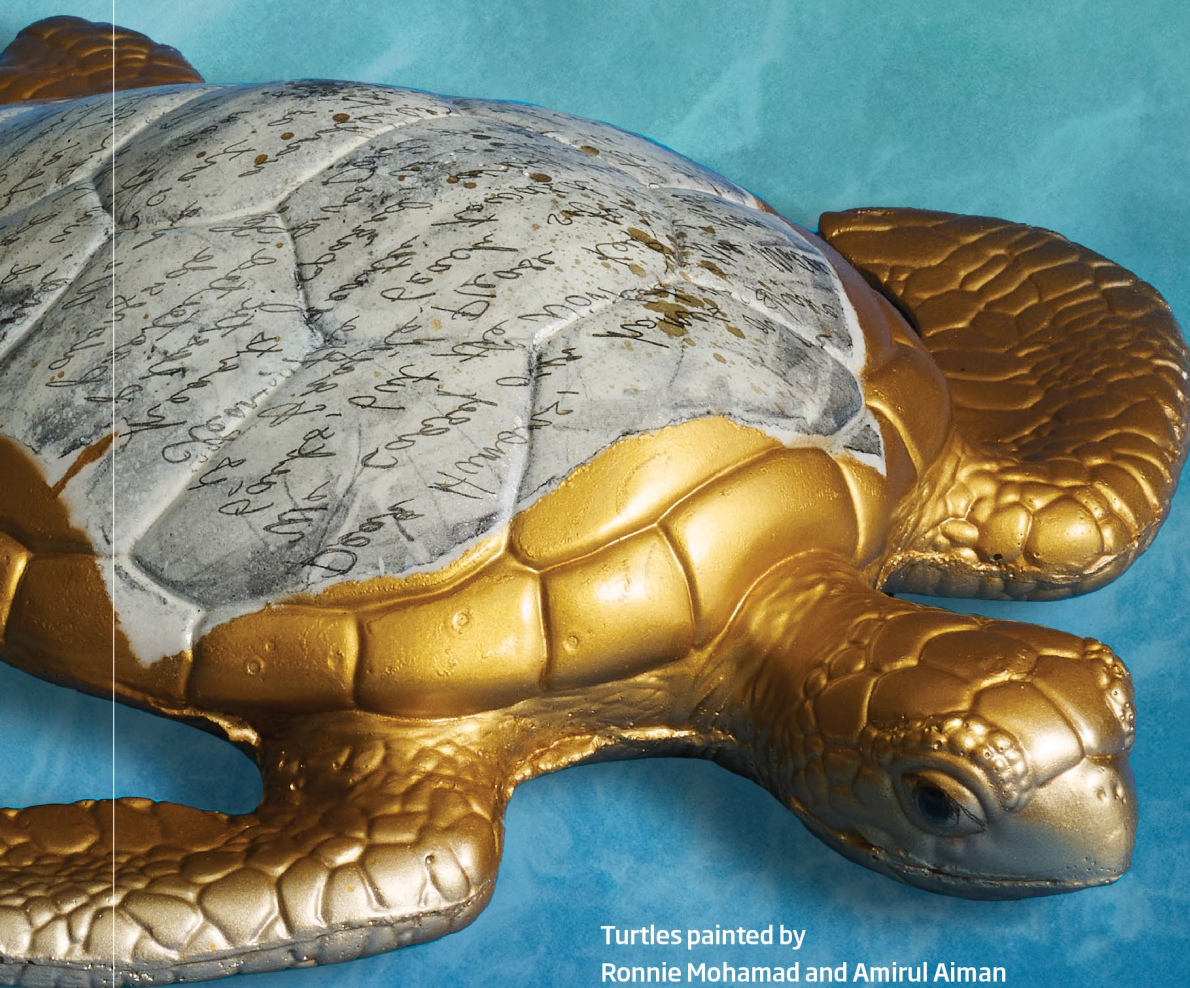


This year's artistic collaboration also extends to our Penyu Shell-Ter project, launched in conjunction with YTL Group's 70th anniversary. The initiative raises funds for turtle conservation while providing a meaningful platform for local artists to contribute their talent to a worthy cause. Under this project, 70 bespoke concrete turtles—hand-painted by Malaysian artists—will be auctioned, with all proceeds going to Pulihara, an NGO dedicated to turtle conservation. The project also serves as a platform to publicise the artists and their work, giving them greater visibility while celebrating Malaysia's creative talent. It will culminate in a Charity Auction in November 2025, bringing together art, advocacy, and community support. A full report of this initiative will be included in our FY2026 Sustainability Report, documenting the impact and stories behind each turtle and the artists who brought them to life.

Some of the painted turtles are featured on the section dividers of this Sustainability Report.

SECTION 6

Appendix



Turtles painted by
Ronnie Mohamad and Amirul Aiman

116 Association Memberships

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Association Memberships

GRI 2-28

MCB and its subsidiaries participate in various trade associations in Malaysia and overseas. Through the Group's involvement in programmes organised by the associations, we contribute and create positive impact to society and our country.

No.	Organisation	About the organisation
1	The Cement & Concrete Association of Malaysia	C&CA is the representative organisation of the cement industry in Malaysia. The Association engages actively with regulators on key industry issues while contributing views on national decarbonisation targets and practical pathways for implementation.
2	The National Ready-Mixed Association of Malaysia	NRMCA is the representative organisation of the concrete industry in Malaysia.
3	ASEAN Federation of Cement Manufacturers	The ASEAN Federation of Cement Manufacturers is a regional industry association that brings together cement producers from ASEAN member countries to promote cooperation, knowledge sharing, and sustainable development within the sector.
4	Federation of Malaysian Manufacturers	FMM is the largest private sector economic organisation in Malaysia representing over 4,000 manufacturing and industrial service companies.
5	Malaysia Green Building Council	A non-profit making organisation to promote sustainable buildings in Malaysia.
6	Waste Management Association of Malaysia	WMAM is a non-profit, technical and educational organisation that provides a forum for local and international waste management companies and suppliers to learn and exchange ideas to professionalise and advance waste management practices.
7	Malaysia Drymix Mortar Manufacturer's Association	MDMMA is the Malaysia chapter of South East Asia Drymix Mortar Association. SEADMA is a regional industry association established to promote the use, quality, and technical standards of drymix mortars in Southeast Asia. It brings together manufacturers, suppliers, and industry stakeholders to advance knowledge, innovation, and best practices in the drymix mortar sector.
8	Johor Quarries Association	The Johor Quarries Association serves as a unified body representing quarry operators in Johor, addressing industry issues and facilitating engagement with local authorities.

CDL Academy Seminar Series Conducted During The Year

No.	Title	Date	Collaboration	Speakers/Panellists
CEMENT & CONCRETE SERIES				
1	Sustainable Construction: ECO Cement and ECO Concrete	14 Nov 2024	IEM	Ir. Soo Thong Phor, Lim Tze Liang, Dr. Yeo Shih Horng, Damian Lusty
2	Construction Industry Congress (CIC) The role of concrete in climate-resilient, sustainable urban development	3 Dec 2024	CIDB	Lim Tze Liang
3	Sustainable Construction: Industrialised Building System	28 May 2025	IEM	Matti Mikkola, Lee Mun Sam, Ng Ming Kwong, Mohd Faizal Abdul Hamid, Ms Tan Pei Yih
ESG				
4	Sustainable Construction: The Next Level Progressing Together	31 July 2024	The Edge	Clarisse Loh
5	Green Horizons: Advancing Sustainable Construction Cement for the Future	21 Aug 2024	IJM	Clarisse Loh
6	Empowering Construction Industry for a Sustainable Future	10 Oct 2024	CREAM	Clarisse Loh
7	Introducing Sustainbuild Mark Certification: Driving ESG Impact and Elevating Product Excellence	16 Jan 2025	CREAM	Clarisse Loh
PERFECT WALL & FLOOR SOLUTIONS				
8	JKR Green Product Webinar	26 Mar 2025	JKR HQ	Siti Syuhada, Asianti Miswandi, Paul Tan
MASTERCLASS SERIES				
9	Sustainability in building materials	30 Sep 2024	University College Sedaya International (UCSI) Architecture faculty	Ts. Nursyuhada Che Husain, Nina Arianna
10	Sustainability in building materials Craft Cement Project - Cocoon	7 Oct 2024	UKM Architecture faculty	Nina Arianna
11	Cocoon - project evaluation	7 Nov 2024	UKM Architecture faculty	Nina Arianna, Jasmine Yip, Ananthi Karuppiah
12	Sustainability in building materials Craft Cement Project - Building Reef	25 Nov 2024	UPM Architecture faculty	Nina Arianna
13	Building Reef - project evaluation	5 Dec 2024	UPM Architecture faculty	Nina Arianna, Ananthi Karuppiah
14	Sustainability in building materials	10 Dec 2024	UiTM Architecture faculty	Ts. Nursyuhada Che Husain, Nina Arianna
15	Sustainability in building materials	13 Jan 2025	Universiti Malaysia Pahang Engineering faculty	Ts. Nursyuhada Che Husain, Nina Arianna

CDL Academy Seminar Series Conducted During The Year

No.	Title	Date	Collaboration	Speakers/Panellists
MASTERCLASS SERIES				
16	Sustainability in building materials Exploring Tessellation in Design	13 Feb 2025	University College Sedaya International (UCSI) Architecture faculty	Nina Arianna
17	Exploring Tessellation in Design - project evaluation	6 Mar 2025	University College Sedaya International (UCSI) Architecture faculty	Nina Arianna
18	Sustainability in building materials	19 Mar 2025	Universiti Malaysia Sarawak Civil Engineering faculty	Ms Chew Siok Hoon, Nina Arianna
19	Concrete Technology and Sustainability	10 Mar 2025	Universiti Malaya Civil Engineering faculty	Ts. Nursyuhada Che Husain
20	Sustainability in building materials	30 Apr 2025	Universiti Malaysia Sabah Civil Engineering faculty	Ts. Nursyuhada Che Husain, Nina Arianna

Glossary

A	
Aggregates	Aggregates are small rock fragments such as sand, gravel or crushed gravel. Aggregates are commonly used for concrete production and for road construction and maintenance.
B	
Bursa Malaysia	Bursa Malaysia is the stock exchange of Malaysia. Bursa Malaysia has put in place a regulatory and supervisory framework to regulate the market and its participants.
C	
CCUS	CCUS stands for the capture, utilisation, and sequestration of CO ₂ . It describes processes that capture CO ₂ emissions from industrial sources and either reuse or store the captured CO ₂ .
Cement	Cement is a hydraulic binder used as a key ingredient in concrete. Most cements are made from clinker and additives and are usually used in the form of a powder. Cement sets when mixed with water.
Circular economy	A circular economy is a model of production and consumption designed to preserve resources. It is based on three principles: Prevention of waste and pollution, recycling of products and materials and regeneration of natural resources. A circular economy keeps materials and products in circulation for as long possible.
Clinker	Clinker is the intermediate product in cement production. Clinker is produced from a mixture of limestone, clay and other minor constituents in a thermal process. Clinker granules are ground into fine powder and blended with gypsum and other materials to produce different types of cement.
Co-processing	Co-processing is a term that refers to the use of waste as a source of energy to replace fossil fuels such as coal and diesel (energy recovery) and/or as alternative raw material to replace natural mineral resources (material recycling) in industrial processes such as clinker and cement production.
Concrete	Concrete is a building material made from a mixture of cement, aggregates, water and admixture. The characteristics of a concrete can vary depending on the type and ratio of its components.
F	
Fly ash	A wide range of materials combustion process generates fly ash. Fly ash from coal-fired power plants is pozzolanic and can be used as a cementitious additive to partially replace the clinker content of cement. Not all types of fly ash can be used for this purpose.
N	
NOx	Nitrogen oxides emission.
S	
Scope 1 Emission	Direct emissions from owned or controlled sources.
Scope 2 Emission	Indirect emissions from the generation of purchased energy.
SDG	Malaysia together with other 192 world leaders adopted the 2030 Agenda for Sustainable Development (2030 Agenda) at the United Nations General Assembly in New York on 25 September 2015. This is a global commitment towards a more sustainable, resilient and inclusive development, with 17 Sustainable Development Goals (SDGs). The SDGs is a set of goals, targets, and indicators that UN member states use to frame their agenda and political policies from 2016 till 2030. The SDGs cover 5 dimensions namely People, Planet, Prosperity, Peace and Partnership.
SOx	Sulfur oxides emissions.

FY2025 Sustainability Performance Table

Reference	Indicator	Unit of measurement	FY2023	FY2024	FY2025
Helping Nations Build Greener					
	Sites with ISO 9001:2015 Management System certification	%	100% cement plants	100% cement plants	100% cement plants
	Laboratories accredited with MS ISO/IEC 17025:2017	%	100% cement plants	100% cement plants	100% cement plants
	Number of product safety incidents	cases	0	0	0
	Number of incidents of non-compliance concerning product information or labelling	cases	0	0	0
	Number of incidents of non-compliance in marketing communications	cases	0	0	0
Operating Sustainably					
ECC48	Cement production GHG emissions intensity	kg CO ₂ per ton cementitious product	663	654	632
	Clinker substitution	clinker-to-cement ratio	80.9%	79.8%	80.6%
	Fossil fuel substitution	%	5.4%	4.4%	5.3%
C4(a), EC15	Total electricity consumption	MWh	951,468	985,723	932,501
	Total electricity consumption	GJ	3,425,283	3,548,603	3,357,003
	Clean energy generated	MWh	47,230	54,816	54,833
C11(b), EC14	Scope 2 emissions	ton CO ₂	685,412	705,627	679,315
C11(c), ECC49	Category 7: Emissions arising from employee commuting	ton CO ₂	3,312	3,334	3,431
Bursa C10(a)	Total waste generated	ton	820	1,132	1,237
EPR24	Hazardous waste generated	ton	112	156	202
EPR25	Non-recycled waste generated	ton	708	977	1,035
Bursa C10(a)	Generated waste diverted from disposal	ton	101	186	243
Bursa C10(a)	Total waste directed to disposal	ton	719	979	969
EPR26	Waste recycled, reused and co-processed	ton	982,525	961,643	1,130,392
EWT24	Number of sites with water management plan, including water recycling	Number of sites	17	26	44
EWT26	Number of facilities, assets, production, revenue in water-stressed regions	Number of sites	0	0	0
EWT27	Water withdrawals/consumption in water stressed regions	Megalitres	0	0	0
Bursa C9(a)	Total volume of water used	Megalitres	2,968	3,118	3,107

FY2025 Sustainability Performance Table

Reference	Indicator	Unit of measurement	FY2023	FY2024	FY2025
Operating Sustainably					
EWT31	Water withdrawal by source	Megalitres		3,208	3,060
	Municipal potable water	Megalitres		962	890
	Surface water	Megalitres		1,014	405
	Groundwater	Megalitres		892	1,372
	Harvested rainwater	Megalitres		340	393
	Used quarry water collected in the quarry	Megalitres		0	0
	External wastewater	Megalitres		0	0
	Sea water	Megalitres		0	0
	Number of existing suppliers assessed using				
	Environmental criteria	Number	122	247	317
	Social criteria	Number	122	247	317
	Number of new suppliers assessed using				
	Environmental criteria	Number	NA	38	79
	Social criteria	Number	NA	38	79
	Proportion spending on local suppliers	Percentage	NA	70%	61%
Operating Responsibly					
Bursa C1(a)	Percentage of employees trained on anti-corruption by employee category		95%	91%	97%
	Top management	Percentage	100%	100%	100%
	Senior and middle management	Percentage	99%	99%	99%
	Executive	Percentage	100%	96%	98%
	Non-executive	Percentage		73%	94%
	Technical & Production	Percentage	92%	89%	97%
	Admin, sales, support functions	Percentage	100%	96%	97%
Bursa C1(b)	Percentage of operations assessed for corruption-related risks	Percentage		100%	100%
Bursa C1(c)	Confirmed incidents of corruption and action taken	Number	0	0	0
GAC12	Total amount of political contributions made	RM	RM0	RM0	RM0
GAC13	Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy	Number	0	0	0
GAC14	Cost of fines, penalties or settlements in relation to corruption	RM	RM0	RM0	RM0

FY2025 Sustainability Performance Table

Reference	Indicator	Unit of measurement	FY2023	FY2024	FY2025
Operating Responsibly					
Bursa C8(a)	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
EPR28	Percentage of sites covered ISO14001	Percentage	100% cement plants	100% cement plants	100% cement plants
Building Capacity and The Community					
Bursa C3(a)	Percentage of employees by gender and age group, for each employee category				
	Age Group by Employee Category				
	Top management, Under 30	Percentage	0%	0%	0%
	Top management, 30-50	Percentage	21%	25%	21%
	Top management, Over 50	Percentage	79%	75%	79%
	Senior and middle management, Under 30	Percentage	0%	0%	1%
	Senior and middle management, 30-50	Percentage	55%	64%	62%
	Senior and middle management, Over 50	Percentage	45%	36%	37%
	Executive, Under 30	Percentage	11%	12%	13%
	Executive, 30-50	Percentage	51%	57%	58%
	Executive, Over 50	Percentage	38%	31%	29%
	Non-executive, Under 30	Percentage	26%	40%	34%
	Non-executive, 30-50	Percentage	51%	49%	50%
	Non-executive, Over 50	Percentage	23%	11%	16%
	Technical and production, Under 30	Percentage	14%	18%	18%
	Technical and production, 30-50	Percentage	50%	54%	54%
	Technical and production, Over 50	Percentage	36%	28%	28%
	Admin, sales, support functions, Under 30	Percentage	13%	15%	14%
	Admin, sales, support functions, 30-50	Percentage	55%	61%	61%
	Admin, sales, support functions, Over 50	Percentage	32%	24%	24%
	Gender Group by Employee Category				
	Top management, Female	Percentage	29%	33%	29%
	Top management, Male	Percentage	71%	67%	71%
	Senior and middle management, Female	Percentage	32%	31%	33%
	Senior and middle management, Male	Percentage	68%	69%	67%
	Executive, Female	Percentage	23%	22%	24%
	Executive, Male	Percentage	77%	78%	76%

FY2025 Sustainability Performance Table

Reference	Indicator	Unit of measurement	FY2023	FY2024	FY2025
Building Capacity and The Community					
Bursa C3(a)	Gender Group by Employee Category				
	Non-executive, Female	Percentage	8%	8%	5%
	Non-executive, Male	Percentage	92%	92%	95%
	Technical and production, Female	Percentage	7%	7%	6%
	Technical and production, Male	Percentage	93%	93%	94%
	Admin, sales, support functions, Female	Percentage	56%	56%	58%
	Admin, sales, support functions, Male	Percentage	44%	44%	42%
Bursa C6(b), SLS25	Percentage of employees that are contractors or temporary staff	Percentage	8%	11%	11%
SLS32	Percentage of global staff with a disability	Percentage	0.5%	0.4%	0.4%
SLS33	Percentage of women in the global workforce	Percentage	20%	20%	20%
Bursa C6(d)	Number of substantiated complaints concerning human rights violations	Number	0	0	0
GCG03	Number of Board Directors	Number	8	8	8
GCG04	Number of Independent Directors	Number	3	3	3
GCG05	Number of women on the board	Number	3	3	3
Bursa C3(b)	Percentage of directors by gender and age group				
	Female	Percentage	37.5%	37.5%	37.5%
	Male	Percentage	62.5%	62.5%	62.5%
	Under 30	Percentage	0%	0%	0%
	30-50	Percentage	0%	0%	0%
	51-60	Percentage	12.5%*	12.5%*	0%
	Over 60	Percentage	87.5%*	87.5%*	100%
Bursa C5(c)	Number of employees trained on health and safety standards	Number	972	1,365	1,263
SHS12	Percentage of cement plants with ISO 45001	Percentage	100%	100%	100%
Bursa C5(a)	Number of work-related fatalities	Number	0	1	0
C5(a), SHS38	Employee fatalities	Number	0	0	0
C5(a), SHS40	Contractor fatalities	Number	1	1	0
Bursa C5(b)	Lost time injuries	Number	21	24	18
Bursa C5(b)	Lost time incident rate ("LTIR")	Rate	0.45	0.5	0.36
SLS26	Total hours of training, as a company	Hours	23,427	26,466	31,410
SLS26	Average hours per employee	Hours	12	13	16

* In the FY2024 Sustainability Report, the age of one director was incorrectly stated. This has been rectified in the current report. The correction does not affect any other disclosures or statements presented.

FY2025 Sustainability Performance Table

Reference	Indicator	Unit of measurement	FY2023	FY2024	FY2025
Building Capacity and The Community					
Bursa C6(a)	Total hours of training by employee category				
	Top management	Hours	197	138	129
	Senior and middle management	Hours	4,659	7,456	11,760
	Executive	Hours	16,013	17,906	18,723.5
	Non-executive	Hours	2,550	966	797.5
	Female	Hours	5,448	6,295	6,999.5
	Male	Hours	17,979	20,171	24,410.5
	Technical & Production	Hours	17,018	19,459	24,415.5
	Admin, sales, support functions	Hours	6,409	7,113	6,994.5
Bursa C6(c)	Total number of employee turnover by employee category				
	Technical & Production	Number		149	178
	Admin, sales, support functions	Number		40	20
	Female	Number	45	43	44
	Male	Number	148	146	154
	Under 30	Number		64	84
	30-50	Number		65	41
	Over 50	Number		60	73
SLS24	Full-time staff voluntary turnover* rate	Percentage	10%	9%	10%
Bursa C2(a)	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	222,839	1,499,744	1,514,928
Bursa C2(b)	Total number of beneficiaries of the investment in communities	Number	32,646	35,635	32,472
Bursa C7(a)	Proportion of spending on local suppliers	Percentage		70.0%	61.0%

GRI Content Index

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisational details	page 8 - 11
	2-2 Entities included in the organisation's sustainability reporting	page 2 - 3
	2-3 Reporting period, frequency and contact point	page 3
	2-4 Restatements of information	page 86
	2-5 External assurance	page 3
	2-6 Activities, value chain and other business relationships	page 8 - 11
	2-7 Employees	page 82
	2-9 Governance structure and composition	page 15
	2-11 Chair of the highest governance body	page 15
	2-12 Role of the highest governance body in overseeing the management of impacts	page 15
	2-13 Delegation of responsibility for managing impacts	page 15
	2-14 Role of the highest governance body in sustainability reporting	page 15
	2-22 Statement on sustainable development strategy	page 14, 46 - 47
	2-23 Policy commitments	page 62, 83
	2-24 Embedding policy commitments	page 83
	2-25 Processes to remediate negative impacts	page 83
	2-26 Mechanisms for seeking advice and raising concerns	page 83
	2-27 Compliance with laws and regulations	page 67
	2-28 Membership associations	page 116
	2-29 Approach to stakeholder engagement	page 16 - 18
GRI 3: Material Topics 2021	3-1 Process to determine material topics	page 19 - 22
	3-2 List of material topics	page 19 - 22
	3-3 Management of material topics	page 19 - 22, 44, 52 - 55, 70 - 71
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	page 63 - 64
	205-2 Communication and training about anti-corruption policies and procedures	page 63 - 64
	205-3 Confirmed incidents of corruption and actions taken	page 63 - 64
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	page 44, 48 - 49

GRI Content Index

GRI Standard	Disclosure	Location
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	page 56
	303-3 Water withdrawal	page 56
	303-5 Water consumption	page 56
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	page 44 - 45
	305-2 Energy indirect (Scope 2) GHG emissions	page 44, 48 - 49
	305-3 Other indirect (Scope 3) GHG emissions	page 50
	305-5 Reduction of GHG emissions	page 46 - 47
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	page 52 - 55
	306-2 Management of significant waste-related impacts	page 52 - 53
	306-3 Waste generated	page 52 - 53
	306-4 Waste diverted from disposal	page 52 - 55
	306-5 Waste directed to disposal	page 52 - 53
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	page 88 - 89
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	page 70 - 71
	403-2 Hazard identification, risk assessment, and incident investigation	page 70 - 73
	403-3 Occupational health services	page 74
	403-4 Worker participation, consultation, and communication on occupational health and safety	page 70 - 71, 75 - 76
	403-5 Worker training on occupational health and safety	page 77 - 78
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	page 77 - 78
	403-9 Work-related injuries	page 79 - 80
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	page 90
	404-2 Programs for upgrading employee skills and transition assistance programs	page 90
	404-3 Percentage of employees receiving regular performance and career development reviews	page 90
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	page 85 - 87
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	page 83

GRI Content Index

GRI Standard	Disclosure	Location
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	page 83
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	page 83
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	page 83
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	page 66

Performance Data Table Downloaded from the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Top management	Percentage	100.00	100.00
Senior and middle management	Percentage	99.00	99.00
Executive	Percentage	96.00	98.00
Non-executive	Percentage	73.00	94.00
Technical and production	Percentage	89.00	97.00
Admin, sales and support functions	Percentage	96.00	97.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,499,744.00	1,514,928.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	35,635	32,472
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Top management Under 30	Percentage	0.00	0.00
Top management Between 30-50	Percentage	25.00	21.00
Top management Above 50	Percentage	75.00	79.00
Senior and middle management Under 30	Percentage	0.00	1.00
Senior and middle management Between 30-50	Percentage	64.00	62.00
Senior and middle management Above 50	Percentage	36.00	37.00
Executive Under 30	Percentage	12.00	13.00
Executive Between 30-50	Percentage	57.00	58.00
Executive Above 50	Percentage	31.00	29.00

Internal assurance

External assurance

No assurance

(*)Restated

Performance Data Table Downloaded from the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2024	2025
Non-executive Under 30	Percentage	40.00	34.00
Non-executive Between 30-50	Percentage	49.00	50.00
Non-executive Above 50	Percentage	11.00	16.00
Technical and production Under 30	Percentage	18.00	18.00
Technical and production Between 30-50	Percentage	54.00	54.00
Technical and production Above 50	Percentage	28.00	28.00
Admin, sales and support functions Under 30	Percentage	15.00	14.00
Admin, sales and support functions Between 30-50	Percentage	61.00	61.00
Admin, sales and support functions Above 50	Percentage	24.00	24.00
Gender Group by Employee Category			
Top management Male	Percentage	67.00	71.00
Top management Female	Percentage	33.00	29.00
Senior and middle management Male	Percentage	69.00	67.00
Senior and middle management Female	Percentage	31.00	33.00
Executive Male	Percentage	78.00	76.00
Executive Female	Percentage	22.00	24.00
Non-executive Male	Percentage	92.00	95.00
Non-executive Female	Percentage	8.00	5.00
Technical and production Male	Percentage	93.00	94.00
Technical and production Female	Percentage	7.00	6.00

Internal assurance

External assurance

No assurance

(*)Restated

Performance Data Table Downloaded from the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2024	2025
Admin, sales and support functions Male	Percentage	44.00	42.00
Admin, sales and support functions Female	Percentage	56.00	58.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	63.00	63.00
Female	Percentage	37.00	37.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	0.00	0.00
Between 51-60	Percentage	12.50 *	0.00
Above 60	Percentage	87.50 *	100.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	985,723.00	932,501.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	1	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.50	0.36
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,365	1,263
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Top management	Hours	138	129
Senior and middle management	Hours	7,456	11,760
Executive	Hours	17,906	18,724
Non-executive	Hours	966	798
Technical and production	Hours	19,459	24,416
Admin, sales and support functions	Hours	7,113	6,995
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	11.00	11.00
Bursa C6(c) Total number of employee turnover by employee category			
Technical and production	Number	149	178
Admin, sales and support functions	Number	40	20

Internal assurance

External assurance

No assurance

(*)Restated

Performance Data Table Downloaded from the Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2024	2025
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	70.00	61.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	3,118.000000	3,107.000000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	1,132.00	1,237.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	186.00	243.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	979.00	969.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	654.00 *	632.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	705,627.00 *	679,315.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	3,334.00 *	3,431.00

Internal assurance

External assurance

No assurance

(*)Restated

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