SUSTAINABILITY STATEMENT

Selangor Dredging Berhad ("SDB"), a leading boutique property developer, acknowledges the vital role of sustainability in facilitating its long-term growth. Aligned with the worldwide sustainability agenda, the Group is committed to contributing to the United Nations Sustainable Development Goals ("UNSDG"). Since 2019, the Group has embraced five specific Sustainable Development Goals that are particularly pertinent to its operations. Moving forward, the Group aims to incorporate additional Global Goals into its ongoing sustainability endeavours.

REPORTING PERIOD

This Sustainability Statement is prepared for SDB and its subsidiaries ("the Group") for the financial year ("FY") ended 31 March 2025 ("FY2025"). All data and activities reported are in relation to the Group's business operations from 1 April 2024 to 31 March 2025.

SCOPE OF REPORTING

The scope of the Sustainability Statement covers the Group's property businesses including property development, property management and hospitality in Malaysia and Singapore.

For the FY2024, the Group has undertaken an exercise to review its material matters and the manner in which it is measured. Hence, the Group had taken FY2024 as its base year for data reporting.

REPORTING FRAMEWORK

The Sustainability Statement adheres to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Additionally, the Group's sustainability reporting is guided by Bursa Malaysia Securities Berhad's Sustainability Reporting Guide, the Sustainability Reporting Guidelines by the Global Reporting Initiative, and the environmental, social, and governance ("ESG") factors of the FTSE4Good Bursa Malaysia Index. Furthermore, this Sustainability Statement aligns with the UNSDG. To gain a comprehensive understanding of the Group's financial and non-financial performance for the FY2025, it is recommended to review this Sustainability Statement alongside the Annual Report. This Sustainability Statement has not undergone internal and external assurance.

In the financial year 2025, the Group made substantial progress in enhancing its Environmental, Social, and Governance ("ESG") performance. While the Group is not currently included in the FTSE4Good Index, our ESG score improved significantly during the year, reflecting the tangible impact of our strengthened sustainability initiatives. We continue to actively align our practices with the internationally recognised standards set by the FTSE4Good Index, with a clear focus on long-term inclusion.

One Draycott, Singapore - *All 64 units of luxury apartments have been sold through accelerated marketing efforts.*

FEEDBACK

Your input on the quality of our reporting and sustainability efforts is highly valued. We appreciate your comments and suggestions as they allow us to continuously enhance our practices. If you have any feedback, kindly send it to Email: Sustainability@sdb.com.my or convey to the directors at the following address:

Malaysia head office: Selangor Dredging Berhad, 18th Floor, West Block, Wisma Golden Eagle Realty 142-C, Jalan Ampang, 50450 Kuala Lumpur.

Sustainability Statement
(cont'd)

SUSTAINABILITY APPROACH

At Selangor Dredging Berhad ("SDB"), we have always strived for excellence in all that we do, and we believe in accountability for our actions. SDB adopts a holistic approach to business management by upholding the Economic, Environmental, Social and Governance ("EESG") pillars of sustainability into the core of our operations.

Sustainability Framework

Our Sustainability Framework was first established in FY2022 with a purpose to deliver excellence by creating positive and long-lasting values to customers while establishing and maintaining a life-long relationships with all stakeholders. The framework is guided by:

Our Brand Promise

Our Brand Promise "**Driving Excellence, Building Lifelong Relationships**" sums up what we strive to do – driving excellence in terms of products and services to build a lifelong relationship with purchasers, hotel guests, tenants and all our stakeholders.

Our Core Values

- **Passionate**
- **Innovative**
- **Result-Oriented**
- **Caring & Respectful**

Our Brand Manifesto

In 2018, we published our brand manifesto titled **"A Manifesto for living well and responsibly "**. This 7-point manifesto represents our values, belief and our standards. It also serves as a reference point to help our customers understand what we stand for, the quality of life that we provide through our products, and our principles and responsibilities as a developer. The 7-point manifesto focus on investing in our:

- Product
- Community
- Quality
- Customers
- People
- Environmental Friendly
- Peace of mind

SUSTAINABILITY FRAMEWORK

SDB Selangor Dredging Berhad 196201000105 (4624-U)

Driving Excellence, Building Lifelong Relationships

Goals	Driving excellence in terms of products and services to build a lifelong relationship with all our stakeholders.			
Pillars	**ECONOMIC**	**ENVIRONMENTAL**	**SOCIAL**	**GOVERNANCE**
Materiality Matter	**Growing Responsible Business Responsibly** Economic Performance Product Responsibility Procurement Practice/ Supply Chain Management	**Building A Healthy Living Environment** Emission Energy Water and Effluent Waste	**Promoting Inclusivity & Diversity** Health and Safety Development & Training Labor Practices & Standard / Diversity and Equal Opportunity Community Investment	**Strengthening Sustainability Performance** Anti-Corruption Data Privacy & Security
UNSDG				

While it is still a work in progress, we are taking steps to build a clear and structured approach to managing our economic, environmental, social, and governance responsibilities. We will continue to update the progress of our framework as we engage further with all stakeholders.

Sustainability Statement
(cont'd)

SUSTAINABILITY GOVERNANCE STRUCTURE

The Group has formed a Risk Management & Sustainability Committee ("RMSC") in 2019, chaired by the Managing Director and members comprises the Group General Manager and the Head of Finance. RMSC meetings are held at least twice annually, and the committee reports to the Board of Directors on the findings and recommendations of the RMSC for the financial year under review. Sustainability functions across the business operations are assisted by all Heads of Departments ("HODs") to ensure sustainable practices are fully embedded within every department and business unit.

Structure

Board of Directors ("BOD")

- To ensure that ESG practices are embedded in the Group's strategy and business;
- To oversee the risks and opportunities related to SDB's key climate and sustainability issues.

Risk Management and Sustainability Committee ("RMSC")

- To implement the sustainability strategies within the parameters of the Group's risk appetite and approved by the Board;
- To oversee stakeholder engagement, to ensure that all issues and suggestions raised are taken into consideration in managing sustainability;
- To manage the Common Material Sustainability Matters for SDB, recommending strategies, setting policies, goals and targets.

Environmental, Social and Governance Working Committee ("ESGWC")

- The ESG Working Committee is comprised of members from various departments;
- Supporting the Risk Management and Sustainability Committee ("RMSC") in fulfilling its oversight duties related to ESG and sustainability disclosures;
- To review and make recommendations to the RMSC on the Group's current ESG practices, sustainability strategy, policies and improvement activities, as necessary.

STAKEHOLDER ENGAGEMENT

We recognise that continuous engagement with our valued stakeholders is essential to gather valuable insights, propagate awareness and understanding, and also align our future goals and strategies to meet the needs and expectation of those we serve.

A comprehensive overview of our key stakeholder groups, engagement methods, key discussion topics, and our responses to these matters is presented in the table below.

Stakeholders	Importance	Engagement Channels	Our Response
1 **Shareholders / Investors**	Shareholders and investors provide the Group with steady financial capital input.	• General Meetings • Bursa Malaysia Announcements • Media Statements • Annual Reports	• Provide a better understanding of the Group's business and financials • Update on corporate and strategic developments
2 **Management**	Management set the overall strategy and business direction that guide the Group.	• Board Meetings • Business Review Meetings • Strategic & Operational Meetings	• Periodic meetings to ensure the management is aligned with the Group's strategy and business direction
3 **Employees**	Employees are the most valuable assets that will directly contribute to the Group's business sustainability and success.	• Performance Management • Employee Events / Workshops / Training / Surveys • Emails / Group Chats	• Ensure understanding and alignment with the Group's goals and strategy, and update on corporate/strategic developments • Empowering employees through ensuring their wellbeing and providing opportunities to learn and upgrade, thereby driving job satisfaction, productivity and staff retention • Ensure a safe and healthy workplace to prevent accidents and injuries, and maintain a healthy working environment
4 **Customers / Tenants / Resident Associations**	Business viability and growth depend on homebuyers who support the Group's products and services.	• Digital / Social Media • Customer Events • Surveys / Feedback	• To meet or exceed customer needs; Delivering quality products and services that encourage Brand Loyalty and positive words-of mouth • Provide consistent and high service quality; resolve complaints

Sustainability Statement
(cont'd)

Stakeholders	Importance	Engagement Channels	Our Response
5 Contractors / Consultants / Vendors	Contractors and vendors provide critical inputs and supports for the Group's businesses to function.	• Pre-Qualification / Tender & Procurement Process • Face To Face Meetings • Formal Correspondence	• Frequent engagement to ensure clear understanding of the Group's terms; • Annual evaluation of performance
6 Industry Organisations & Associations 7 Community	The network and the community in the environment in which the Group operates provide a sense of social belonging and support to ensure the Group's long-term success.	• Events • Digital / Social Media • Corporate Social Responsibility Activities	• Discuss matters impacting the Group's interest in the housing development industry • Contribute towards the well-being of the community
8 Financiers / Banks	Financial institutions provide the Group with access to capital.	• Annual Reports • Media Statements • Meetings	• Provide a better understanding of the Group's business and financials. • Update on corporate and strategic developments
9 Governments / Regulators	Regulators provide an enabling environment and framework which is paramount to SDB's businesses.	• Meetings • Briefings & Consultations • Site Inspections	• Adherence to regulators' requirements • Contribute towards the public good
10 Media	The media serves as an intermediary between the Group and the general public.	• Media Statements • Press Conference • Events	• Proactively engage with diverse media outlets • Maintain open-door communication with the media • Swiftly respond to all media inquiries

OUR MATERIALITY APPROACH

For the financial year 2025, the Group has taken a materiality revalidation exercise that was carried out using a structured four step approach. The Group's materiality sustainability issue was based on their significance to both business and stakeholder whilst mapping against global standards and peer review.

To further strengthen the approach, SDB has taken further steps to understand and prioritise the materiality that would influence the stakeholder's assessment and decision to prevent any significant repercussion to the organisation as a whole. Some of the steps taken to understand how the materiality would affect was by:

Peer to peer comparison

Consolidation of local and established peer issues based on their report. Benchmarking our materiality matrix process and to further understand stakeholder's view of material issues in the Economic, Environmental, Social and Governance aspect.

Regulatory and Standards

Industry standards from recognised global frameworks and Bursa Malaysia's reporting framework have been used to identify potentially relevant material issues.

Stakeholder Engagement

Engaged with internal stakeholders to understand their experience and insight on their day-to day work which involves extensive interaction with external stakeholders and prioritisation of the Group's materiality.

Materiality Assessment

Based on the previous step, the Group's prioritisation of its material matter was visualised according to the EESG impact that it brings to the business.

Sustainability Statement
(cont'd)

Through this assessment, we identified 11 material topics that are critical drivers of our overall sustainability performance. Among these, 6 emerged as particularly crucial. These key material matters continue to shape our strategic approach, ensuring that our sustainability efforts remain aligned with business priorities and stakeholder expectations.

Economic
- EC1 Economic Performance
- EC2 Product Responsibility
- EC3 Procurement Practice/ Supply Chain Management

Environmental
- EN1 Emission
- EN2 Energy, Water and Effluent Waste

Social
- S1 Health and Safety
- S2 Development Training
- S3 Labor Practice Standard / Diversity and Equal Opportunity
- S4 Community Investment

Governance
- G1 Anti-Corruption
- G2 Data Privacy & Security

As part of the material assessment, the ESG Working Committee had deliberated on the prioritisation of its material matters in accordance to its relevance to the Group. The findings were then reviewed by the Risk Management & Sustainability Committee ("RMSC") and approved by the Board of the Directors to be included in this annual report.

The material matters guide the Group's business strategy and resource allocation, ensuring focus on the most important sustainability issues. Hence, The Group is committed to carry out a full materiality assessment every three years and review the relevance of its key economic, environmental, social, and governance impacts every year to make sure it still reflects what's important in the Group's day-to-day operations.

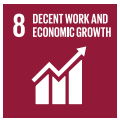
ECONOMIC

Economic Performance

Risk:
Failing to meet budgeted targets could result in losses.

Opportunity:
Increase marketing events to disseminate information about the Group's projects to customers.

Link To UNSDG



Procurement Practices/ Supply Chain Management

Risk:
Potential conflicts of interest, corruption and unethical practices.

Opportunity:
To formalise a standardised procurement SOP to ensure transparency.

Product Responsibility

Risk:
Low customer satisfaction due to poor craftsmanship and delays in delivery of vacant possession, resulting in financial loss.

Opportunity:
Ensure that units are thoroughly inspected by both internal and external professionals for quality assurance and ensure timely delivery.

Link To UNSDG

ENVIRONMENTAL

Emissions

Risk:
Unavoidable emissions particularly in construction businesses that rely on fossil fuel to power equipment or trucks for transportation.

Opportunity:
Implement a system to calculate emissions and aim to progressively reduce them on an annual basis.

Energy, Water and Effluents Waste

Risk:
Unavoidable energy and water consumption in the course of doing business. Construction businesses also generate substantial amounts of waste.

Opportunities:
To embrace a circular economy approach by minimising resource consumption and utilising reusable, recyclable materials.

Establish efficient operations to manage end-of-life processes effectively.

Link To UNSDG

Sustainability Statement
(cont'd)

SOCIAL

Labour Practices and Standards / Diversity and Equal Opportunity / Development and Training

Risk:
Employee disengagement and dissatisfaction, leading to high turnover rates and low productivity, as well as a lack of required skills among employees.

Opportunities:
Attract and retain talent by prioritising the physical and mental well-being of employees.

Foster an environment conducive to career growth and skills enhancement, offering flexible work arrangements.

Link To UNSDG

Health and Safety

Risks:
Inherent health and safety vulnerabilities from business operations;

Raised expectations on health and safety standards by employees, customers and regulators.

Opportunities:

Safeguarding occupational health and safety through provision of access to healthcare services; looking after employees' mental health and emotional well-being; prioritising safety of all stakeholders for areas within its operational control;

Upkeep superior safe delivery standards for its stakeholders.

Link To UNSDG

Community Investment

Risk:
Lack of understanding of community's current needs and expectation, resulting in ineffective community engagement programmes.

Opportunity:
Meet community needs by leveraging the Group's distinctive capabilities. Ensure sustained collaboration and involvement from both parties for long-term success.

Anti-Corruption

Risk:
Non-compliance with anti-bribery laws could result in a loss of confidence among stakeholders and financial loss.

Opportunity:
Compliance with anti-bribery laws, regular trainings for staff on policies and guidelines.

Data Privacy and Security

Risk:
Failure to comply with data protection laws poses significant risks, including the potential for data breaches.

Opportunity:

Compliance with relevant laws and regulations.

ECONOMIC

"Growing the Business Responsibly"

Why it Matters

As a leading boutique property developer, SDB prides itself on delivering quality products that are practical and aesthetically pleasing. The Group upholds its Brand Promise of "Driving Excellence, Building Lifelong Relationships". Each of its development is meticulously crafted and rigorously quality checked. The Group is also committed to supporting local businesses by engaging, whenever possible with local suppliers, contractors and consultants.

Our Performance

In FY2025 SDB recorded a total revenue of RM375,954,000. The following table outlines key financial metrics for the past three years:

	FY2023	FY2024	FY2025
Economic Value Generated			
Revenue ('000)	137,743.00	227,460.00	**375,954.00**
Economic Value Distributed			
Community Investment ('000)	-	910.33	**989.67**

Product Responsibly

The Group has its own internal Quality Assurance and Quality Control ("QAQC") to develop, enforce and maintain its product quality. To ensure we maintain our excellence, quality check and assurance is carried out at each phase of construction including post-construction monitoring.

Pre-construction Phase / Design Review

Architectural and M&E (mechanical and electrical) plans are reviewed to identify any design flaws or discrepancies.

Construction Phase

Implement Quality Control measures during construction to ensure that all projects are being constructed accordingly to SDB Quality Standards and adherence to approved materials and specifications. Monthly inspection carried out.

Pre-CPC and Hand Over Vacant Possession

Pre-CPC (Certificate of Practical Completion) inspection is a detailed visual inspection to identify any defects arising after the contractors had deemed the individual unit completed.

Post-construction Monitoring

To identify any defects or maintenance issues that may arise after occupancy. Defects and design issues reported by homeowners are then feedback to Quality Management Department.

Sustainability Statement
(cont'd)

BuildQAS (Building Quality Assessment System)

The Group also adopts Building Quality Assessment System ("BuildQAS") conducted by an independent third party from Singapore to assess the final quality of construction work for all of its developments in Malaysia. The BuildQAS assessment involves evaluating various architectural components of a building's construction, including quality, workmanship and finishes of each component. It provides a standardised framework for measuring the quality of construction against predetermined benchmarks and specifications.

Customer Satisfaction

The Group measures customer satisfaction periodically for its property development and property management operations. Customer satisfaction surveys are conducted twice a year. These customers' satisfaction levels are tracked through the Customer Satisfaction Index ("CSI") and Net Promoter Score ("NPS"). Its hospitality division, Hotel Maya Kuala Lumpur ("Hotel Maya") encourages guests to leave a review.

CSI			NPS			TripAdvisor Score		
FY2025	FY2024	FY2023	**FY2025**	FY2024	FY2023	**FY2025**	FY2024	FY2023
86%	87%	82%	**94%**	86%	85%	**39/537**	53/510	73/489

Procurement Practices & Supply Chain Management

The Group engages with numerous suppliers throughout its operations. These suppliers are crucial in guaranteeing the prompt delivery of the Group's products and services. Consequently, the Group adhere to stringent procurement practices to choose companies that align with its quality expectations and uphold social and environmental management standards.

Supplier Evaluation & Monitoring

The Group has a process to evaluate contractors that are invited to tender for its development projects. After the contractors are onboarded, an annual evaluation of their services is carried out. There are standard pre-qualification forms and tender documents for the contractors to provide information for.

Supporting Local Business Ecosystem

The Group prioritises working with local contractors and suppliers, defined as businesses that are registered in Malaysia. This approach generates positive ripple effects for the local business ecosystem by creating economic values that benefits these contractors and suppliers and other businesses supporting them. Additionally, at its developments, the Group utilises locally-sourced materials, subject to practicability, as part of its effort to save cost and time and to reduce its carbon footprint in the long run. In FY2025, the proportion of Local Suppliers was 99.3%.

Local Supplier	**283**	Total Supplier	**285**
Foreign Supplier	**2**	Proportion of local suppliers	**99.3%**

Previous Years' Proportion of Local Supplier

ENVIRONMENTAL

"Building A Healthy Living Environment"

The Group is committed to minimising the impact of its business on the environment in the places which it operates in. With the upcoming IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and the IFRS S2: Climate Related Disclosures ("IFRS S2") disclosure, The Group is also looking to further adopt the sector and industry specific standards under the prescribed International Sustainability Standards Board ("ISSB") and Sustainability Accounting Standards Board ("SASB") in the near future. This is to enhance the Group's transparency in our disclosure.

For the financial year under review, zero cases were reported for significant fines for environmental non-compliance.

ZERO

Land | Water | Air
Zero Substantiated Cases

In support of the government's aspiration toward Net Zero, the Group recognises climate change as a crucial issue that requires immediate and sustained action. In response, the Group has developed and published a Climate Change Policy, reinforcing its commitment to environmental responsibility.

This policy aligns with our Sustainability Policy and should be read together with it. Both policies are publicly available on our website.

Sustainability Policy

Climate Change Policy

Sustainability Statement
(cont'd)

Our Projects

SDB is dedicated to creating not just homes, but living spaces that truly resonate with the lifestyles and aspirations of every residents. Understanding the growing demand for environmentally conscious living, the Group aspire to evolve the way we build in order to reach its sustainability goal of a healthy living environment. Throughout the projects built, the overarching features include:

- Biophilic and Passive design to allow more natural air and light to enter the household
- Parking access for People With Disability ("PWD")
- Rainwater Harvesting used for watering the landscape

19Trees

- 12-minute drive to LRT Wangsa Maju.
- Internal Driveway and Carpark up-cycled existing rock at site which are crushed and used as the base prior to laying interlocking paver.

Senai

- 14-minute drive to MRT Cyberjaya.

Jia

- 13-minute drive to LRT Bukit Jalil.

DaMai

- 12-minute drive to LRT Wangsa Maju.
- Carpark and ramp designed to minimise noise pollution and enhance natural ventilation.
- Unique doorstep parking.

Emission

As a responsible business, we are committed to minimising our environmental impact and contributing to the global transition to a low-carbon economy. The Group recognise the risks and opportunities that climate change presents to our operations, stakeholders, and the broader environment. The risk and opportunities can be referred at the Statement on Risk Management and Internal Control ("SORMIC") section.

The Group has started taking steps to measure its performances for environmental related material sustainability matters. This includes taking inventory of its Greenhouse Gas ("GHG") emissions for Scope 1, 2 and two out of the 15 categories of the Scope 3 GHG emissions. Our GHG emissions were calculated with reference to the GHG Protocol, a globally recognised accounting and reporting standard.

For the financial year 2025, the Group conducted a survey to understand its employee commuting emission. A total of 111 response were captured and as for the rest of the employee, the average-data method by GHG protocol was applied to calculate the estimated emission. The Group aims to further improve the accuracy of the data in the future.

Scope 1 & 2

Direct Emission (tCO_2e)

Company Facilities

FY2025	**1,741**
FY2024	1,170

Company Vehicle

FY2025	**19**

Direct emissions that occur from sources owned or controlled by the Group

Company Facilities: Usage of Diesel to power up construction machinery, generator etc.

Company Vehicle: Petroleum used by company's vehicle based on the claims submitted.

Scope 2

Indirect Emission (tCO_2e)

Electricity purchased

FY2025	**3,989**
FY2024	4,469
FY2023	3,844

Indirect emission from electricity purchased by the Group.

The Grid Emission Factor used was based on data provided by the Energy Commission of Malaysia, to align with national reporting standards and ensure consistency with recognised regulatory guidelines.

Scope 3

Employee Commuting (tCO_2e)

FY2025	**446**

Business Travel (tCO_2e)

FY2025	**26**

Indirect emission of upstream and downstream activities by the Group

Category 6: Business travel (Covers emissions generated from employee travel by land and air for work related purposes)

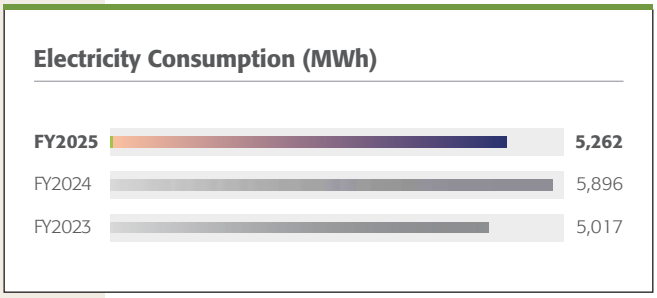
Category 7: Employee commuting (Covers emissions generated by employees travelling to and from work)

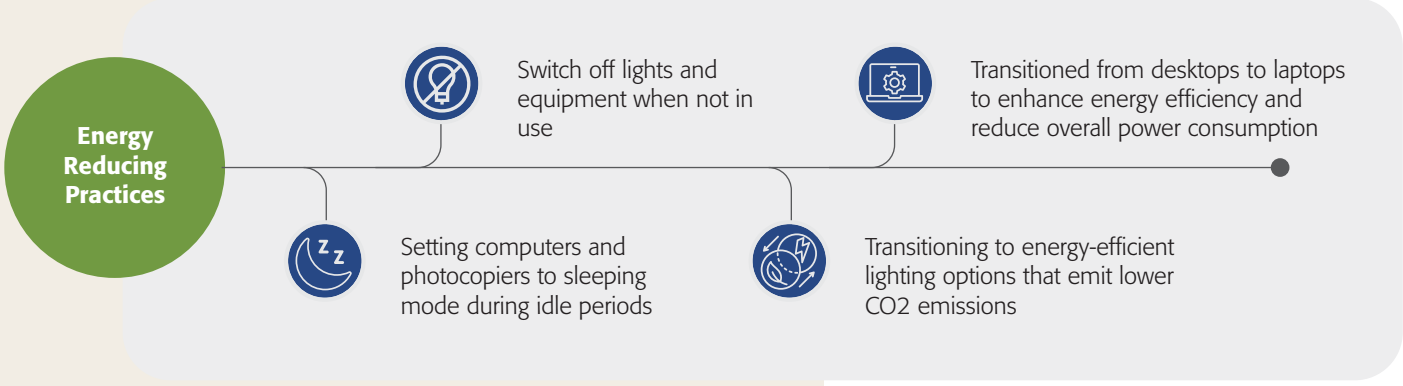
Sustainability Statement
(cont'd)

ENERGY WATER AND EFFLUENT WASTE

Energy Consumption

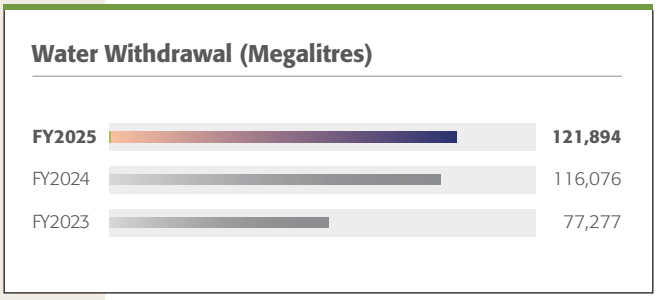
The Group's energy use spans across construction sites, corporate offices, and Hotel Maya. During the financial year, the Group recorded an 11% decrease in electricity consumption. This was mainly driven by reduced consumption at the construction site and closure of sales gallery. While energy demand grew in line with our operations, we remain committed to monitoring and managing our consumption responsibly as part of our broader sustainability goals. With the government's net zero aspiration, the Group remains committed to optimise our energy consumption by prompting various energy saving practices in the office.





Water Withdrawal

The Group recognises that responsible water management is critical to the long-term sustainability of its business operations. As such, the Group has implemented responsible strategies to manage its water usage and disposal in order to achieve optimal levels of efficiency throughout its operations. To ensure sustainable resource management, the Group is committed to improve its water efficiency year-on-year through process optimisation with initiatives such as rainwater harvesting and will continue to monitor and manage its water withdrawal across all operational sites. The water withdrawal has increased by 5% compared to previous year due to the rise of guests at Hotel Maya.



Wastes Management

At its offices, the Group's generated wastes can be broadly grouped into the following categories.

Office & Domestic Waste
Offices wastes, including paper, printer cartridges, and boxes, is either sent to a licensed landfill for disposal or collected by an authorised recycling agent.

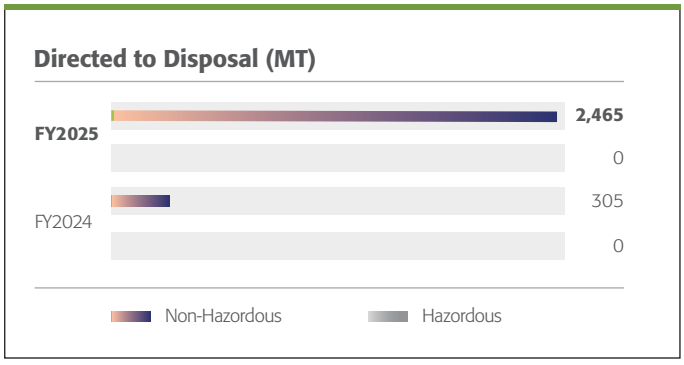
Maintenance Waste
The waste produced from maintaining properties, including trimmings, grass clippings, and other organic materials, is sent to a designated landfill for proper disposal in accordance with legal requirements.

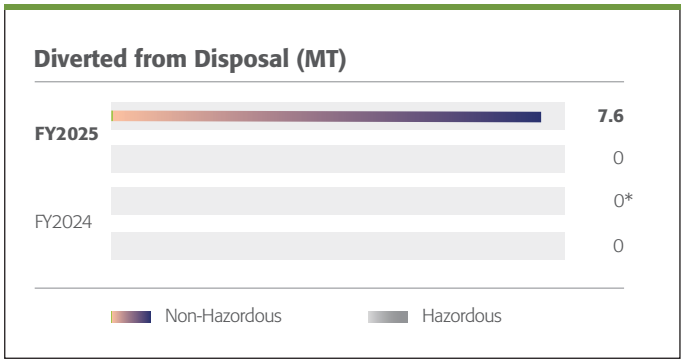
To ensure responsible wastes management, the Group has incorporated into its tender documents and contracts relevant clauses to ensure that its appointed contractors must dispose all the construction and site's wastes in accordance with the law and regulations set by the Department of Environment ("DOE"). Further, contractors must ensure that hazardous waste is safely handled and disposed of by licensed contractors.

For the reported financial year, the amount of waste directed to landfill by contractors is disclosed alongside operations from Hotel Maya. However, waste diverted from landfill is only from operations at Hotel Maya. The Group is committed to improve its disclosure in the upcoming year.

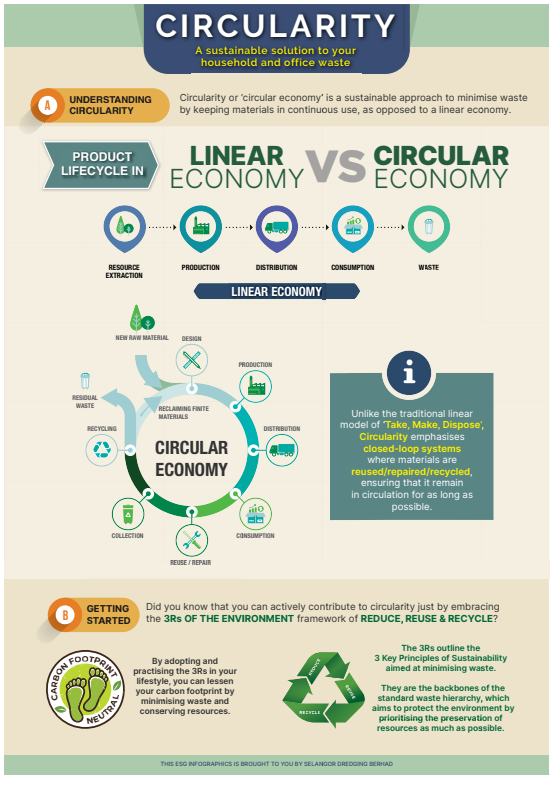
Living Sustainably

During the end of Financial Year 2025, the Group conducted awareness campaign focused on waste management. The objective was to introduce and promote basic principles of waste reduction and responsible disposal among our employees and stakeholders. We view this as the continuation of a broader commitment to environmental sustainability, and we plan to expand these efforts in the coming years to foster a culture of waste consciousness across all levels of the organisation.





Note: This number has been restated following data update to ensure accuracy in reporting.*



Sustainability Statement
(cont'd)

SOCIAL

"Promoting Inclusivity & Long-Term Relationship"

SOCIAL PERFORMANCE

The Group strongly believes in creating a diverse, inclusive, and safe working environment that fosters innovation and creativity for its employees, ensuring that everyone feels valued and respected. The Group contributes positively to the community it operates in, building trust and goodwill which lead to stronger relationships with its customers and other stakeholders. Overall, this reflects its holistic approach to business that prioritises both internal and external stakeholders.

Employment & Labour Practices

The Group endeavours to adopt just, dynamic, and progressive employment practices to attract and retain the best available talents in the market to support its business growth. Its employment terms comply with the laws of employment in Malaysia namely the Employment Act 1955, ensuring compliance with Minimum Wage Order 2022 and laws governing working hours, overtime pay and fair compensation. In addition, the Group has not prevented its employees from joining or forming trade unions.

The Group is committed to respecting human and labour rights and does not tolerate or condone any form of forced or child labour in any of its workplace. For the financial year under review, there are no substantiated complaints concerning human rights violations.

The Group also believes in establishing a workplace culture and environment that is safe, secure, and conducive to productivity. Acts of harassment, bullying or intimidation are strictly prohibited as provided in the Group's Code of Business Conduct. It has a grievances process and Whistleblowing Channel in place where employees can reach out to their Management, the Human Resource Department or the Legal Department to report on any grievances or concerns related to unethical practices without fear of retaliation.

The Group continues to offer good benefits packages for its employees. The introduction of "Staggered Hours Working Arrangement" allows SDB's employees to choose different start and end times as long as they meet the working hours specified in their employment letter.

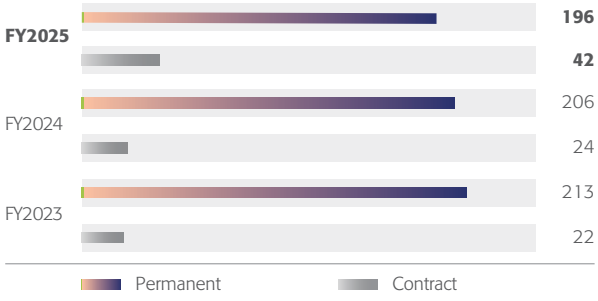
Other Key Benefits Are:

- Staff Discounts
- Free Parking
- Semi-Flexi Working Hours
- Annual Health Check Up
- Outpatient Medical Benefits

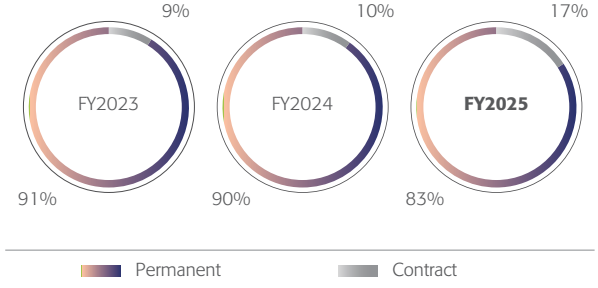
Total Employees

FY2025	FY2024	FY2023
238	230	235

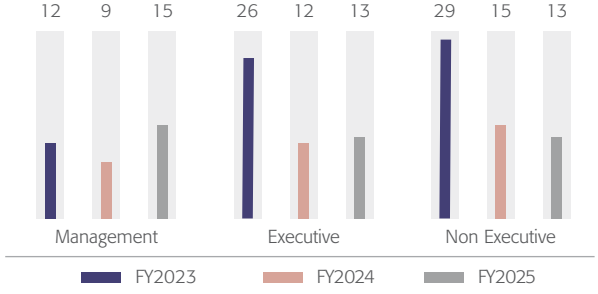
Total Number of Employees by Category



Total Employees by Category



Total % of Employee Turnover By Category



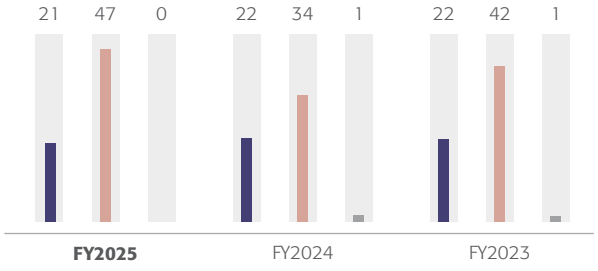
Diversity & Equal Opportunities

The Group is committed to promote a diverse and inclusive workplace. It provides equal opportunities to all regardless of age, gender, race, religion, political beliefs or disability as provided in its Code of Business Conduct. Having a diverse workforce brings diverse views across the organisation. Its recruitment and talent management processes ensure equity in employment based on fundamentals of non-discrimination. During the hiring and selection of talents, the Group is committed to select the best individuals for the roles based on their expertise, experience and leadership, as well as the manner the candidates can enhance and complement the collective diversity of the Group's talent pool.

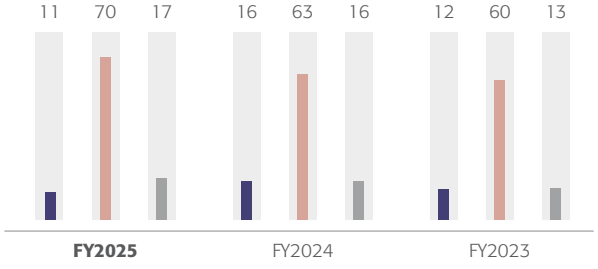
Following the Group's Inclusive Employment and Support Policy, the Group provide fair employment opportunities for people with disabilities ("PWD"). For example, SDB and Hotel Maya currently have in its employment some special needs employees. For FY2025, The Group's total workforce consists of 12 PWD which also represent 5% of the workforce.

Age Group by Employee Category

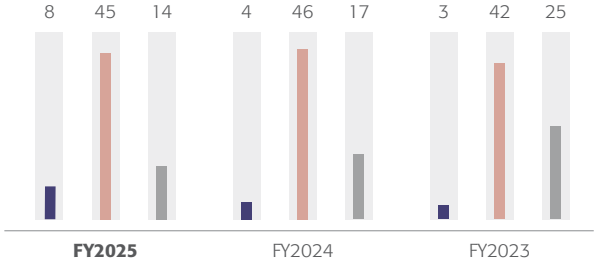
Management



Executive



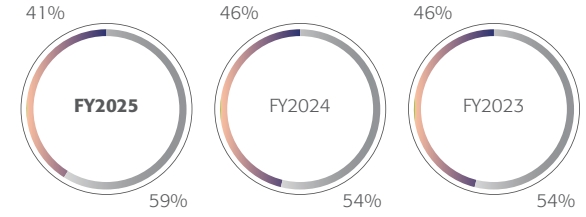
Non-Executive



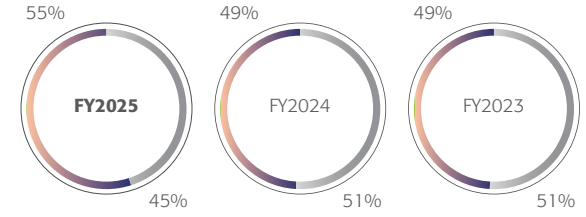
Under 30 Years | 30 to 50 years | Above 50 years

Gender Diversity by Employee Category

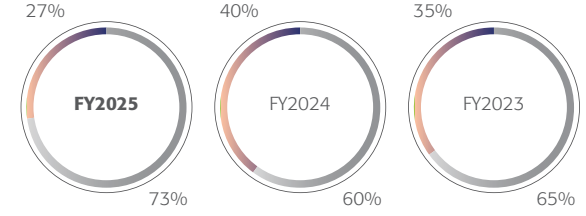
Management



Executive



Executive



Male | Female

** Excluding Contract workers from Hotel Maya*

Sustainability Statement
(cont'd)

Employee Engagement

The Group constantly engages its employees by organising year-round activities. For the financial year under review, SDB's Human Resource Department has organised several employee engagement programmes including a Cheers and Chat session, Trivia sessions, recreation and teambuilding activities off-site e.g. Merdeka Run.

Occupational Health & Safety

As a responsible employer, the Group has a duty to maintain a safe working environment for its employees to prevent any injuries or illnesses resulting from its operations. The Group has established an Quality, Environmental, Safety & Health ("QESH") Policy and the Occupational Safety and Health ("OSH") Committee to outline and oversee health and safety aspects and practices for employees, contractors and other stakeholders.

At the Group's construction sites, the appointed safety officers regularly conduct safety briefings to emphasise the importance of safety to employees and workers. Signages are placed around the sites to remind employees and workers to wear protective gears, to obey rules when operating machineries, and to follow other safety protocols.

At Hotel Maya, employees participated in trainings organised by BOMBA Malaysia and the National Institute of Occupational Safety and Health ("NIOSH"). These sessions equipped the participants with the necessary knowledge and skills to respond effectively during emergencies, thereby safeguarding guests and employees.

As part of the Group's emergency preparedness measures at its headquarters, employees attended the annual fire safety training sessions conducted by the building management. These trainings are essential to ensure compliance with fire safety regulations in Malaysia and to enhance the overall safety protocols within the organisation.

Health, Safety and Environment ("HSE") Trainings for Employees

Number of Employees

FY2025	FY2024	FY2023
23	32	10

Number of Training Hours

FY2025	FY2024	FY2023
720*	256	160

Note: The significant increase on Number of Training Hours is due to several training programmes that required multiple days to complete.*

List of HSE Training FY2025

- Basic Life Support
- Safety & Health Officer
- Occupational Safety & Health Conference 2024
  Organised by: National Institute of Occupational Safety and Health (NIOSH)
- Occupational Safety & Health Coordinator (OSH-C)
  Organised by: National Institute of Occupational Safety and Health (NIOSH)
- Emergency Response Team
  Organised by: BOMBA

Work-Related Injuries

The Group strives to continuously improve the delivery of health and safety standards and processes to eliminate hazards and reduce risk of work-related injuries at site. The Group remains committed in maintaining zero fatalities year on year by preventing and minimising any workplace related incidents.

Total Manhours

FY2025	FY2024
466,000	461,360

No. of Fatalities/(Contractor)

ZERO

No. of Lost Time Injuries *

FY2025	FY2024
0	1

Lost Time Incident Rate

FY2025	FY2024
0	2.17

Note: Refers to LTIR (times 200,000 hours) against total case and total of the Group's employee.*

Development & Training

The Group believes that it must continuously upskill and reskill its workforce in order to achieve its business strategy. The Human Resource Department is tasked to plan and manage the development of the Group's workforce and a Training and Development Standard Operating Procedure is in place to govern this process..

Total Training Hours **2,261.5** | Average Training Hours per Employee **9.7**

	FY2025	FY2024	FY2023
Total Training Hours	**2,261.5**	3,362.5	1,639.5
Average Training Hours per Employee	**9.7**	15.5	8.1

	FY2025	FY2024	FY2023
Management	1463	1,476	788
Executive	673	1,538.5	514.5
Non-Executive	126	348	337
Total	**2,261.5**	**3,362.5**	**1,639.5**

List of Trainings FY2025

- Construction Work Design & Management (CDM) Awareness
- Implementation of e-invoicing in Malaysia
- Future of cybersecurity summit
- International Green Build Conference "Building For The Future"
- Navigating The Evolving sustainability & Climate change
- Strata Technique Approach Towards Resilient
- Strata & HDA (Act 118) Workshop
- Professional Business Continuity Management
- Key Disclosure Obligations of a Listed Company
- Enhancing Corporate Transparency. Building Resilience

Sustainability Statement
(cont'd)

Community Investment

The Group believes in sustainable community investment. Its Corporate Social Responsibility ("CSR") is driven by the principles of inclusivity, focusing on extending support and creating opportunities for individuals with special needs and disabilities. The Group advocates for inclusion, empowerment, and equality by facilitating support and opportunities for individuals with special needs to actively contribute to society.

Transforming Lives of Special Needs Individuals One-Two Boost ("OTB") Programme

The Group strives to create a CSR Programme that is self-sustaining hence it premises upon the concept of "Teach A Man To Fish And You Will Feed Him For A Lifetime". This is the inspiration of the OTB CSR Programme.

Since 2020, OTB has partnered with Traditional Chinese Medicine ("TCM") physicians, Dr. Lin Cze-Pern and Dr. Go Pei Heng from Nanjing University of Chinese Medicine, to develop specially formulated herbal soups, nourishing teas, and drink packs aimed at enhancing immunity and overall well-being. These traditional herbal blends are prepared by a team of special needs young adults under the guidance and supervision of appointed job coaches and supervisors.

OTB is a CSR initiative that aims to provide employment opportunities for young adults with special needs. Since its inception, the programme has enhanced skill development among its team members and special needs hires by focusing on herb mixing as well as improving their social and interaction ability through teamwork. Additionally, it has significantly raised public awareness about the employment challenges faced by individuals with special needs.

For the financial year under review, OTB has collaborated with other special needs organisations and social enterprises to extend its reach and raise greater awareness. The special needs hires had the opportunity to shine, honing their social and communication skills by participating in bazaar booths in various off-site locations.

Bazaar Booth

- Colours of Life Booth by Parkcity Medical Centre
- Carnival of Inclusion & Neurodiversity @ Avenue K
- Park Seven Residents Day 2024
- timMy Autism Conference Booth by Pertubuhan Keperluan Khas Timothy (timMy)
- Weekly Sunday Booth @ The Hub, PJ SS2
- Merdeka Booth @ International Islamic Univerisity Malaysia
- Kasih Hospice Charity Fair 2024
- Earth Symphony - Green Cirque Fest @ Sunway Lagoon
- Hiss of Fortune Chinese New Year Booth 2025 @ I-City Mall

Collaboration with other Social Enterprises

- The Spectrum
- United Voice
- Bridging Hope

Workshop

- TCM Herbal Tea Bags Workshop
- TCM DIY Herbal Sachet & Muscle Pain Workshop
- TCM Roasted Rice Tea Workshop
- TCM Fish Foot Spa Ball Workshop
- Winter Soltice Workshop @ Senai Sales Gallery

Training Sessions and Field Trip

- Field Trip to Fresh In The City (Corn Farm)
- Field Trip to Tiger Milk Mushroom Atrium by LIGNO Biotech
- Sex Education Workshop by Peggy Lam (Lead Coach of Bridging Hope)
- Friends Beyond Labels by Hong Leong Foundation, Jumpstart@65
- A Decade of Neurodiversity Impact Forum by Enabling Academy

On top of all the initiatives, OTB also conducted Trainee programmes during the financial year under review. This was a three-month programme initially started on October 2024 with the same idea of providing job opportunities while enhancing their skills to more people. The initiative was proven a success and the second Trainee programme commenced on February 2025.

In June 2025, OTB is also opening a store located in Mid Valley Megamall, one of Kuala Lumpur's premier shopping destinations. This strategic location allows OTB to broaden their customer base and strengthen its presence.

Together, OTB is building a more inclusive and supportive environment, one step at a time. OTB's products are available for purchase through its website, www.12boost.com.my.

Sustainability Statement
(cont'd)

Caring for the Underprivileged

Community Investment Performance

RM989,669.71
Total Amount Invested in the Community

No. of Beneficiaries

87*	3
Individuals	Welfare homes

Note: For FY2025, the number of individuals is calculated from Jabatan Kebajikan Masyarakat ("JKM") 2014 average statistic of registered welfare centers and its residences.*

As part of our ongoing commitment to community engagement and social responsibility, we organised a meaningful outreach event at Hotel Maya for Rumah Charis (Home for the Children & the Aged) on 25 December 2024.

The event included a lunch feast shared among the children, elderly residents, and volunteers and ended with the Hotel Maya committee distributing cookie gift boxes as a token of appreciation and festive cheer.

In March 2025, Hotel Maya collaborated with a Non-Governmental Organisation (NGO) called Pertubuhan Jejak Jalanan to host a special Ramadan iftar for 40 unprivileged children located around Kuala Lumpur.

Held at Maya Brassiere, the event aimed to spread joy and foster a sense of community, featuring a breaking-of-fast session, gift distribution, and light entertainment. The session concluded with the distribution of festive cookies for the children to take home.

GOVERNANCE

Building an Ethical Culture

Governance Structure

Building an ethical culture is at the forefront of the Board's vision for the Group. SDB's Board of Directors is the highest governance body in the organisation, responsible for overseeing the conduct of the Group's business operations and financial and sustainability performance. The Board is responsible for overseeing risk management practices in the Group and is assisted by the Risk Management & Sustainability Committee ("RMSC") in this role. The Group has established an Enterprise Risk Management ("ERM") Framework to proactively identify, evaluate, mitigate and manage key risks to an optimal level.

The Group's policies in the following areas are available on the corporate website:

- **Anti Bribery and Anti-Corruption Policy**
- **Whistleblowing Policy**
- **Privacy Policy**

Corporate Governance

The Group is dedicated to serving the best interests of its stakeholders by upholding the highest standards of corporate governance and implementing best practices that underscore its commitment to transparency and accountability. Further details regarding the Group's corporate governance practices can be found in the Corporate Governance Overview Statement included in the Annual Report for 2025.

Compliance with Laws

The Group remains steadfast in adhering to relevant laws and regulations in the jurisdictions where it operates its businesses. Any failure to comply may expose the Group to potential fines, penalties, or sanctions, leading to reputational harm. As of March 31, 2025, the Group is not aware of any material instances of non-compliance with any laws or regulations involving the Group.

Anti-Corruption

SDB's Board of Directors champions a "Zero Tolerance towards Bribery and Corruption" stance. This commitment is reflected in the Group's ABAC Policy which outlines what will amount to "corruption" and the prohibitions on the same. The ABAC Policy applies to its directors, employees and business associates. SDB ensures that its business associates adhere to its ABAC Policy by communicating it to them through the inclusion of an ABAC clause in pre-qualification documents, contracts and tender documents. Further, new employees are given a briefing on the ABAC policy during their on-boarding process. Additionally, a Supplier Code of Conduct has been established.

Furthermore, the Group has implemented a Whistleblowing Policy and channel to enable employees or third parties to report any instances of misconduct or grievances that may arise by sending an email to whistleblowing@sdb.com.my. The Group has provided that whistle-blowers will be accorded protection. The Whistleblowing Policy further provides that whistleblowers may remain anonymous and their identity kept confidential.

Sustainability Statement
(cont'd)

Anti-Corruption Training for FY2025

- Anti Bribery Refresher Training
- Anti Bribery and Anti-Corruption in the Workplace

Anti-Corruption Training

Management	Executive	Non-Executive
FY2025 **100%**	FY2025 **73%**	FY2025 **82%**
FY2024: 100%	FY2024: 100%	FY2024: 100%

As of March 31, 2025, there have been no confirmed incidents of corruption or action taken across the Group. Further, no political contributions have been made.

Anti-Corruption Risk Assessment

The Group is in the midst of planning and conducting a comprehensive risk assessment process to identify potential non-compliance risks across the Group's business operations. Through this process, the Group aims to effectively identify, evaluate and manage risks associated with corruption across all business segments.

NIL FY2025 | FY2024 | FY2023

Data Privacy and Security

The Group's Privacy Policy sets out how the it uses and protects any personal data that it received. The Group is dedicated to upholding, respecting, and safeguarding the confidentiality of all personal data, in accordance with the provisions outlined in the Personal Data Protection (Amendment) Act 2024. The Group will continuously monitor developments in data protection laws and industry best practices to adapt and enhance its data protection measures, ensuring the ongoing security and privacy of the data entrusted to it.

For example, Hotel Maya's registration card clearly informs guests that their data is safeguarded by the PDPA 2010. It also requests their consent for their information to be processed according to Hotel Maya's privacy policy. Additionally, the card provides Hotel Maya's email and contact number, allowing guests to reach out to verify or update their details.

As of March 31, 2025, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data.

ZERO

FY2025 | FY2024 | FY2023
Zero Substantiated Cases

Performance Data Table

Indicator	Measurement Unit	2023	2024	2025
Economic Performance				
Economic Performance	MYR	137,743,000.00	227,460,000.00 *	375,954,000.00
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	86.50	96.00	99.30
Product Responsibility				
Customer Satisfaction	Number	82	87	86
Net Promoter Score	Number	85	86	94
Tripadvisor Score	Number	73	53	39
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	1,170.00 *	1,760.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	3,844.00	4,469.00 *	3,989.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	472.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	5,017.00	5,896.00	5,262.00
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	77.277000	116.076000	121.894000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	305.00 *	2,472.60
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	0.00 *	7.60
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	305.00	2,465.00
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	1.75	1.54	0.00
Management Between 30-50	Percentage	59.65	64.62	69.12
Management Above 50	Percentage	38.60	33.85	30.88
Executive Under 30	Percentage	15.29	16.84	17.35
Executive Between 30-50	Percentage	70.59	66.32	71.43
Executive Above 50	Percentage	14.12	16.84	11.12
Non-executive/Technical Staff Under 30	Percentage	40.32	29.83	20.90
Non-executive/Technical Staff Between 30-50	Percentage	54.84	63.16	67.16
Non-executive/Technical Staff Above 50	Percentage	4.84	7.02	11.94
Gender Group by Employee Category				
Management Male	Percentage	54.00	54.00	59.00
Management Female	Percentage	46.00	46.00	41.00
Executive Male	Percentage	51.00	51.00	45.00
Executive Female	Percentage	49.00	49.00	55.00
Non-executive/Technical Staff Male	Percentage	65.00	60.00	73.00
Non-executive/Technical Staff Female	Percentage	35.00	40.00	27.00

Internal assurance | External assurance | No assurance | (*)Restated

Sustainability Statement
(cont'd)

Indicator	Measurement Unit	2023	2024	2025
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	40.00	50.00	50.00
Female	Percentage	60.00	50.00	50.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	0.00	0.00	0.00
Above 50	Percentage	100.00	100.00	100.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	2.17	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	10	32	23
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	788	1,476	1,463
Executive	Hours	515	1,539	673
Non-executive/Technical Staff	Hours	337	348	126
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	10.00	10.00	16.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	8	5	10
Executive	Number	22	11	13
Non-executive/Technical Staff	Number	20	10	9
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	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	-	910,327.60	989,669.71
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	55	87
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00	100.00	100.00
Executive	Percentage	100.00	100.00	73.00
Non-executive/Technical Staff	Percentage	100.00	100.00	82.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	0.00	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
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	0

Internal assurance | External assurance | No assurance | (*)Restated