ABOUT THIS STATEMENT

The Board of Directors ("Board") is pleased to report the Sustainability Statement ("Statement") of Seng Fong and its subsidiaries ("Seng Fong Group" or the "Group") for the reporting period from 1 July 2024 to 30 June 2025 ("FY2025"). This Statement report, amongst others, the Group's material sustainability matters ("MSMs"), management, approaches, progress, performance, and targets achieved during the financial year under review.

The Group's approach to managing sustainability matters is embedded within and aligned to its Vision, Mission, core values, as well as long-term sustainability strategy and financial plans. Sustainability topics are addressed in the context of Seng Fong's business and its long-term growth and success, as well as in the context of value creation for our stakeholders.

This Statement has been prepared in accordance with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and has considered the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits.

Our Progress in FY2025

Seng Fong Group acknowledges that sustainability matters have become a top priority for our stakeholders. Heightened awareness of environmental challenges and the growing focus on protecting natural resources have further elevated stakeholder interest in the Group's sustainability performance and practices. In response, the Group ensures regular and transparent disclosures of our sustainability performance. We also review and adjust our sustainability targets to ensure that those targets remain relevant and aligned with the Group's strategies and direction, as well as stakeholders' expectations.

In addition, the Group is preparing for climate-risk assessment and management as part of our long-term commitment to enhancing climate resilience. This initiative aims, among others, to prepare Seng Fong Group to set out the climate-related financial disclosures in line with the International Financial Reporting Standards ("IFRS") S2 Climate-related Disclosures.

During the year, through internal training and workshops, we began establishing the foundation processes to identify and assess potential climate-related risks and/or opportunities associated with climate change. We undertook simple scenario analysis to evaluate the potential risks and/or opportunities, taking into consideration their financial impacts, various climate-related outcomes, including different temperature rise pathways and basic policy scenarios.

Following our previous years' initiatives to install solar and biomass power generation systems for renewable energy, we stepped up efforts in driving operational efficiency in line with the fast-moving Industry 4.0 framework. The Group's successful installation of the Smart Rubber Manufacturing Equipment in Factory 2 incorporates intelligent technology that automates existing processing lines with digital controls, robotic arms, and automated guided vehicles ("AGVs"). This transformation not only reduces dependence on manual labour but also improves the product quality assurance and consistency across our production process.

Reporting Scope

Unless otherwise stated, this Statement encompasses the Group's sole and key operating segment, the processing and sale of natural block rubber. The Group's key business operations are carried out at 3 processing factories located in Gemas, Negeri Sembilan, and at its headquarters in Muar, Johor.

Assurance

This Statement, along with the sustainability-related data, has not been audited by the internal audit nor subjected to external assurance. Nevertheless, Seng Fong's Management has taken the necessary measures to verify the accuracy of the information and data disclosed in this Statement.

Sustainability Statement

SUSTAINABILITY GOVERNANCE

The Board recognises that establishing and maintaining an effective governance structure is essential for ensuring consistent strategies and initiatives in managing the Group's sustainability efforts, as well as upholding accountability to drive implementation and performance towards achieving the Group's sustainability objectives and targets.

Seng Fong Group's governance structure in relation to sustainability is summarised as follows.

Board of Directors ("Board")	• ensuring that the strategic plan of the company supports long-term value creation including setting sustainability strategies, priorities, and targets • ensuring effective governance of the sustainability of the Group • ensuring that the Group carry out adequate and effective engagement with stakeholders
Audit and Risk Management Committee ("ARMC")	• assisting the Board in the overall management of the Group's sustainability, including reviewing the Group's Sustainability Policy and key sustainability-related policies or positions, stakeholder engagement, sustainability strategies, priorities, and targets • integrating sustainability considerations in ARMC's assessment of the internal control and risk management systems and oversight of internal and external audit activities (where applicable)
Sustainability Working Committee ("SWC")	• developing the Group's sustainability strategies, priorities, and targets before proposing them to the ARMC and the Board • implementing sustainability strategies and achieving sustainability priorities and targets • ensuring the application of the Group's Sustainability Policy and effective implementation of stakeholder management and engagement • executing the Environmental, Social, and Governance and Risk Management Processes to identify, assess, manage, and report sustainability risks

SUSTAINABILITY GOVERNANCE (CONT'D)

The Board holds ultimate responsibility for ensuring the Group's strategic plans integrate sustainability considerations across economic, environmental, and social aspects, including climate-related risks and opportunities, which have become increasingly important in recent years.

The Board also periodically reviews the Group's MSMs to ensure that they are effectively managed through appropriate sustainability strategies, approaches, and targets. Moreover, the Board ensures effective communication of the Group's sustainability strategies, priorities, and targets to both internal and external stakeholders.

The ARMC supports the Board by reviewing the Group's sustainability strategies, approaches, key performance indicators, targets, and performance before making recommendations to the Board. The ARMC is tasked to oversee the maintenance of internal processes that facilitate the structured identification, assessment, management, and reporting of sustainability-related matters, including the materiality assessment process. In addition, the ARMC ensures that sustainability risks relevant to the MSMs are integrated into the Group's audit and risk management processes.

The Board Charter has been reviewed to include clearer emphasis on the Board's role in relation to overseeing business sustainability and resilience, including climate resilience. At the same time, the ARMC's Terms of Reference have also been updated to reflect their roles in supporting the Board in overseeing business resilience, considering, amongst others, climate-related risks.

The SWC, comprising key Management personnel and chaired by the Managing Director, is responsible for overseeing the implementation of Management's sustainability strategies and initiatives, as well as monitoring performance against established targets. The SWC also executes internal processes, such as materiality assessment and stakeholder engagement activities, to identify and prioritise the sustainability matters that are most relevant to the Group. Where necessary, the SWC highlights significant and emerging sustainability issues to the ARMC and the Board that may affect the Group's long-term sustainability or value creation.

Sustainability is embedded within the Group's corporate governance practices. Directors are expected to possess sufficient knowledge of sustainability matters relevant to Seng Fong Group's business activities and are regularly updated on developments in these areas through Management presentations, Directors' training needs analysis and training schedules, and other initiatives. Sustainability considerations, along with the Group's sustainability process or performance, are also factored into the assessment of the Board and Senior Management.

A summary of the Board's activities in relation to the Group's sustainability is as follows:

- reviewed the Group's preliminary climate scenario analysis;
- reviewed the Group's MSMs conducted by the SWC, considering the ARMC's recommendation;
- reviewed and approved the sustainability initiatives, targets, and performance proposed by the SWC in addressing the MSMs; and
- reviewed the sustainability performance of the Group.

STAKEHOLDER ENGAGEMENT

In pursuing long-term stakeholder value, Seng Fong Group strives to maintain a balanced approach in considering the diverse interests of its stakeholders. By doing so, the Group aims to build and sustain healthy relationships and trust with its stakeholders.

Seng Fong Group has established a variety of engagement channels to enable us to listen to, engage, and collaborate with stakeholders to better understand their views and concerns, as well as the potential influence and impact the Group may have on them. These channels are also used to communicate the Group's key sustainability strategies, priorities, targets, and performance, with the aim of aligning stakeholders' expectations and interests as closely as possible with those of the Group.

STAKEHOLDER ENGAGEMENT (CONT'D)

The table below provides a summary of the Group's stakeholder engagement activities during FY2025, including the engagement methods, frequency, and key matters discussed.

Stakeholder Groups	Methods of Engagement	Frequency	Key Matters
Customers	Corporate website	As needed	• Supply Chain Management • Human Rights and Labour Practices • Data Privacy and Security • Compliance with Social and Environmental Laws and Regulations
	On-site factory visit & audit	As needed	
	Customer satisfaction survey	Annually	
Suppliers	Supplier qualification & selection	During selection	• Supply Chain Management • Human Rights and Labour Practices • Ethical Business Practices
	Supplier performance assessment	Annually	
	Incoming material inspection	As needed	
Employees	Orientation & Employee Handbook	During onboarding	• Occupational Safety and Health • Human Rights and Labour Practices • Ethical Business Practices • Data Privacy and Security
	Group policies, including the Code of Ethics & Conduct	During orientation and from time to time	
	Appraisal & performance review	Annually	
	Training & development	As needed	
	Management Review Meeting	Quarterly	
Shareholders & Investors	Annual General Meeting	Annually	• Occupational Safety and Health • Ethical Business Practices • Compliance with Social and Environmental Laws and Regulations
	Corporate website	As needed	
	Investor relations & briefing	As needed	
	Announcements	As needed	
Government & Regulators	Site visits & meeting	As needed	• Occupational Safety and Health • Human Rights and Labour Practices • Ethical Business Practices • Data Privacy and Security • Compliance with Social and Environmental Laws and Regulations • Waste and Processing Water Management • Energy Management and Reducing Reliance on Non-Renewable Energy • Carbon Footprint Management
	Participation in programs organised by government bodies	As needed	

MATERIAL SUSTAINABILITY MATTERS

The Group adopts a materiality assessment process to identify, assess, and prioritise its sustainability matters.

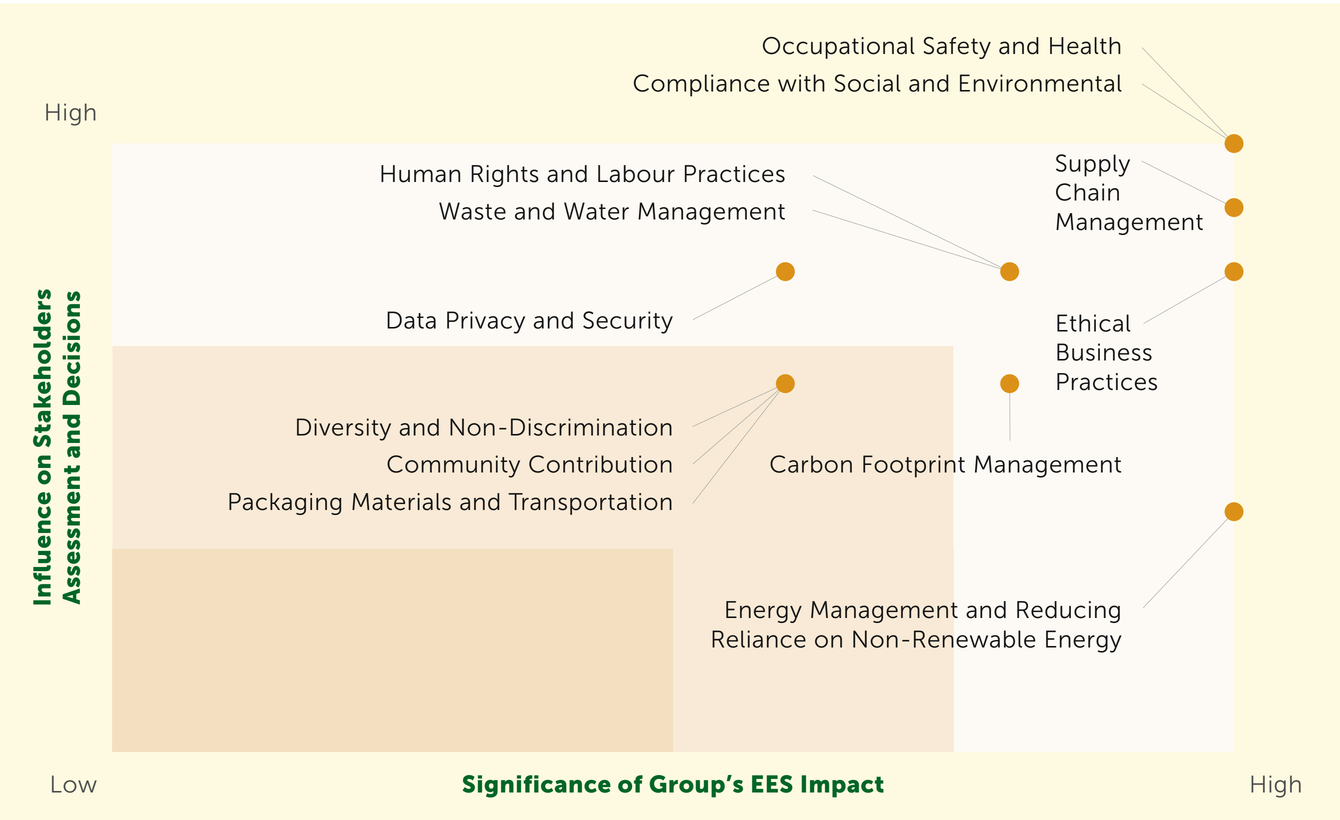
The materiality assessment process considers an MSM as one that:

- reflects the Group's significant economic, environmental, and social impacts; and
- substantively influences the assessments and decisions of stakeholders.

In FY2025, the SWC conducted a review of the materiality assessment, taking into account sustainability matters relevant to the Group's business, long-term value, as well as the common sustainability matters prescribed by Bursa Securities in its latest enhancement to the MMLR. This assessment also incorporated stakeholder comments and feedback gathered through regular stakeholder engagement activities conducted across the Group's operations.

The Group's MSMs remain unchanged from last year, as those MSMs are still relevant to our business and stakeholders.

The diagram below presents the MSMs identified in FY2025.



MATERIAL SUSTAINABILITY MATTERS (CONT'D)

FY2025 Performance

The targets set in FY2024 were maintained in FY2025 to underscore their continued relevance and significance to the Group's business operations and long-term value creation. Retaining these targets also enables the Group to consistently track and measure its sustainability performance over time, providing a clear basis for evaluating progress, identifying areas for improvement, and ensuring alignment with the Group's strategic sustainability objectives.

During FY2025, Seng Fong Group is pleased to report that we have achieved all sustainability targets.

Sustainability Matters	FY2025 Targets	FY2025 Performance	Target Achieved in FY2025?
Occupational Safety and Health	Zero cases of work-related fatalities	Zero cases of work-related fatalities	Achieved
	Lost time incident rate no more than 2.5	Lost time incident rate = 0.4	Achieved
Compliance with Social and Environmental Laws and Regulations	Zero discharge of effluent into waterways	Zero discharge of effluent into waterways	Achieved
Ethical Business Practices	All Directors and Management-level employees have been trained on the ABC Policy for the year	100% of Directors and Management-level employees have been trained on the ABC	Achieved
Human Rights and Labour Practices	Zero cases of substantiated complaints concerning human rights violations	Zero cases of substantiated complaints concerning human rights violations	Achieved
	At least 8 training hours per employee per year	Average 15.4 training hours per employee	Achieved
Carbon Footprint Management	Emissions intensity (tCO_2e/ tonnes of unit production) reduction against the base year (base year: FY2023) Note: covering Scope 1 and 2 only	30.43% reduction	Achieved
Energy Management and Reducing Reliance on Non-Renewable Energy	Energy efficiency (kWh/ tonnes of unit production) reduction against the base year (base year: FY2023)	49.50% reduction	Achieved

ESTABLISHING STRONG ETHICS AND GOVERNANCE

Ethical Business Practices

Code of Ethics & Conduct and Anti-Bribery and Corruption Policy

The Group is committed to conducting its business and operations with integrity and high ethical standards and expects the same from all Directors and employees. The Board has established a Code of Ethics & Conduct ("COE"), which applies to all Directors and Employees. The COE covers various aspects of business ethics, including the prohibition of child or forced labour, maintaining clean and hygienic working conditions, compliance with minimum wage requirements, non-excessive working hours, no discrimination, prevention of sexual harassment, respect for freedom of association, and the prohibition of inhuman treatment.

Seng Fong Group has also adopted a dedicated Anti-Bribery and Corruption Policy ("ABC Policy"), established by the Board, which applies to all employees as well as third parties providing services to or acting on behalf of the Group. The ABC Policy sets out our commitment to conducting business with high standards of professionalism, transparency, integrity, honesty, and accountability, and reinforces our zero-tolerance approach towards all forms of bribery and corruption. The Group's ABC Policy also addresses key areas such as conflict of interest, gifts, hospitality and travel, donations and sponsorships, facilitation payments, money laundering, as well as recruitment and promotion of personnel.

At Seng Fong Group, we adopt a risk-based approach to managing bribery and corruption. Potential bribery and corruption risks are identified, assessed, and managed through the Group's risk management process, with risk reviews conducted at least annually. In addition to a Group-wide communication of our ABC Policy and anti-corruption stance, we implement measures to mitigate corruption risks within our operations, particularly in business functions or positions assessed to have higher exposure to such risks. All operations across Seng Fong Group have undergone assessments for bribery and corruption-related risks to ensure that appropriate controls are in place and effectively maintained.

Anti-corruption and anti-bribery operations

100%
Operations assessed for bribery and corruption-related risks in FY2025, FY2024 and FY2023.

The Group conducts regular training and awareness programmes on anti-bribery and anti-corruption, COE, integrity, and ethics for both new hires and exiting employees, with particular emphasis on those in roles identified as having higher exposure to bribery and corruption risk. Most non-executive employees are assessed to have minimal or no direct exposure to such risks.

In FY2025, the Group continued to expand and ensure that anti-bribery and anti-corruption training coverage for employees. Concurrently, we maintained regular communication of the Group's zero-tolerance stance on bribery and corruption via established procedures, including incorporating it into the orientation programme for new employees.

As of 30 June 2025, 100% of our employees have been communicated on the Group's anti-bribery and anti-corruption stance, consistent with the previous year. In addition, all employees at the executive level and above have received anti-bribery and corruption training.

ESTABLISHING STRONG ETHICS AND GOVERNANCE (CONT'D)

Ethical Business Practices (Cont'd)

Code of Ethics & Conduct and Anti-Bribery and Corruption Policy (Cont'd)

Seng Fong Group	FY2024		FY2025	
Employee Category	**No.**	**%**	**No.**	**%**
Communicated on anti-bribery and corruption				
Senior Management	4	100.0	**4**	**100.0**
Management	10	100.0	**9**	**100.0**
Executives	34	100.0	**40**	**100.0**
Non-Executives	424	100.0	**405**	**100.0**
Received training on anti-bribery and corruption				
Senior Management	4	100.0	**4**	**100.0**
Management	10	100.0	**9**	**100.0**
Executives	33	97.1	**40**	**100.0**
Non-Executives	118	27.8	**121**	**29.9**

In Seng Fong Group, the Human Resources Department is responsible for overseeing all aspects of anti-bribery and corruption compliance. This includes providing advice and guidance, implementing necessary measures to monitor adherence, and reporting bribery and corruption-related performance matters to the management and the ARMC on a quarterly basis. We are committed to ensuring that anti-bribery and anti-corruption initiatives are sustained as an ongoing effort to uphold the Group's reputation and standards.

Audits are an essential tool for continuously monitoring, reviewing, enhancing, and evaluating the performance, efficiency, and effectiveness of the Group's ongoing efforts to address bribery and corruption risks. These audits may be conducted internally by the Group or by external parties, with the findings reported to the ARMC and prompt corrective action taken where necessary.

The Group has established due diligence processes to assess new suppliers or business associates before entering into business relationships. We also communicate the Group's expectations on ethical practices and our ABC Policy to suppliers and business associates via various channels, including emails, letters, newsletters, and other forms of communication.

In addition, all Directors and employees are required to provide written acknowledgement confirming their understanding of, and commitment to, the Group's ABC Policy.

The Group's COE and ABC Policy are made available on our corporate website at http://www.sengfongholdings.com/.

ESTABLISHING STRONG ETHICS AND GOVERNANCE (CONT'D)

Ethical Business Practices (Cont'd)

Data Privacy and Security

Seng Fong Group has established processes to protect its cybersecurity and to safeguard the security and confidentiality of stakeholders' personal data. This process encompasses the responsible collection and processing of personal data, ensuring that all such activities are conducted in strict compliance with applicable laws and regulations.

To strengthen data security and safeguard sensitive information, the Group has implemented a set of access controls and authentication measures within our system infrastructure, thereby applying a framework or procedure that ensures that only authorised personnel are granted access to sensitive data, protecting our defences against unauthorised breaches, and preserving the confidentiality, integrity, and availability of our critical information assets. Additionally, we also conduct periodic cybersecurity awareness sessions to improve our employees' understanding and knowledge of emerging cyber threats.

Data Security Breaches

0 cases of
substantiated complaints concerning breaches of customer privacy and losses of customer data in FY2025, FY2024 and FY2023

During the financial year under review, there were no substantiated complaints concerning breaches of customer privacy and losses of customer data.

Whistleblowing Mechanism

Seng Fong Group has implemented a whistleblowing mechanism, formalised through its Whistleblower Policy & Procedures, to provide internal and external stakeholders with a channel to report any suspected or actual incidents of bribery, corruption, financial malpractice, health and safety, environmental issues, any form of harassment, etc. This mechanism reinforces the Group's commitment to promoting a business environment with integrity and ethical conduct.

The Whistleblower Policy & Procedures is made available on our corporate website at http://www.sengfongholdings.com.

In addition to the standard reporting channel, where employees may raise concerns or report any improper conduct in writing via emails to their immediate supervisors or managers, they may also submit such a report directly to the Compliance Officer. If the matter involves concerns about reporting to the management of Seng Fong Group, the report may instead be directed to the Chairperson of the ARMC. All reports received by the Group will be treated with the utmost confidentiality.

Under the Whistleblowing Policy & Procedures, the Group safeguards whistleblowers from any form of penalty, harassment, retribution, victimisation, retaliation, or other harm for raising concerns. Any act of retaliation against a whistleblower who reports in good faith will be treated as a breach of the Group's policy.

Bribery and Corruption Cases

0 cases of
confirmed incidents of bribery and corruption in FY2025, FY2024 and FY2023

The Group has established a Whistleblowing Committee tasked with overseeing the investigation of whistleblowing reports. The Whistleblowing Committee is also responsible for updating the whistleblower on the progress of the investigation and communicating the outcomes or decisions.

The Group is pleased to report that there were no confirmed incidents of bribery and corruption in FY2025.

SUPPLY CHAIN AND PRODUCT QUALITY

The underlying standards of Seng Fong's business and processing process are built upon strict compliance with all applicable laws and regulations, including those relating to environmental protection and social responsibility, as well as adherence to relevant industry standards and certifications. These guiding principles not only ensure consistency of its products and services but also build trust and confidence among the Group's global clientele.

Standards and Certifications

Our processing processes are certified under ISO 9001:2015 Quality Management Systems, reflecting our commitment to upholding the highest quality standards and ensuring customer satisfaction. In addition, our laboratory is accredited under the Skim Akreditasi Makmal Malaysia ("SAMM"), which is a laboratory accreditation scheme under the responsibility of the Department of Standards Malaysia ("Standards Malaysia"). Laboratories accredited under SAMM meet the requirements of MS ISO/IEC 17025 general requirements for the competence of testing and calibration laboratories, and this Standards Malaysia is identical to ISO/IEC 17025 published by the International Organization for Standardization ("ISO").

Compliance with legal and regulatory requirements

To uphold accountability and transparency in its corporate governance systems and operational processes, the Group places strong emphasis on full compliance with all applicable laws and regulations. This includes adhering to key regulatory requirements such as the Malaysian Rubber Board (Licensing and Permit) Regulations 2014, Environmental Quality Act 1974, Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990, Factories and Machinery Act 1967, and Poisons Act 1952. By meeting these legal obligations, the Group not only ensures lawful and ethical business conduct but also fulfils its basic responsibility to safeguard the well-being of employees and protect the environment.

Supply Chain Management

Seng Fong Group is committed to delivering high-quality and safe products and services to our customers. Amongst others, the quality of our supplies is a key factor in ensuring the quality of our products, and we have implemented multiple controls throughout our supply chain processes. Raw materials are checked for their quality and compliance with specifications before processing, and the final products are examined to ensure consistent quality.

We conduct annual evaluations for our key suppliers, assessing factors such as products/ services quality and delivery timeliness. Where applicable, we also consider environmental and social aspects as part of the supplier evaluation process.

Compliance with Social and Environmental Laws and Regulations

We are pleased to report that there were no significant non-compliance cases with social or environmental laws and regulations, and there were no substantiated complaints concerning human rights violations received during the year.

0 cases of
Significant non-compliance cases with social and environmental laws and regulations in FY2025, FY2024 and FY2023

0 cases of
substantiated complaints concerning human rights violations in FY2025, FY2024 and FY2023

SUPPLY CHAIN AND PRODUCT QUALITY (CONT'D)

Supply Chain Management (Cont'd)

To strengthen supply chain management and foster greater sustainability, the Group has recently introduced a set of code of business ethics that address governance, environmental, and social aspects relevant to our suppliers and business associates, where applicable. We have communicated the code of business ethics to all our suppliers to ensure that all our suppliers adhere to the governance, environmental, and social requirements set.

Amongst others, the code of business ethics also includes measures to improve product traceability, enabling Seng Fong to align with global trends and requirements for the sustainable use of natural resources. The approved code of business ethics will be published on our corporate website at http://www.sengfongholdings.com.

Product Quality

Standard block rubber processing technologies are adopted in our operations. Block rubber processing involves the use of pretreatment machines such as slab cutters, pre-breakers, and turbo mills to reduce the initial size of the raw materials, ensuring proper exposure to their interior while eliminating dirt traces. Cleaning pools with stirrers facilitates the cleaning process by settling dirt residue as well as providing thorough blending in the initial processing stages. Rubber blankets are then formed via maceration and creping, using a macerator and creper for the continuous creping process. The shredder is the final size reduction machine used to shred the rubber blankets into fine rubber crumbs. To remove water content from the rubber crumbs, a temperature-controlled dryer is applied. Finally, dry pre-breakers are adopted to blend the dry rubber biscuits, thereby improving the uniformity and consistency of properties in the block rubber.

Every batch of block rubber produced is required to undergo laboratory testing at our MRB-authorised laboratory, covering a range of analyses. These tests are important to determine the specifications and properties of the manufactured block rubber, and they also form a key part of our quality control process, ensuring consistent product quality before delivery to customers.

The Malaysian Rubber Board ("MRB") also conducts random inspections twice a year to ensure that our operations comply with all relevant requirements.

Supporting Local Economy

In making business and procurement decisions, we take into account various factors, including availability, cost, and quality. Where possible, we prioritise sourcing products and services locally. Local procurement not only supports the local economy but also helps reduce indirect greenhouse gas ("GHG") emissions by minimising transportation distances and shortening delivery lead times, and improving risk management in relation to supply chain management.

In FY2025, about 34% of the Seng Fong Group's trade-related products and services were sourced from suppliers registered in Malaysia.

Local Procument

34%
Local procurement in FY2025
(FY2023: 28%, FY2024: 27%)

WORKPLACE ENVIRONMENT

As of 30 June 2025, the Group's workforce had decreased by approximately 3%, totalling 458 employees. This comprised 166 permanent employees and 292 contract employees, with the majority of whom are foreign workers.

Similar to last year, close to 30% of the Board comprises women Directors. At the Management level, including Senior Management, women represent about 46% of employees, marking a slight increase from the previous year. Overall, women make up around 12% of our total workforce, a proportion influenced by the nature of work on our processing floor, which involves extensive manual labour. We also employed a total of 3 interns during FY2025.

WORKPLACE ENVIRONMENT (CONT'D)

The diagram below summarises the overall number of Board members and employees within the Group.

As at 30 June 2025

Seng Fong Group	Gender		Age		
No. (%)	**Male**	**Female**	**< 30**	**30 - 50**	**> 50**
Board of Directors	**5 (71%)**	**2 (29%)**	**0 (0%)**	**2 (29%)**	**5 (71%)**
Employee Category					
Senior Management	**3 (75%)**	**1 (25%)**	**0 (0%)**	**2 (50%)**	**2 (50%)**
Management	**4 (44%)**	**5 (56%)**	**0 (0%)**	**7 (78%)**	**2 (22%)**
Executives	**19 (48%)**	**21 (52%)**	**15 (38%)**	**20 (50%)**	**5 (12%)**
Non-Executives	**376 (93%)**	**29 (7%)**	**160 (40%)**	**229 (57%)**	**16 (3%)**

As at 30 June 2024

Seng Fong Group	Gender		Age		
No. (%)	**Male**	**Female**	**< 30**	**30 - 50**	**> 50**
Board of Directors	5 (71%)	2 (29%)	0 (0%)	3 (43%)	4 (57%)
Employee Category					
Senior Management	3 (75%)	1 (25%)	0 (0%)	3 (75%)	1 (25%)
Management	5 (50%)	5 (50%)	0 (0%)	7 (70%)	3 (30%)
Executives	15 (44%)	19 (56%)	10 (29%)	19 (56%)	5 (15%)
Non-Executives	396 (93%)	28 (7%)	177 (42%)	232 (55%)	15 (3%)

With the implementation of the Smart Rubber Manufacturing Equipment in Factory 2, the demand for foreign workers decreased, which in turn led to a slight reduction in contract employees throughout the year.

Seng Fong Group	As at 30 June 2023	As at 30 June 2024	As at 30 June 2025
Full-time permanent employees	131 (33%)	154 (33%)	**166 (36%)**
Full-time contract employees	270 (67%)	318 (67%)	**292 (64%)**

WORKPLACE ENVIRONMENT (CONT'D)

Overall, employee turnover remains manageable, with most departures occurring in the Non-Executives category, which includes manual workers. This is partly due to the implementation of the Smart Rubber Manufacturing Equipment in Factory 2, which has reduced the need for manual labour.

Seng Fong Group	**FY2023**		**FY2024**		**FY2025**	
Employee Category	**No.**	**Rate (%)**	**No.**	**Rate (%)**	**No.**	**Rate (%)**
Turnover number and rate[1]						
Senior Management	0	0.0	0	0.0	**0**	**0.0**
Management	0	0.0	3	27.3	**1**	**10.0**
Executives	2	6.3	3	9.4	**7**	**18.9**
Non-Executives	55	17.9	68	17.1	**77**	**18.6**

[1] Turnover rate was calculated using average monthly employee number for the employee category for the respective year as denominator.

Diversity and Non-Discrimination

Seng Fong Group has in place a non-discriminatory approach, ensuring that no individual is treated differently based on race, religion, gender, age, sexual orientation, disabilities, or nationality. It values diversity and promotes equal opportunities across all employment practices, including recruitment and termination, remuneration, training, promotion, and disciplinary actions.

The Group has established a Non-Discrimination and Diversity Policy that clearly outlines its position and commitment to ensuring merit-based equal opportunities in all employment practices. Moreover, the Group strive to promote diversity amongst Directors and employees by consistently upholding principles of non-discrimination and equal opportunities.

Besides, such a stance is embedded in the Group's Sustainability Policy and aligns with the Group's COE, which aims to foster a healthy and sustainable work environment where all employees have fair opportunities to achieve their goals and perform effectively in the workplace.

Human Rights, Labour Practices, and Employee Welfare

Seng Fong Group upholds the protection of fundamental human rights in accordance with laws and regulations. Therefore, the Group strictly prohibits the use of child labour and any form of forced, bonded or involuntary labour across all its business activities and operations. Meantime, the Group also avoids engaging with any businesses known to willingly adopt such unethical practices.

The Group recognises and respects every employee's right to freedom of association and the right to collective bargaining, in compliance with applicable laws and regulations. The Group ensures that these rights are upheld and not restricted or denied to any employees.

WORKPLACE ENVIRONMENT (CONT'D)

Human Rights, Labour Practices, and Employee Welfare (Cont'd)

We strive to foster an inclusive and diverse work environment, supporting employee growth through continuous training, and providing competitive compensation and benefits. In doing so, we comply with all applicable employment laws and regulations, including those related to minimum wage, minimum working age, minimum rest periods, minimum workers' accommodation, maximum working hours, as well as freedom of association and right to collective bargaining, amongst others. We ensure that the human rights and labour standards applied within our operations are communicated to all existing and new employees.

To date, the Group ensures that our employees are keeping abreast of regulatory changes and are aware of the latest amendments to the minimum wage requirements, as well as updates to relevant laws and regulations addressing issues such as online harassment, bullying, and identity misuse. We ensure that these updates and amendments are reflected in the Group's relevant policies and procedures and subsequently communicated to all employees, particularly those in managerial and supervisory roles, to ensure proper implementation and compliance across the business operations. In addition to our local employees, we ensure that all foreign workers possess valid work permits in compliance with the applicable laws and regulations. Where relevant, we also provide appropriate accommodation, essential amenities, and proper sanitation facilities, particularly for our foreign workforce. Detailed information on these benefits is outlined in the company's Employee Handbook, which is provided to every employee upon joining.

To ensure a conducive resting environment for our foreign workers, we have in place 2 workers' quarters that comply with the minimum requirements stipulated under the Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990. These quarters meet all regulatory requirements and have received the Certificates for Accommodation from the Department of Labour Peninsular Malaysia.

Occupational Safety and Health

We are committed to providing our employees, including permanent and contract-based employees, with a safe, conducive, and healthy working environment. This commitment is formally embedded in our Sustainability Policy and Safety and Health Policy. The Group currently does not engage with external contractors for its processing activities.

An Occupational Safety and Health Committee ("OSH Committee") is responsible for overseeing the overall health and safety performance of our operations. The OSH Committee comprises selected Management personnel alongside working-level and executive-level representatives, including the Safety Officer. This diverse composition ensures feedback from the working level, which is directly exposed to potential safety and health hazards, can be sought during the monitoring and deliberations of the OSH Committee. In fulfilling its role, the OSH Committee also conducts periodic reviews of the workplace to maintain and enhance comfort, safety, and health.

The Group's safety and health risk management implements a risk-based approach to managing safety and health risks, conducting risk assessments across its operations to identify areas of higher risk. Appropriate safety controls are then implemented to mitigate these risks or eliminate safety or health hazards. Furthermore, safety and health training is provided for employees in higher-risk roles.

Our safety procedures include a range of measures such as quarterly safety spot checks to assess the safety of our businesses and factory premises, the development of emergency response plans to adequately prepare and equip our employees with the knowledge and skills to handle emergency situations, and regular inspection of employees' personal protective equipment ("PPE"), among other safety initiatives.

Our health and safety practices are regularly reviewed to ensure alignment with current industry practices and standards. We conduct regular briefings and training sessions to strengthen safety and health awareness among both new and existing employees, covering our internal policies, processes, and guidelines. Apart from that, professional training on safety and health standards is also provided to key personnel, including the Safety Officer and members of the OSH Committee.

WORKPLACE ENVIRONMENT (CONT'D)

Occupational Safety and Health (Cont'd)

The Group is committed to equipping employees with the necessary information and training to perform their duties safely while managing health risks. In FY2025, a total of 447 employees received training on health and safety standards, including general safety training.

Seng Fong Group	FY2023	FY2024[2,3]	FY2025
Number of employees trained on health and safety standards	12	10	**11**
Number of employees trained on general health and safety standards	Not available[4]	465	**447**

[2] We re-defined the scope indicator to include general training, which includes safety and health training and briefings.
[3] In FY2025, we revised our data collection method to exclude resigned employees. FY2024 data has been restated to reflect the revised basis.
[4] We began to report this indicator in FY2024.

The safety and health training conducted in FY2025 covered a range of topics, including but not limited to the following:

- Fire Drills and Fire Extinguisher
- Safety Awareness in Relation to Processing Processes
- Updates on OSHA
- Job Hazard Analysis
- Mental Health and Stress Management in the Workplace
- Basic Industrial Hygiene
- Process Safety Management
- Manual Handling at Workplace
- Effective Safety & Health Committee
- Human Factor
- Permit to Work
- Chemical Exposure Monitoring
- Health Risk Assessment

WORKPLACE ENVIRONMENT (CONT'D)

Occupational Safety and Health (Cont'd)

The OSH Committee oversees the implementation of appropriate measures to reduce and prevent work-related accidents and injuries. Should any work-related accidents and injuries occur, the OSH Committee investigates to identify the root causes and develops and implements corrective action plans to prevent similar occurrences. The execution of these action plans is closely monitored, and key performance indicators are tracked to evaluate and enhance overall safety performance.

In FY2025, we are pleased to report that no work-related fatalities occurred, and our lost time incident rate remained consistent with that of the previous financial year. The work-related injuries that occurred on our premises were minor, and each case was promptly investigated to determine the causes and implement appropriate corrective measures to prevent recurrence. Arising from the investigations, the Group enhanced its controls by conducting additional safety training, updating SOP for machinery use including during machine breakdown, providing additional PPE, displaying additional safety signage, and enhancing the protective covers for moving parts.

We will continue to enhance workplace safety and health by implementing an ongoing improvement process within our safety and health management system. The safety and health performance for FY2025 met the Group's target. Details of the target, progress, and performance can be found in the **FY2025 Performance** section.

Seng Fong Group	FY2023	FY2024	FY2025
Cases of work-related fatalities	0	0	**0**
Cases of work-related injuries	2	3	**3**
Lost time incident rate[5]	0.4	0.4	**0.4**

[5] Calculated using a multiplier of 200,000 hours

Training and Development

Seng Fong Group is supportive of the professional and personal development of all employees. Beyond fostering a pipeline of future talent and skills to drive future value creation, we believe that investing in employee growth also benefits society by enhancing the overall knowledge and skills within both the industry and the broader community.

Employee development plays a crucial role in Seng Fong Group's succession planning, which focuses on identifying and nurturing the key competencies and qualities required for key managerial and senior management positions. This succession plan is an integral part of the Group's talent management effort, aimed at cultivating a pool of capable individuals who can step into leadership positions within the Group when needed and in the future. In support of this approach, our middle management team participates in regular training to enhance their knowledge, strengthen their capabilities, and excel in both their current and future responsibilities.

All employees undergo annual performance appraisals, which are conducted with their supervisors. These appraisals evaluate employees' performance over the year, identify areas for improvement, and provide an opportunity for employees to give feedback on how the Group can enhance its operations. The results of the appraisals are considered in the Group's employees' training needs analysis. Moreover, the Group also has a training requisition form that allows employees to submit their request for further training programmes with the purpose of improving their skill sets.

WORKPLACE ENVIRONMENT (CONT'D)

Training and Development (Cont'd)

In FY2025, employees participated in a variety of training and development programmes. Beyond the safety and health training disclosed above, these training also covered the following areas:

- Processing process included wet and dry sections, packing, pallet assembly and marking, unloading, press, bale cutting, trolley cleaning etc
- Quality checking and inspection
- Housekeeping
- Raw material grading
- Electrician and foreman job skills
- Security guard training
- E-Invoicing and E-PCB plus
- EA Form and E-Filling
- Labour practices compliance
- Anti-Bribery and Anti-Corruption
- Warehouse training
- Quality awareness of laboratory test procedure
- Sustainability and ESG reporting
- System MSNR Trace
- Environmental compliance
- MRB Workshop

WORKPLACE ENVIRONMENT (CONT'D)

Training and Development (Cont'd)

In FY2025, the Group recorded a slight decrease in training hours, averaging 15.4 hours per employee compared to 17.2 hours in the previous year. The breakdown of training hours by employee category is as follows.

Seng Fong Group	**FY2023**		**FY2024**		**FY2025**	
Employee Category	**Total training hours**	**Average training hours[6]**	**Total training hours**	**Average training hours[7]**	**Total training hours**	**Average training hours[8]**
Senior Management	50	12.5	84	21.0	**73**	**18.3**
Management	58	5.8	188	17.1	**110**	**11.0**
Executives	929	29.0	821	25.6	**470**	**12.7**
Non-Executives	2,941	9.6	6,557	16.5	**6,483**	**15.7**
Total	**3,978**	**11.3**	**7,650**	**17.2**	**7,136**	**15.4**

[6] Calculated using average monthly employee number for the employee category for FY2023 as denominator.
[7] Calculated using average monthly employee number for the employee category for FY2024 as denominator.
[8] Calculated using average monthly employee number for the employee category for FY2025 as denominator.

Community Contribution

Wherever possible, Seng Fong Group strives to contribute to the well-being of local communities in the areas where we operate, recognising our role in supporting both community needs and the broader development of society. We also encourage our employees to participate in community programmes.

During the financial year under review, the Group made contributions amounting to approximately RM148,544, benefiting various recipients, including schools, a university, an association, and a prayer hall.

Seng Fong Group	**FY2024**		**FY2025**	
	RM	**Estimated beneficiaries**	**RM**	**Estimated beneficiaries**
Community investments/ CSR (where target beneficiaries[9] are external to the Group)	46,800	5	**148,544**	**6**

[9] The number of beneficiaries is counted as one when a contribution is made to a single association or organisation.

PROTECTING OUR ENVIRONMENT

Seng Fong recognises the importance of preserving a sustainable natural environment and strives to maintain a harmonious balance between the environment and the extraction of natural resources, ensuring that nature is neither exploited nor harmed.

Beyond complying with all applicable environmental laws and regulations, our Sustainability Policy outlines our commitment to managing and minimising environmental impacts across a broad range of focus areas, including energy efficiency and emissions reduction, water efficiency, pollution prevention, effluent management, and the responsible use and disposal of material and waste.

During the financial year under review, no environmental fines and penalties were incurred.

Participation in Industry Initiatives

Seng Fong Group strives to improve resource efficiency and minimise the negative environmental effects of its business activities, operations, and products. We actively engage in and support industry-wide initiatives aimed at improving the sustainability of the industry.

Energy Management and Reducing Reliance on Non-Renewable Energy

Energy is a vital component in the Seng Fong Group's business operations, powering our facilities, processes, and services. Recognising its importance, the Group strives to use energy responsibly by enhancing efficiency, reducing consumption where possible, and decreasing our dependence on non-renewable energy sources.

To support these efforts, we have implemented an Efficient Energy Management ("EEM") system, which enables us to monitor and regulate energy usage across our operations. This system not only provides insights into consumption but also helps us identify potential areas for energy reduction or energy efficiency initiatives.

Solar Power System

At our Gemas operating site, part of our energy needs is supplemented by solar-powered energy, a clean and renewable energy source. The solar panels generate electricity under the Government's Net Energy Metering ("NEM") scheme which is primarily utilised to meet the Group's operational needs, while any surplus is sold to the grid through Tenaga Nasional Berhad ("TNB") and offset against our electricity bills, thereby reducing both our energy costs and carbon footprint.

Furthermore, the installation of the solar panel systems serves as a strategic safeguard for the Group against potential future increases in electricity tariffs, while also qualifying us for the green investment tax allowance from the Malaysian Investment Development Authority ("MIDA"). Under this green investment tax incentive, the Group is eligible to claim 100% of qualifying capital expenditure for a three-year period starting from the date of the initial qualifying expenditure. This allowance can be used to offset 70% of statutory income in the assessment years beginning from the year the initial qualifying capital expenditure was incurred.

Biomass Systems

During FY2024, the Group invested in 2 Biomass Systems, which generate fuel gas for powering the dryer system in our production processes. The biomass power systems generate fuel gas from woodchip via woodchip gasification hot air systems and are a source of renewable energy. The Biomass Systems were intended to provide renewable energy to replace the use of diesel for our dryer system.

This transition has not only lowered our diesel consumption but also resulted in a decrease in GHG emissions associated with diesel use, reinforcing our effort to reduce our carbon footprint and supporting renewable energy adoption within our operations.

PROTECTING OUR ENVIRONMENT (CONT'D)

Energy Management and Reducing Reliance on Non-Renewable Energy (Cont'd)

Energy consumption

The Group's energy consumption is estimated based on diesel and petrol used in the Group's equipment and vehicles, electricity purchased from TNB, as well as energy generated from our solar-powered systems and Biomass Systems.

During the financial year under review, the Group's total energy consumption was 46,903 MWh, with a significant reduction in diesel consumption. This decrease was mainly due to the installation of Biomass Systems, which replaced the use of a significant amount of diesel in our operations.

Seng Fong Group	FY2023[10]	FY2024	FY2025
Non-renewable energy			
Fossil fuel, comprising of:			
Diesel (MWh)	49,287	26,697	**13,842**
Petrol (MWh)	488	469	**491**
Electricity purchased from TNB (MWh)[11]	25,345	31,030	**32,570**
Total non-renewable energy consumption (MWh)	**75,120**	**58,196**	**46,903**

10 FY2023 energy consumption data is converted to MWh in this table.

Through our investment in solar panel systems and Biomass Systems, the Group recorded a total renewable energy consumption of 73,723 MWh across our operations in FY2025.

Seng Fong Group	FY2023[12]	FY2024	FY2025
Renewable energy			
Solar-powered electricity (MWh)	4,048	4,317	**4,033**
Biomass energy (MWh)	Not applicable	52,648[13]	**69,690**
Total renewable energy consumption (MWh)	**4,048**	**56,965**	**73,723**

The renewable energy generated has indirectly contributed to the avoidance of a significant volume of GHG emissions. Detailed information on the GHG emissions avoided through these renewable energy sources is presented in the **GHG Emissions and Carbon Footprint Management** section of this Statement.

11 We consider electricity purchased from TNB as non-renewable energy.
12 FY2023 energy consumption data is converted to MWh in this table.
13 FY2024 biomass energy data has been restated following a revision in the estimated energy conversion factor for the biomass gasification system.

PROTECTING OUR ENVIRONMENT (CONT'D)

Energy Management and Reducing Reliance on Non-Renewable Energy (Cont'd)

Energy efficiency

In FY2024, Seng Fong Group has set a target to track energy efficiency and emissions intensity on an ongoing basis, using FY2023 as the baseline year. By FY2025, the Group achieved significant progress, improving its energy efficiency from 34% in FY2024 to 50%. This improvement was driven by the installation of Biomass Systems, which significantly reduced the reliance on diesel in our operations.

Seng Fong Group	Base Year	FY2023	FY2024	FY2025
Energy efficiency (kWh/ tonnes of unit production)	2023	Not applicable	34.14% reduction	**49.50% reduction**

GHG Emissions and Carbon Footprint Management

The Group is committed to effectively monitoring and mitigating environmental pollution risks arising from its business activities and operations. By investing in renewable energy systems, notably our solar power system and Biomass Systems are the renewable energy systems, we strive to reduce our dependence on fossil-based fuel and, in turn, lower the GHG emissions generated from our operations.

During the financial year under review, the Group recorded 28,749 tonnes of CO_2e from Scope 1 and Scope 2 GHG emissions. For consistency and comparability, the Scope 1 and Scope 2 GHG emissions for FY2023 and FY2024 have been recalculated using the same emissions conversion factors applied in FY2025.

Seng Fong Group	Type[14]	FY2023[15]	FY2024[16]	FY2025
Scope 1 GHG emissions (tCO_2e)[17]	Diesel consumption	12,169	6,591	**3,417**
	Petrol consumption	122	118	**123**
Scope 2 GHG emissions (tCO_2e)	Purchased electricity[18]	19,617	24,017	**25,209**
Scope 1 and Scope 2 (tCO_2e)		**31,908**	**30,726**	**28,749**

14 CO_2e – Carbon dioxide equivalent, includes carbon dioxide, methane, and nitrous oxide.
15 Recalculated with the same conversion factors to enable comparison with FY2025 figures.
16 Recalculated with the same conversion factors to enable comparison with FY2025 figures.
17 Scope 1 GHG emissions data were calculated using the latest version of the GHG Protocol, namely Transport Tool v2_7. Reference: https://ghgprotocol.org/calculation-tools-and-guidance.
18 Grid Emission Factor ("GEF") for Peninsula Malaysia in 2022, published by the Energy Commission of Malaysia, is used to estimate the emissions associated with purchased electricity. 2022 GEF data is the latest available as of the preparation of this Statement. FY2023 figures recalculated using 2022 GEF.

PROTECTING OUR ENVIRONMENT (CONT'D)

GHG Emissions and Carbon Footprint Management (Cont'd)

In FY2025, the Group estimated that it avoided 3,122 tonnes of CO_2e by using solar-generated electricity instead of purchased electricity, and a further 18,653 tonnes of CO_2e in Scope 1 emissions by using biomass energy instead of diesel. The biomass emission from the biomass energy systems is not estimated.

Seng Fong Group	FY2023	FY2024	FY2025
Solar-powered electricity (tCO_2e)	3,133	3,342	**3,122**
Biomass energy (tCO_2e)	Not applicable	14,092[19]	**18,653**

19 FY2024 avoidance of Scope 1 GHG emissions by avoiding diesel consumption has been restated, following a recalculation of estimated energy generated from biomass.

In FY2025, we continued to report our GHG emissions for Scope 3, Category 6 – Business Travel and Category 7 – Employee Commuting, which amounted to approximately 154 tonnes of CO_2e.

Seng Fong Group		FY2024 (tCO_2e)	FY2025 (tCO_2e)[20]
Scope 3 GHG emissions	Category 6 – Business Travel	1	**21**
	Category 7 – Employee Commuting	158	**133**

20 FY2025 Scope 3 GHG emissions data were calculated using the latest version of the GHG Protocol, namely Transport Tool v2_7. Reference: https://ghgprotocol.org/calculation-tools-and-guidance.

Emissions intensity

Similar to the energy efficiency, the emissions intensity for FY2025 also showed a significant decrease, reflecting the Group's ongoing transition to biomass systems and solar panel installations.

Seng Fong Group	Base Year	FY2023	FY2024	FY2025
Emissions intensity (tCO_2e/ tonnes of unit production)[21]	2023	Not applicable	17.39% reduction[22]	**30.43% reduction**

21 Only Scope 1 and Scope 2 emissions are covered when calculating emissions intensity.
22 Emissions intensity FY2024 has been restated, following a recalculation of Scope 1 and Scope 2 emissions in FY2024.

Air Pollution

In line with the requirements of the Department of Environment ("DOE"), the Group has strengthened its environmental protection measures by establishing and overseeing the air pollution control system. As part of this initiative, we have implemented procedures to monitor and measure air pollution control performance.

Our Compliance Officer is responsible for assessing scrubber pressure and the pH levels of the scrubbing liquid feed streams to ensure the system operates effectively. These assessments help us maintain compliance while reinforcing our commitment to environmental responsibility and sustainability.

PROTECTING OUR ENVIRONMENT (CONT'D)

Preparation for aligning with Climate-related Financial Disclosures

During the financial year under review, the Group has undertaken a review of its governance structure to reflect the responsibilities of the relevant governance bodies in relation to ensuring business sustainability in relation to climate-related risks and opportunities. This includes a revision to the Board Charter and ARMC Terms of Reference.

In addition, Management has also attended briefing sessions and workshops to discuss the Group's possible climate-related risks and opportunities, taking into consideration different climate scenarios. The climate scenarios were carried out mainly on a qualitative basis, which will support the Group's further risk assessment and management. The Group considered at least 2 scenarios, including a scenario following current development as well as a scenario assuming less aggressive global mitigative actions.

The Group will continue to carry out relevant activities to support its preparation for alignment with the climate-related financial disclosures in accordance with IFRS S2.

Packaging Materials and Transportation

We continually explore opportunities to optimise material usage across our business, operations, and products, with an emphasis on integrating biodegradable, recyclable, or reusable materials where practical.

Waste and Water Management

Water Management

Although our operations are not located in water-stress areas, the nature of our operation is considerably water-consuming. To address this, we have installed an effluent treatment system that allows us to treat and reuse effluent within our processing plants. This system enables us to fully recycle water, resulting in zero effluent discharge and minimal freshwater withdrawal from external sources.

During the rubber processing process, effluent is produced and collected in dedicated treatment ponds for treatment. After treatment, the treated effluent is redirected back into our rubber processing operations for reuse, eliminating any discharge of effluent from our rubber processing plants into open water sources, thereby minimising our environmental impact. As part of our internal control measures, we carry out regular maintenance and monitoring to ensure the treatment system is operating effectively.

Seng Fong Group is pleased to report that no complaints were received from the surrounding community. In addition, no incidents of non-compliance with water quality or quantity permits, standards and regulations were recorded this year.

In FY2025, the Group recorded a total water withdrawal of 85,168 m^3 from municipal sources, primarily for domestic use.

Seng Fong Group	FY2023	FY2024	FY2025
Water withdrawal from municipal potable water (m^3)	87,924	73,515	**85,168**
Water discharged (m^3)	Not available[23]	73,515	**85,168**
Effluent discharge into waterways (m^3)	Not available[24]	0	**0**

23 We began to report this indicator in FY2024.
24 We began to report this indicator in FY2024.

PROTECTING OUR ENVIRONMENT (CONT'D)

Waste and Water Management (Cont'd)

Waste Management

We ensure that all our waste management practices are in compliance with the regulations and guidelines set by the DOE. Beyond regulatory adherence, the Group strives to optimise waste management efficiency and minimise waste generation throughout our business activities, operations, and products.

In general, our operations do not produce significant waste, particularly in relation to hazardous waste. The only common form of hazardous waste generated is waste oil, which is strictly managed and disposed of through a licensed waste contractor.

Where possible, we also prioritise the use of environmentally friendly materials, such as those made from recycled materials and/or that can be recycled, in our operations. In FY2025, a total of 0.123 tonnes of waste oil was generated and reused.

Seng Fong Group		Generated (tonnes)	Diverted from disposal (tonnes)	Directed to disposal (tonnes)
Scheduled Waste – Waste Oil	FY2024	0.671	0.671	0.000
	FY2025	**0.123**	**0.123**	**0.000**

Appendix

Total water discharge data by destination:

Seng Fong Group (m^3)	FY2023	FY2024	FY2025
Municipal potable water total discharge	Not available[25]	73,515	**85,168**
Ocean total discharge	0	0	**0**
Surface water total discharge	0	0	**0**
Subsurface/ well total discharge	0	0	**0**
Off-site water treatment total discharge	0	0	**0**
Beneficial/ other use total discharge	0	0	**0**
Total water discharge	**0**	**73,515**	**85,168**

25 We began to report this indicator in FY2024.

PROTECTING OUR ENVIRONMENT (CONT'D)

Appendix (Cont'd)

Total water withdrawal data by source:

Seng Fong Group (m^3)	FY2023	FY2024	FY2025
Surface water from rivers, lakes, and natural ponds	0	0	**0**
Groundwater from wells and boreholes	0	0	**0**
Used quarry water collected in the quarry	0	0	**0**
Municipal potable water	87,924	73,515	**85,168**
External wastewater	0	0	**0**
Harvested rainwater	0	0	**0**
Sea water, water extracted from the sea or the ocean	0	0	**0**
Total water withdrawal	**87,924**	**73,515**	**85,168**

PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024	2025
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	100.00	100.00	100.00
Management	Percentage	60.00	100.00	100.00
Executives	Percentage	61.00	97.10	100.00
Non-Executives	Percentage	3.00	27.80	29.90
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
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
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	28.00	27.00	34.00
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	75.00	75.00	50.00
Senior Management Above 50	Percentage	25.00	25.00	50.00
Management Under 30	Percentage	10.00	0.00	0.00
Management Between 30-50	Percentage	50.00	70.00	78.00
Management Above 50	Percentage	40.00	30.00	22.00
Executives Under 30	Percentage	21.00	29.00	38.00
Executives Between 30-50	Percentage	64.00	56.00	50.00
Executives Above 50	Percentage	15.00	15.00	12.00
Non-Executives Under 30	Percentage	39.00	42.00	40.00
Non-Executives Between 30-50	Percentage	57.00	55.00	57.00
Non-Executives Above 50	Percentage	4.00	3.00	3.00
Gender Group by Employee Category				
Senior Management Male	Percentage	75.00	75.00	75.00
Senior Management Female	Percentage	25.00	25.00	25.00
Management Male	Percentage	60.00	50.00	44.00
Management Female	Percentage	40.00	50.00	56.00
Executives Male	Percentage	48.00	44.00	48.00
Executives Female	Percentage	52.00	56.00	52.00
Non-Executives Male	Percentage	92.00	93.00	93.00
Non-Executives Female	Percentage	8.00	7.00	7.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	71.00	71.00	71.00
Female	Percentage	29.00	29.00	29.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	57.00	43.00	29.00
Above 50	Percentage	43.00	57.00	71.00
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0

PERFORMANCE DATA TABLE (CONT'D)

Indicator	Measurement Unit	2023	2024	2025
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.40	0.40	0.40
Bursa C5(c) Number of employees trained on health and safety standards	Number	12	10 *	11
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Senior Management	Hours	50	84	73
Management	Hours	58	188	110
Executives	Hours	929	821	470
Non-Executives	Hours	2,941	6,557	6,483
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	67.00	67.00	64.00
Bursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	0	0	0
Management	Number	0	3	1
Executives	Number	2	3	7
Non-Executives	Number	55	68	77
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	10,000.00	46,800.00	148,544.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1	5	6
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	79,168.00 *	115,161.00 *	120,626.00
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	6,709.00 *	3,540.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	24,017.00 *	25,209.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	159.00 *	154.00
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	-	0.67 *	0.12
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	0.67 *	0.12
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	0.00	0.00
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	87.924000	73.515000	85.168000

Internal assurance External assurance No assurance (*)Restated