ABOUT THIS REPORT ABOUT US PERFORMANCE REVIEW CORPORATE GOVERNANCE SUSTAINABILITY FINANCIALS ADDITIONAL INFORMATION

MUDAJAYA GROUP BERHAD SUSTAINABILITY STATEMENT FY2023

(CONTINUED)

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SUSTAINABILITY STATEMENT (CONTINUED)

AN OVERVIEW OF MUDAJAYA'S SUSTAINABILITY STATEMENT

Over the course of our nearly six-decade journey, Mudajaya Group Berhad ("Mudajaya" or the "Group") has diversified into various sectors, including construction, property development, concession assets, manufacturing and trading.

Acknowledging the importance of managing our environmental, social, and governance ("ESG") impacts, we prioritise integrating sustainability throughout our diverse range of operations to enhance our value creation. With this commitment in mind, we are pleased to present our sustainability statement that encapsulates our sustainability-related impacts and performance for the financial year ended 31 December 2023 ("FY2023").

We strengthened our ESG performance by implementing a Group-level Sustainability Policy this year, setting clear sustainability objectives aligned with our aspirations. The policy guides our decision-making and enables us to contribute towards a sustainable future. In FY2023 we also commenced with the disclosure of Scope 1, Scope 2 and limited Scope 3 greenhouse gas ("GHG") emissions in light of the growing concern on climate change.

In aligning our strategies with global sustainability targets, we adopted six United Nations Sustainable Development Goals ("UN SDGs"). We reassessed our material matters and established nine sustainability key performance indicators ("KPIs"), demonstrating our accountability in sustainability practices.

Focused on ethical business practices, Mudajaya achieved the ISO 37001:2016 Anti-Bribery Management System Certification. As the first Malaysian construction company to attain this prestigious certification with United Kingdom Accredited Service ("UKAS") Accreditation, we uphold zero cases of corruption and bribery Group-wide.

Human rights and workplace safety are of primary concern in our industry. We prioritise employee well-being through Occupational Health and Safety ("OHS") capacity building and the provision of improved accommodation facilities to foster a safe and conducive work environment.

These measures fortify our sustainability commitment and strategically position us in the construction sector, preparing us to capitalise on opportunities in a rapidly changing landscape.

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Establishing Our Scope and Boundary

Our sustainability statement will cover data from 1st January to 31st December 2023 ("FY2023"), incorporating data from FY2021 and FY2022 to reflect annual trends.

The scope of this report surrounds Mudajaya Group Berhad, our subsidiaries and their operations.

Subsidiaries and Operations	Location
 Mudajaya Corporation Berhad ("MCB") Delivers professional engineering services and construction. Active projects include: Light Rail Transit Line 3 ("LRT3") Package GS01 Gurun Earthwork ("GEK") Kotra Pharma Melaka ("KPM") ECRL Station (Package 3) 	Malaysia
Mudajaya Land Sdn. Bhd. ("MLSB") Owns and manages the 16-storey office building Menara Mudajaya, serving as the corporate headquarters ("HQ")	Petaling Jaya, Selangor
MJC City Development Sdn. Bhd. ("MJCC") Property developer of the 265-acre Batu Kawah New Township in Kuching.	Kuching
MJC Development Sdn. Bhd. ("MJCD") Owns and manages 61 units at Lumi Tropicana developed by Thriven Global Berhad.	Petaling Jaya, Selangor
MJC Precast Sdn. Bhd. ("MJCP") Manufacturing and supply of precast concrete products.	ljok, Selangor
MJC Trading Sdn. Bhd. ("MJCT") Engaged in the trading of construction-related materials.	Malaysia
Sinar Kamiri Sdn. Bhd. ("SKSB") Owns and operates a 49MW solar farm in Sungai Siput, Perak.	Sungai Siput, Perak
Special Universal Sdn. Bhd. ("SUSB") Owns and operates a 10MW solar farm in Gebeng, Pahang.	Gebeng, Pahang
Mudajaya Facilities Management Sdn. Bhd. Engaged in the operation and management of power plants.	Malaysia

The Guidelines that Define Our Report

The Group's sustainability statement was prepared with reference to Bursa Malaysia's Main Market Listing Requirements ("MMLR"), the Sustainability Reporting Guide (3rd edition) and the recently published Illustrative Sustainability Reporting Guide ("ISRG"). Our statement adheres to the Global Reporting Initiative ("GRI") Standards and the UN SDGs. These guidelines enable us to provide transparent and reliable reporting regarding our sustainability performance and goals.



(CONTINUED)

Awards and Recognitions FY2023

- 4-Star CIDB Score: Our dedication to excellence is further showcased by our impressive 4-star rating in the CIDB Score.
- Excellence Award: Our LRT3 Project was honoured with the CIDB Excellence Award on Safety and Health, Environment and Quality ("SHEQ") Day 2023.
- Top 30: MJCC was nominated as the Top 30 developers in Sarawak in 2023.

Memberships and Associations

Mudajaya actively engages in our diverse industries by participating in the following associations, enabling us to stay informed about significant, industry-impacting issues and current sector developments.



Ensuring Integrity

We acknowledge the value of independent verification in upholding the integrity of our sustainability disclosures. Internal due diligence was conducted to ensure that all data contained in this statement had been sourced and validated by the respective business divisions within the Group.

Feedback

We highly value stakeholder feedback and view it as a key instrument for driving the enhancement of our sustainability disclosures. If you have any concerns about the information contained in our sustainability statement, please contact us via the details below.

Mudajaya Group Berhad

PH1, Menara Mudajaya No. 12A, Jalan PJU 7/3 Mutiara Damansara 47810 Petaling Jaya Selangor Darul Ehsan Tel No : (603) 7806 7899 Email : info@mudajaya.com

SUSTAINABILITY STATEMENT (CONTINUED)

KEY SUSTAINABILITY ACCOMPLISHMENTS

FY2023 Sustainability Milestones

Mudajaya consistently works to integrate sustainability principles in all facets of our operations. Our approach has led to notable achievements, marking significant milestones in our sustainability journey.

DELIVERING EXCELLENCE



Cases of Corruption, Bribery and Whistleblowing

ZERO



Incidents of Breaches in Data Privacy and Cybersecurity

ZERO



Procurement Budget Allocated to Local Suppliers

99.22%

BUILDING TOWARDS A GREEN FUTURE



Reduction in Total Energy Consumption

9.6%



Reduction in Scope 1 GHG Emissions

8.2%



Reduction in Water Consumption

2.5%

CARING FOR OUR PEOPLE



Lost Time Injuries and Fatalities





Cases of Human **Rights Violations**



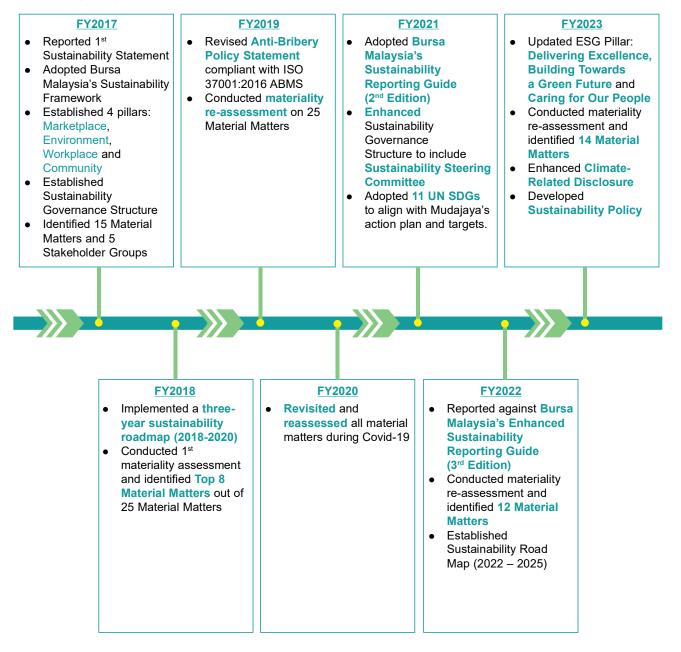
Total Training Hours 1,074 hours

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BUILDING FOR THE FUTURE

Our Sustainability Journey Thus Far

Committed to 'Advancing the Future Together', Mudajaya focuses on sustainability excellence, building on our achievements towards the global goal of achieving net-zero emissions by 2050.

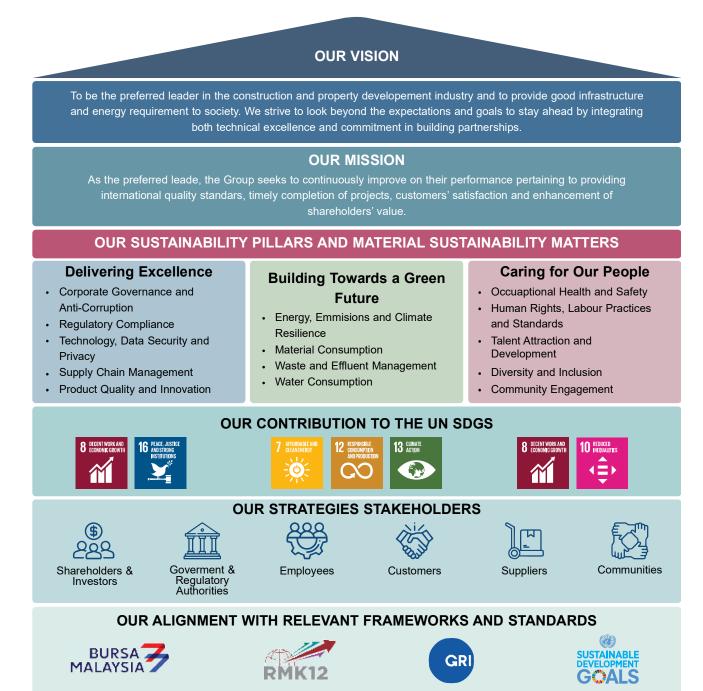


SUSTAINABILITY STATEMENT (CONTINUED)

APPROACHING SUSTAINABILITY CONSTRUCTIVELY

ESG Framework

In FY2023, we developed an overarching ESG framework that encompasses our mission, vision and core values. The framework is built on the core pillars of the Group that guide our sustainability initiatives, with each pillar anchored in specific material sustainability matters that are critical for our business operations and stakeholders.



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Mudajaya's Sustainability Policy

In FY2023, we established a Board-approved Sustainability Policy encompassing Mudajaya and our subsidiaries. The policy serves as a guiding framework structured around three tenets: Delivering Excellence, Building Towards a Green Future and Caring for Our People. Recognising the urgency of climate resilience, we integrated climate-related disclosures into our policy to drive the transition towards a low-carbon future.

Tenets of Our Sustainability Policy

Delivering Excellence

- Uphold the highest standards of ethical business conduct and act with integrity in all our operations.
- Prevent all forms of bribery and corruption throughout the Group's value chain.
- Comply with regulatory and legal requirements in markets where we operate.
- Protect customer data and privacy against unauthorised access and use.
- Uphold the highest standards of product quality to sustain customer satisfaction and support long-term value creation.
- Support local economic growth by prioritising local suppliers.

Building Towards a Green Future

- Continuously improve energy efficiency and actively monitor our carbon footprint across operations.
- Enhance recycling, reduce waste and implement responsible disposal methods to contribute towards a circular economy.
- Minimise the Group' environmental footprint by promoting efficient material consumption.
- Promote water conservation practices throughout the Group.

Caring for Our People

- Foster a safe workplace for our employees, prioritising their well-being.
- Allocate resources and organise capacity-building programmes to support employee development and growth.
- Ensure fair labour practices, treating all employees with dignity and fairness.
- Actively engage with and contribute to the communities in which we operate.

Fulfilling Global Goals

Aligned with the 2030 Agenda for Sustainable Development, Mudajaya has embraced six (6) UN SDGs and their corresponding targets that directly pertain to our operations. It further reaffirms our dedication to the global effort of fostering peace, prosperity and sustainability for both humanity and the environment.



SDG 7: Affordable and Clean Energy

7.2: Increase substantially the share of renewable energy in the global energy mix

• Installed solar panels on Menara Mudajaya to reduce reliance on purchased electricity.

• Received a Sustainable Development Award for Affordable and Clean Energy from JCI Malaysia for the development of the 49 MW large scale solar PV facility in Perak.

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SUSTAINABILITY STATEMENT

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SDG 8: Decent Work and Economic Growth

- 8.7: Eliminate forced labour, slavery, human trafficking, and child labour
- Maintained zero child labour and human rights violations throughout our value chain.
- 8.8: Protection of labour rights and promotion of safe and secure working environments for all
- Implemented a Health, Safety and Environmental Policy to protect our employees from daily operational hazards.
- Staff undergo safety training in accordance with ISO 45001.

SDG 10: Reduced Inequalities

- 10.3: Ensure equal opportunities and reduced inequalities of outcome through policies and actions
- Established robust policies to reaffirm our stance against any form of discrimination, be it from a race, age, gender, sexual orientation, marital status or disability perspective.

SDG 12: Responsible Consumption and Production

- 12.2: Achieve sustainable management and efficient use of natural resources
- Installed an advanced rainwater harvesting system.

12.4: Environmentally sound management of chemicals and waste to reduce release to air, water and soil

- Established a designated storage area near LRT3 to store scheduled waste generated from vehicles, machinery and clean-up activities.
- Constructed six silt detention ponds and an Active Treatment System ("ATS") at the LRT3 construction site for sedimentation control.

12.5: Reduce waste generation through reduce, reuse, recycling and prevention

 Placed recycling bins throughout Menara Mudajaya to promote convenient recycling options for our employees.

12.6: Promote sustainable procurement practices

• Implemented a Supplier Code of Conduct to ensure that our suppliers adhere to sustainable practices.



SDG 13: Climate Action

- 13.1: Strengthen resilience and adaptive capacity to climate-related hazards
 - Enhanced climate-related disclosures
 - o Board oversight on climate-related risks and opportunities
 - o Climate-related risk and opportunity assessment
 - o Mudajaya's management of climate-related risks
 - o Metrics and targets

SDG 16: Peace, Justice and Strong Institutions 16.5: Substantially reduce corruption and bribery in all their forms

- First company in Malaysia to obtain ISO 37001:2016 Anti-Bribery Management System ("ABMS") certification with UKAS Accreditation.
- Established a Whistleblowing Policy and an Anti-Bribery Policy.





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Achieving Sustainable Standards of Excellence

KPIs serve as metrics that evaluate an organisation's capabilities, permitting us to gauge Mudajaya's long-term sustainability performance. By incorporating a data-driven approach, it furnishes us with quantifiable insights, enabling informed strategic decisions and cultivating sustainable operational excellence.

Material Matters	KPIs	FY2023 Progress		
DELIVERING EXCELLENCE				
Corporate Governance and Anti-Corruption	Zero cases of bribery and corruption	Achieved zero cases of bribery and non-compliance		
Technology, Data Security and Privacy	Zero breaches in data privacy and cybersecurity	Achieved zero breaches in data privacy and cybersecurity		
Responsible Procurement	90% expenditure allocated to local suppliers	Achieved 99.22% expenditure allocated to local suppliers		
ENVIRONMENTAL STEWARI	DSHIP			
Climate Change and Energy	Achieve a 3% reduction of Scope 1 and Scope 2 emissions per annum.	8.2% reduction in Scope 1 GHG emissions 10.2% increase in Scope 2 GHG emissions		
Waste and Effluent Management	Achieve 1% waste diversion from landfill.	In Progress. 0.3% of waste diverted from landfill		
Water Consumption	Reduce water consumption by at least 3% per annum.	In Progress. 2.5% reduction of water consumption across all operations		
SOCIAL RESPONSIBILITY				
Occupational Health and Safety	Achieve zero fatal accidents and lost time injury rate ("LTIF") below 1.0	Zero fatal injuries recorded Lost Time Injury Rate = 0		
Human Rights, Labour Practices and Standards	Achieve zero cases of human rights violation, discrimination and harassment	Zero cases of human rights violation, discrimination and harassment		
Talent Attraction and Development	Achieve 4 hours of training per employee	In Progress. 3.64 hours of training per employee		

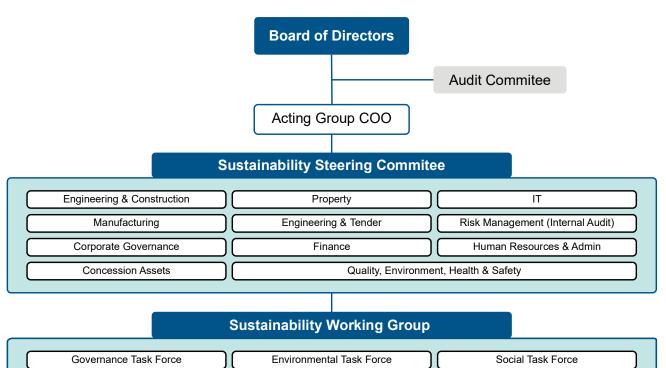
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Sustainability Governance Structure

Mudajaya's Sustainability Governance Structure establishes clear roles and responsibilities for the development and implementation of sustainable initiatives. It is helmed by the Board of Directors, who provide oversight for ESG strategies, policies and targets.

The Sustainability Steering Committee ("SSC") is responsible for driving our sustainability strategy and ensuring our initiatives align with their objectives and timelines. Headed by the Acting Group Chief Operating Officer ("COO"), the SSC comprises heads of various key departments. On a day-to-day operational level, the Sustainability Working Group ("SWG") implements sustainability initiatives and reports progress to the SSC and the Board.

Mudajaya's Sustainability Governance Structure



Roles	Responsibilities
Board of Directors	 Has strategic oversight on the Group's overall sustainability strategy, including climate-related risks and opportunities. Provides direction on the integration of ESG-related risks and opportunities within the Group's strategy and risk management, including climate-related risks and opportunities.
Sustainability Steering Committee	 Develops and recommends sustainability strategies, initiatives and targets to the Board. Responsible for carrying out and assessing the performance of sustainability initiatives. Assesses and manages the Group's ESG and climate-related risks and opportunities. Identifies and proposes changes to sustainability policies, standards and procedures to the Board when required.
Sustainability Working Group	 Implements and monitors sustainability initiatives in day-to-day operations. Identifies and proposes material sustainability matters relevant to the Group to the SSC. Track and report ESG-related data to the SSC on a regular basis.

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STAKEHOLDER ENGAGEMENT

Stakeholder input is valuable in ensuring we meet their requirements and expectations. Thus, we maintain communication channels to effectively facilitate strengthened stakeholder engagement to better understand material issues and address areas of concern.

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SHAREHOLDERS & INVESTORS

Why they matter

Shareholders and investors are essential in providing financial support for Mudajaya's business operations.

Key Areas of Concern	Our Response	Engagement Platforms
 Financial and operational performance Good management and corporate governance Mitigation and adaptation to climate change 	 Quarterly financial results and annual reports Uphold good governance practices Outline carbon reduction strategies Monitor sustainability performance and targets 	 Ongoing > Investor Relations in corporate website As needed > Extraordinary General Meeting Quarterly > Financial results announcements Annually > Annual General Meeting



GOVERNMENT & REGULATORY AUTHORITIES

Why they matter

Government and regulatory authorities ensure compliance, foster fair business environments and uphold ethical standards.

Key Areas of Concern	Our Response	Engagement Platforms
 Anti-bribery and corruption 	 Compliance with the Anti-Bribery Management System ("ABMS") requirement under ISO 37001:2016 	 As needed ≻ Meetings ≻ Seminars/Webinars Reporting
Corporate governance practices	 Establishment of Good Corporate Governance and Whistleblowing Policy 	
Regulatory compliance	 Full compliance with regulatory requirements 	

ABOUT THIS REPORT ABOUT US

PERFORMANCE REVIEW CORPORATE GOVERNANCE

SUSTAINABILITY STATEMENT (CONTINUED)



EMPLOYEES

Why they matter

Employees are vital to Mudajaya's success, contributing their skills and commitment to drive our operations

Key Areas of Concern	Our Response	Engagement Platforms
 Career development and upskilling opportunities 	 Provide relevant upskilling and development opportunities 	Ongoing ➢ Internal communications As needed
 Occupational health and safety 	Compliant with the Occupational Safety and Health Act 1994	 Workshops and trainings Monthly Employee engagement and events
 Fair labour practices 	 Compliant with laws governing work hours and wages Maintain safe and hygienic accommodations for workers 	 Annually ➢ Employee appraisals Employee surveys
Whistleblowing policy/procedures	 Promote transparent communication with employees 	
 Work-life balance 	Provide mothers with extended maternity leaves and Flexi Work Arrangements	



CUSTOMERS

Why they matter

Customers drive the demand for Mudajaya's products or services, influencing our revenue and growth.

Key Areas of Concern	Our Response	Engagement Platforms
 Product quality and safety 	 Compliant with ISO9001:2015 Quality Management System 	As needed ≻ Email ≻ Meetings
 Product innovation 	 Pre-fabrication technologies Adoption of renewable energy via Corporate Green Power Programme Green technology in construction 	 Customer surveys Customer engagement
Customer data privacy	Compliant with Personal Data Protection Act 2010	

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SUPPLIERS

COMMUNITIES

Why they matter

Suppliers play a key role by providing the necessary resources and materials to support Mudajaya's operations.

Key Areas of Concern	Our Response	Engagement Platforms
 Anti-bribery and corruption Supplier evaluation Support of local suppliers and products 	 Procurement and Supplier Assessment Policy Supplier Code of Conduct 99.22% of procurement sourced from local suppliers 	Bi-annually➢ Performance reviews Procurement processes



Why they matter

Communities can be positively influenced by Mudajaya through responsible and sustainable practices.

Key Areas of Concern	Our Response	Engagement Platforms
 Community development and	 Community investments Provision of scholarships Improving sustainability	As needed
support	practices in communities	➤ Community impact programmes

SUSTAINABILITY STATEMENT (CONTINUED)

DELVING INTO MATTERS OF IMPORTANCE

Assessing What Matters

Materiality Assessments are a systematic approach to prioritising sustainability matters, enabling us to determine those of utmost significance for both the Group and stakeholders. The process offers us valuable guidance in formulating effective management strategies.

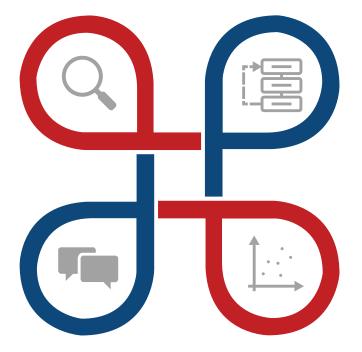
Mudajaya conducts reassessments on an annual basis to align our material matters with the latest Bursa Malaysia enhanced listing requirements and evolving industry best practices. For the reporting year, we identified a total of 14 material matters.

1. Identification

We reviewed our material matters and benchmarked them against Bursa Malaysia's Sustainability Reporting Guide and best industry practices, assessing those that had potential impact in creating and preserving value for our stakeholders.

2. Ranking

A materiality assessment workshop was conducted which involved the participation of various departments. Participants were provided with materiality assessment forms to rank sustainability matters based on their importance to stakeholders and impact on the business.



4. Validation

The materiality matrix was presented to the Senior Management for validation and the Board of Directors for approval.

3. Prioritisation

A materiality matrix was generated to visualise the prioritised material matters.

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Evaluating Our Priority Issues

We generated our materiality matrix based on the outcome of the assessment, illustrating the importance of each material matter to stakeholders and their respective influence on our business.

Our top ten material matters include Corporate Governance & Anti-Corruption, Regulatory Compliance, Occupational Health & Safety, and Energy, Emissions & Climate Resilience, Human Rights, Labour Practices & Standards, Technology, Data Security & Privacy, Material Consumption, Supply Chain Management, Waste & Effluent Management and Talent Attraction & Development. These areas represent the most crucial focus points for our Group's sustainability efforts.



Delivering Excellence		Building Towards a Green Future		Caring for our People		
1. 2.	Corporate Governance & Anti- Corruption Regulatory Compliance	4. 7.	Energy, Emissions & Climate Resilience Material Consumption	3. 5.	Occupational Health & Safety Human Rights, Labour Practices & Standars	
6. 8. 11.	Technology, Data Security & Privacy Supply Chain Management Product Quality & Innovation	9. 12.	Waste & Effluent Management Water Consumption	10. 13. 14.	Talent Attraction & Development Diversity & Inclusion Community Engagement	

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Mapping Our Material Sustainability Matters

To demonstrate the integration of our sustainability efforts, we mapped the material sustainability matters with the UN SDGs adopted by the Group, relevant stakeholder groups and GRI indicators.

	DELIVERING EXCELLENCE				
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups		
Corporate Governance and Anti- Corruption	2: General Disclosures 3: Material Topics 205: Anti-Corruption	16 PRACE. JUSTICE MOSTROME DISTUTIONES	 Shareholders & Investors Government & Regulatory Authorities Customers Employees Suppliers 		
Regulatory Compliance	2-27: Compliance with Laws and Regulations 3: Material Topics	16 REACE. MISTROPO INSTITUTIONS	Government & Regulatory AuthoritiesCustomers		
Technology, Data Security and Privacy	2: General Disclosures 3: Material Topics 418: Customer Privacy	8 DECEMT WORK AND ECONOMIC GROWTH	CustomersEmployees		
Supply Chain Management	2: General Disclosures 3: Material Topics 204: Procurement Practices	12 RESPONSE	CustomersSuppliers		
Product Quality and Innovation	3: Material Topics 416: Customer Health and Safety 417: Marketing and Labelling	12 Itstvorstelf addreader the	Customers		

BUILDING TOWARDS A GREENER FUTURE					
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups		
Energy, Emissions and Climate Resilience	2: General Disclosures 3: Material Topics 302: Energy 305: Emissions	7 AFORGAREAND CRANCHARGY 13 ACTON	 Shareholders & Investors Government & Regulatory Authorities Communities 		
Material Consumption	3: Material Topics 301: Materials	12 RESPONSELE AND ADDOUTEN	CustomersSuppliers		
Waste and Effluent Management	2: General Disclosures 3: Material Topics 303: Water and Effluents 306: Waste	12 RESPONSES ANDRODUCTION	 Government & Regulatory Authorities Communities 		
Water Consumption	3: Material Topics 303: Water and Effluents	12 REPORTED AND PRODUCTION	 Government & Regulatory Authorities Communities 		

CORPORATE GOVERNANCE

SUSTAINABILITY STATEMENT

(CONTINUED)

	CARING FOR OUR PEOPLE					
Material Matter	GRI Indicators	UN SDGs	Stakeholder Groups			
Occupational Health and Safety	2: General Disclosures 3: Material Topics 403: Occupational Health and Safety	8 ECCOTIVUER AND ECONOMIC GROWTH	Government & Regulatory AuthoritiesEmployees			
Human Rights, Labour Practices and Standards	2: General Disclosures 3: Material Topics 408: Child Labour 409: Forced or Compulsory Labour	8 BEEERT WORK AND ECONOMIC GROWTH	 Government & Regulatory Authorities Employees` 			
Talent Attraction and Development	2: General Disclosures 3: Material Topics 401: Employment 404: Training and Education	8 DECENT WORK AND ECOMMON SHOWTH	Employees			
Diversity and Inclusion	2: General Disclosures 3: Material Topics 405: Diversity and Equal Opportunities 406: Non-discrimination		Employees			
Community Engagement	3: Material Topics 413: Local Communities	8 DECENT WORK AND ECONOMIC SHOWTH	Communities			

IMPLEMENTING AN ACTIONABLE AGENDA

Acknowledging the challenge posed by the complexity and scale of climate change, Mudajaya has enhanced our climaterelated disclosures through four core elements: governance, strategy, risk management, metrics and targets.

GOVERNANCE

Board's oversight of climate-related risks and opportunities

- Mudajaya's Board of Directors leads the Group's sustainability governance structure and has strategic ٠ oversight over ESG-related matters, including climate-related risks and opportunities.
- The Board provides direction for the implementation of sustainability strategies proposed by the SSC.
- The Board reviews sustainability policies, initiatives and KPIs annually.
- In FY2023, the Board attended ESG training sessions, including two (2) programmes focused on climaterelated training, to stay informed about climate-related risks and opportunities.
- Board meetings are held quarterly to discuss matters pertinent to the business, including climate-related risks and opportunities.

Management's role in assessing and managing climate-related risks and opportunities

- The SSC is led by the Acting Group COO and is supported by selected executives across departments. ٠
- The SSC is responsible for implementing sustainability initiatives and reporting the results to the Board.
- The SSC assesses climate-related risks and opportunities and recommends strategies to the Board.
- The SSC remains updated on climate change regulations through regular training and webinars.

SUSTAINABILITY STATEMENT (CONTINUED)

STRATEGY

Mudajaya's climate-related risks can be divided into two categories: transition risks and physical risks. Transition risks are challenges linked to the shift toward a sustainable, low-carbon economy, driven by regulatory changes and market shifts. Physical risks result from the direct impacts of climate change, such as extreme weather events and rising temperatures, affecting assets and operations. The impacts primarily involve increased costs and revenue fluctuations, as well as the potential for damages and disruptions caused by short-term and long-term climate-related events.

Physical Risks

Physical Risks	Potential Impact	Opportunities
Acute	 Property damage and loss due to increased frequency of flooding and landslides. 	Implement flood prevention measuresDevelop disaster recovery plans
Chronic	 Rising temperatures and extreme weather increases health risks to Mudajaya's employees Increased cost from internal temperature control 	 Invest in employee health and safety programmes and training Implement climate-resilient workplace practices Passive cooling building designs
Policy and Legal	 Policies and regulatory changes: Monitoring and adapting to evolving greenhouse gas ("GHG") emission reduction policies, including carbon taxation. Legal Liabilities: Mitigating potential legal sanctions related to pollution and emissions. 	 Tracking GHG emissions and setting emissions reduction targets and initiatives.
Technology	 Technology Transition: Addressing obsolescence of high-emission technologies, replacing them with low- carbon alternatives. 	 Utilising low-emissions construction materials and precast manufacturing. Increasing the use of renewable energy systems.
Market	 Project Cost Challenges: Managing instances where project costs surpass the budget due to expanding scopes for low-carbon compliance and rising material costs associated with higher carbon consumption. 	 Implementing IBS systems in construction to reduce cost and wastes while maintaining product quality.
Reputation	 Stakeholder Concerns: Addressing negative stakeholder perceptions, concerns or feedback related to carbon-intensive practices. 	• Enhancing property value through carbon reduction features such as solar panels and green building designs to appeal to tenants and buyers

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RISK MANAGEMENT

Mudajaya has established an ongoing process dedicated to identifying, evaluating and managing significant climate-related risks that may impede the achievement of the Group's business objectives. This process involves implementing proactive measures to address climate-related challenges. By integrating climate risk management into the overall risk management framework, the Group strives to enhance resilience and ensure sustainable performance. Regular reviews and adjustments to these processes contribute to adaptive strategies that effectively manage and mitigate climate-related risks.

The Board has instituted robust procedures to review key financial, operational, and compliance controls, acknowledging the significance of integrating climate-related risks into the overall risk management strategy. This integration ensures that climate-related risks are considered alongside other critical aspects of the business.

METRICS AND TARGETS

Metrics to assess climate-related risks and opportunities in line with its strategy and risk management process

Mudajaya quantifies carbon emissions, waste, energy and water consumption. We measure carbon emissions in tCO₂e, electricity in kWh, water in m³ and waste in tonnes. To determine GHG, energy and water intensity, we calculate the absolute values and divide them by revenue.

Scope 1, Scope 2 and Scope 3 GHG emissions, and the related risks

Mudajaya monitors and reports Scope 1, Scope 2, and limited Scope 3 emissions. Our Scope 3 coverage includes emissions from business travel and employee commute. Additional details regarding our management approach and performance data can be found in the "Energy, Emissions and Climate Resilience", page 96 to 98.

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- Customers
- **Employees**
- **Suppliers**

Good governance sets the tone for our organisational strategy and sustainability direction. As such, a solid framework necessitates the adoption of policies and management systems that enable us to systematically uphold high governance, ethics and integrity standards, fostering sustainable growth and enhancing our corporate reputation.

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Corporate Governance and Anti-Corruption

Why is this Important?

To ensure the principles and best practices of good corporate governance are applied throughout the Group's operations, keeping with the prescriptions of the Malaysian Code on Corporate Governance 2021.

Our Approach

Anti-Bribery and Corruption Policies

In line with the Malaysian Anti-Corruption Commission (Amendment) Act 2018 and Bursa Securities' anti-bribery guidelines, the Board endorsed the Anti-Bribery Policy Statement on 27 February 2020. Subsequently, the Anti-Bribery Manual and Anti-Bribery Objectives & Targets were adopted on 3 March 2020. On 10 June 2020, Mudajaya achieved the distinction as the first Malaysian construction company to attain ISO 37001:2016 Anti-Bribery Management System ("ABMS") certification accredited by UKAS.

These policy components collectively establish corruption prevention measures and ensure compliance with anti-corruption laws in the countries where the Group operates. They serve as essential control measures to address fraud, bribery, misconduct and unethical practices, contributing to Mudajaya's long-term success.

All staff, business associates and third parties engaged in work or services on behalf of the Group are expected to adhere to these policies. To ensure compliance with ISO 37001:2016 ABMS, Mudajaya extends these requirements to suppliers and subcontractors through the Anti-Corruption Obligation. Suppliers and subcontractors identified with elevated bribery risks commit to anti-bribery measures via a Vendor Letter of Declaration during prequalification and subsequently on an annual basis. Doing so signifies their pledge to refrain from corrupt activities as mandated by the Malaysian Anti-Corruption Commission Act 2009.



Whistleblowing Policy and Procedure

Mudajaya instituted a robust Whistleblowing Policy & Procedure, providing a confidential channel for reporting misconduct associated with fraud, corruption and unethical practices. The channel is assessable to all employees and stakeholders, assuring confidentiality in reporting without the fear of reprisals.

Reports are treated with the utmost discretion and an independent investigative process ensures that the necessary actions are taken. Report handling is entrusted to the Independent Non-Executive Deputy Chairman of Mudajaya and the Integrity Unit of Mudajaya.

In 2020, we enhanced the Whistleblowing Policy & Procedure to align with the ISO 37001:2016 AMBS standards, reinforcing our objective to maintain the highest ethical standards.

(CONTINUED)

Zero Reported Cases of Whistleblowing Group-wide in FY2023

The Whistleblowing Policy & Procedure is published on Mudajaya's website at www.mudajaya.com/corporate-governance/

Code of Ethics and Conduct

Mudajaya's Code of Ethics and Conduct is a formalised document endorsed by the Board, providing clear guidance on business conduct, workplace behaviour, stakeholder interactions and community engagement.

The Code outlines the Group's directives on the disclosure of conflicts of interest, maintenance of confidentiality and information disclosure. It also covers best practices, internal controls, compliance with relevant laws and regulations and the obligation to report any breaches of the Code. For the convenience of our stakeholders, the document is readily accessible on Mudajaya's website at <u>www.mudajaya.com</u>, reflecting our adherence to transparency and ethical principles.

Our Performance

Corruption Risk Assessment

For FY2023, we conducted a corruption risk assessment covering 100% of our operations.

	FY2021	FY2022	FY2023
Percentage of operations that underwent corruption risk assessments	100%	100%	100%

Preventing Bribery through Communication and Training

We effectively disseminate our anti-bribery policies to employees through diverse channels, such as the employee handbook, new hire orientation programmes and regular anti-bribery training sessions.

In FY2023, 46% of our staff received anti-corruption training, comprising 16 Senior Management, 32 Management, 70 Executives and 18 Non-Executive employees, ensuring widespread awareness.

No. of Employee who received anti-corruption training			
Employee Category	FY2023		
Senior Management	16		
Management	32		
Executive	70		
Non-Executive	18		



(CONTINUED)

Corruption and Whistleblowing Incidents

Our Group maintained a track record of zero reported cases of corruption or whistleblowing incidents across the past three financial years, underscoring the effectiveness of our anti-bribery and anti-corruption training initiatives and our grievance mechanism.

	FY2021	FY2022	FY2023
No. of confirmed corruption incidents	-	-	-
No. of incidents of whistleblowing	-	-	-

Regulatory Compliance

Why is this Important?

Ensuring compliance with relevant laws and regulations is essential for maintaining ethical operations and securing longterm success. Through integrating rigorous compliance measures throughout our operating processes, we enhance the resilience of the Group and ensure accountability to responsible business conduct.

Our Approach

To align with applicable laws and regulations, we enforced a set of Standard Operating Procedures ("SOP") and robust policies, benchmarking our practices against industry best standards. Our achievements include obtaining ISO 37001:2016 certification for our ABMS, ISO 45001:2018 certification for our OHS Management System, ISO 14001:2015 certification for our Environmental Management System and ISO 9001 Quality Management System.

Technology, Data Security and Privacy

Why is this Important?

In our data-centric global society characterised by ongoing technological advancement, the significance of data security and privacy has surged. Companies entrusted with customer information bear the responsibility of mitigating security risks. Thus, reinforcing our cyber security capabilities minimises the risks of data leaks and breaches of customer confidentiality, cultivating trust among our stakeholders.



Our Approach

We align our Management Information System ("MIS") Policy & Procedure with the Personal Data Protection Act of Malaysia 2010 ("PDPA"). Data privacy and cybersecurity are integral components of our internal control and risk management framework. Our information technology system incorporates robust systems and procedures to mitigate cybersecurity risks, prevent unauthorised access and software uses and protect against information loss.

(CONTINUED)

Our Performance

As of FY2023, there were zero substantiated complaints concerning breaches in customer privacy or data loss.

	FY2021	FY2022	FY2023
No. of substantiated complaints concerning breaches in customer privacy or data loss	-	-	-

Supply Chain Management

Why is this Important?

Advocating for sustainable procurement raises sustainability awareness and promotes ethical practices throughout our supply chain. Prioritising local procurement also offers logistical cost advantages, diminishes our carbon footprint, builds positive community relationships and generates job opportunities, contributing to the growth of our domestic economy.

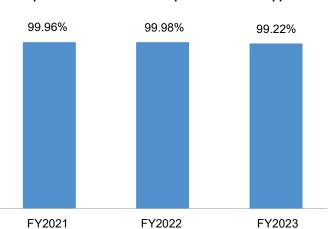
Our Approach

Supported by our Supplier Code of Conduct, our Procurement and Supplier Assessment Policy encourages sustainability and best practices among our suppliers, upholding the integrity of our supply chain and preventing corruption, bribery and human rights violations.

Our progressive procurement and supplier assessment system, embedded in the Supplier Code of Conduct, is compliant with the ABMS. We conduct a biannual review of our suppliers' performance to uphold service quality, ensure policy compliance and safeguard contractual obligations.

Our Performance

Mudajaya fosters partnerships and engages with a robust network of contractors, suppliers and vendors across the regions in which we conduct our operations. In FY2023, we set an ambitious goal of allocating a minimum of 90% of our procurement budget to support local suppliers. In the same reporting period, 99.22% of our procurement expenditure was directed towards local suppliers.



Proportion of Procurement Spend on Local Suppliers

(CONTINUED)

Product Quality and Innovation

Why is this Important?

In the sphere of construction, property development, concession assets and manufacturing, the significance of quality cannot be overstated—it serves as the bedrock fortifying brand credibility and trust. Motivated by our aspiration to deliver nothing short of exemplary quality, Mudajaya is driven to innovative construction methods, seeking to reinforce building quality as well as cost and operational efficiency.

Our Approach and Performance

Mudajaya established and implemented a Quality Management System ("QMS") that was initially certified to ISO 9001:2000 standards in July 2002. We subsequently updated our QMS to meet ISO 9001:2008 standards in October 2009 and later ISO 9001:2015 standards in June 2018.

Similarly, MJC Precast attained ISO 9001:2008 Quality Management System Certification in December 2015 and successfully upgraded its QMS to comply with ISO 9001:2015 in August 2018.



On 11th August 2023, MCB received the Master Builders Association Malaysia ("MBAM") Platinum Service Award for 20 years of service in the Association.

Our construction projects strictly adhere to the ISO 9001 Quality Management System. We have a Group Quality Policy Statement that articulates our pursuit for excellence through our various commitments.

(1)	Providing cost-effective, innovative and timely delivery of high-quality products
2	Cultivating human capital and fostering a culture of teamwork within our workforce
3	Optimising resource utilisation to enhance efficiency and operational excellence
4	Ensuring total customer satisfaction by not only meeting but surpassing customer expectations
5	Upholding compliance with all relevant legal and other requirements
6	Continually improving the effectiveness of our Quality Management System

(CONTINUED)



Communities

Addressing climate change is a collective global responsibility. Acknowledging our contribution to this challenge, Mudajaya is engaged in tackling the indirect environmental implications of our construction activities through initiatives that reduce our resource consumption and enhance waste management. Environmental management stands as a fundamental pillar of our ESG agenda, allowing us to effectively confront these crucial issues, including the effects of climate change, and contribute to a thriving planet for future generations.

FINANCIALS

SUSTAINABILITY STATEMENT

(CONTINUED)

Energy, Emissions and Climate Resilience

Why is this Important?

Given its substantial emissions production and energy consumption, the construction industry is among the primary contributors to the global carbon footprint. Addressing this challenge through incorporating sustainable building practices is crucial to reducing GHG emissions and waste, contributing to a sustainable approach to resource management as well as net zero by 2050.

Our Approach

Mudajaya monitors emissions across projects, identifying areas for improvement and implementing targeted carbon reduction measures. We explore and integrate energyefficient technologies to minimise our energy consumption. For example, we installed solar panels at Menara Mudajaya and deployed solar-powered equipment, including floodlights, lamps, fans and CCTV cameras, at the LRT3 project site.

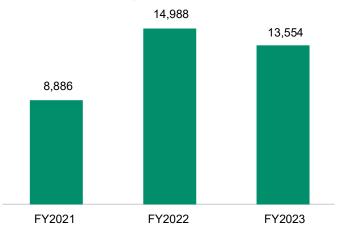
We plan to install solar panels at the SkyVilla Condominium at our Batu Kawah township. Additionally, we actively integrate green areas into projects and land development plans as part of our tree preservation programme, preserving existing trees on project sites whenever feasible.



Our Performance

Total Energy Consumption

Our Group's total energy consumption, encompassing operational fuel and electricity consumption, amounted to 13,554 MWh in FY2023.



Total Energy Consumption (MWh)

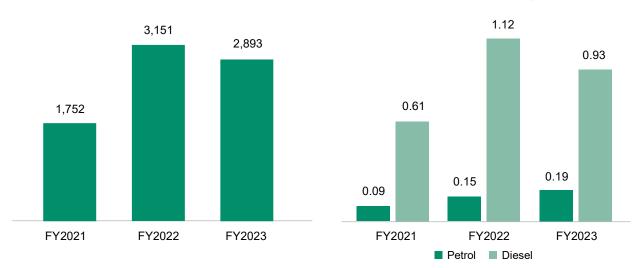
Scope 1 GHG Emissions

The Scope 1 emissions in this statement encompass the direct GHG emissions resulting from fuel consumption, specifically at MCB projects, MJCP and SKSB. The majority of our fuel consumption was derived from construction-related activities at MCB projects and the manufacturing of precast concrete at MJCP.

Fuel Consumption (Megalitre)

SUSTAINABILITY FINANCIALS

(CONTINUED)



CORPORATE GOVERNANCE

Scope 1 GHG Emissions (tCO₂e)

PERFORMANCE REVIEW

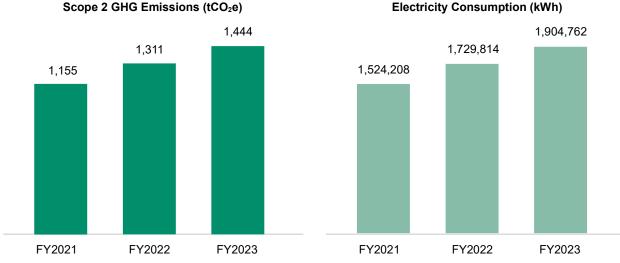
1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.

- 2. Scope 1 emissions factors were sourced from the UK Government's GHG Conversion Factor 2023.
- 3. In FY2023, we started tracking emissions from our company-owned vehicles.

Scope 2 GHG Emissions

ABOUT THIS REPORT ABOUT US

Scope 2 emissions are indirect GHG emissions associated with purchased electricity usage for operational activities at MCB projects, MLSB, MJCC, MJCP and SKSB. In FY2023, our electricity consumption and its corresponding Scope 2 emissions increased by 10.2% compared to the previous year.



Electricity Consumption (kWh)

Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards 1.

Scope 2 emissions factor were sourced from the National Energy Commission: Grid Emissions Factor 2021. 2.

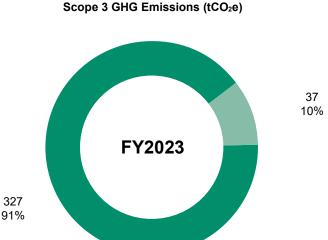
FINANCIALS

SUSTAINABILITY STATEMENT

(CONTINUED)

Scope 3 GHG Emissions

In FY2023, we commenced monitoring our Scope 3 emissions Group-wide, focusing specifically on employee commuting and business travel. During this period, our Scope 3 emissions totalled 364 tCO2e, with 90% attributed to employee commuting and 10% to business travels.



Employee Commuting Business Travel

- 1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards
- 2. Scope 1 and 3 emissions factors were sourced from the UK Government's GHG Conversion Factor 2023.

Material Consumption

Why is this Important?

With the global population on the rise and accelerating urbanisation, the demand for buildings and infrastructure has increased exponentially, placing substantial stress on natural resources. However, the construction industry's environmental impact is not limited to resource extraction; material shipping and fabrication significantly contribute to carbon emissions.

Our Approach

We minimise our ecological footprint by leveraging pre-fabrication technologies, with a particular focus on Industrialised Building Systems ("IBS"). Through IBS, we conduct off-site manufacturing of building components, resulting in more efficient raw material usage that drastically reduces on-site waste and optimises our construction processes.

Our Performance

Material consumption data was recorded specifically for the LRT3 GS01 project. In FY2023, the three primary materials consumed were steel bars, ready-mixed concrete and tiles. The project consumed 40.5 tonnes of steel bars, 844 m3 of ready-mixed concrete and 17,516 tiles during the year.

SUSTAINABILITY FINANCIALS

(CONTINUED)

Construction materials for other projects are managed through subcontractor contracts. Therefore, there is no available data on material consumption for these projects.

Type of Materials	Units	LRT3 GS0	LRT3 GS01 Material Consumption		
		FY2021	FY2022	FY2023	
Steel Bars	tonnes	50.5	220.8	40.5	
Hollow Section	pcs	1,708	-	-	
Ready Mixed Concrete	m ³	331	650	844	
Tiles	pcs	-	-	17,516	

Waste and Effluent Management

Why is this Important?

Improper waste disposal can pose significant risks to both the environment and human health. To address this, Mudajaya is dedicated to the enforcement of waste reduction and diversion strategies, minimising its adverse environmental impact while ensuring our alignment with the relevant laws and regulations. Such management practices also safeguard nearby ecosystems and communities, enhancing their health and well-being.

Our Approach

TTT

Waste Management Plan at Construction Sites

As part of our waste management plan, we demarcated specific areas exclusively for scheduled waste storage and placed recycling bins throughout our construction sites. Licensed contractors were appointed to handle all the waste generated, ensuring compliance with our environmental management plan and the Department of Environment's scheduled waste regulation and guideline.



Effluent Management at Construction Sites

For effluent management, silt detention ponds were constructed at the LRT3 site for effective sedimentation control before being discharged into the river near the site. Water from the silt retention ponds was reused for vehicle cleaning, while stockpiles of sand were repurposed for flood mitigation fencing (sandbags) along the riverbank. Our construction sites are also equipped with an Active Treatment System ("ATS") designed to trap and filter particles from water, ensuring that the treated water meets the standards set by the Department of Environment before its release into the river.



Collaboration with Ikano Power Centre ("IPC") Recycling Team

In FY2022, we collaborated with the IPC Recycling Team to strategically position recycling bins within Menara Mudajaya, facilitating convenient disposal of recyclable items for our employees and tenants. We successfully collected a total of 13.8 kg of recyclables in FY2022, and this figure has increased to 126.3 kg in FY2023.

(CONTINUED)

Our Performance

Scheduled Waste

In FY2023, the total scheduled waste generated from our four active project sites (LRT3, GEK, KPM and ECRL) amounted to 1.94 tonnes. All scheduled waste was handled and disposed of by licensed contractors accordingly.

Type of Waste		MCB Projects Scheduled Waste Generated (Tonnes)		
		FY2021	FY2022	FY2023
SW 305	Spent lubricating oil	0.27	0.38	1.16
SW 408	Pathogenic waste, clinical waste or quarantined materials	0.24	0.19	0.35
SW 409	Contaminated soil	0.19	0.14	0.23
SW 410	Used chemical container	0.11	0.18	0.20
SW 404	Contaminated rag, paper, plastic, absorbent pad, used oil filter	0.00	0.02	0.00
Total		0.81	0.91	1.94

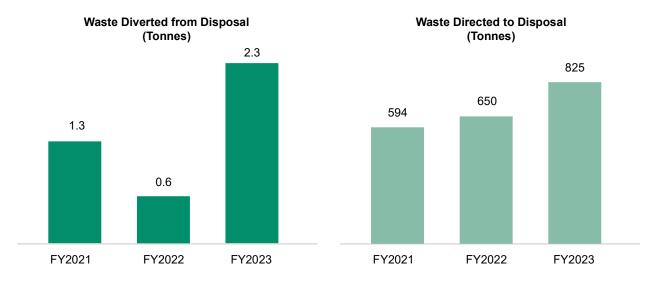
Non-Scheduled Waste

We monitor non-scheduled waste generation at both MCB Projects, MJCP and Menara Mudajaya. In FY2023, our total nonscheduled waste increased to 827 tonnes due to the addition of the KPM and ECRL projects under MCB.

Type of Waste	Non-Scheduled Waste Generated (Tonnes)		
	FY2021	FY2022	FY2023
Domestic Waste	242	266	309
Construction Waste	352	392	518
Total	594	658	827

Waste Disposal Methods

In FY2023, a total of 2.2 tonnes were recovered or recycled and 576 tonnes were directed to disposal.



(CONTINUED)

Effluents

We regularly perform water quality sampling on the effluent discharged at our LRT3 and GEK project sites to ensure compliance with standards set by the Department of Environment. Monitoring results indicate that most parameters fall below or within their limits. Occasional parameter exceedances are observed, likely influenced by external factors such as discharges and surface runoff from neighbouring industrial, commercial or residential areas near the project sites.

Water Consumption

Why is this Important?

Evaluating daily water consumption is a crucial aspect of efficient water management. Through close monitoring of our consumption patterns, we can identify opportunities to introduce water-efficient strategies into our development projects, contributing to our operational efficiency and minimising waste. Implementing these strategies also enhances our capacity to navigate potential water scarcity issues in the future, improving the resilience of our business.

Our Approach

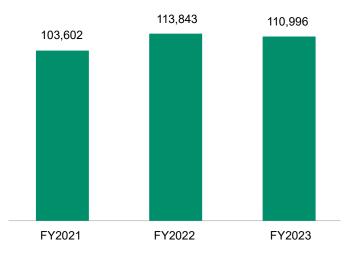
We established a rainwater harvesting system at Menara Mudajaya. Rainwater harvesting systems capture rainwater and store it for later use, reducing the demand for municipal water and generating cost savings.

In FY2023, Menara Mudajaya successfully collected an average of approximately 11,000 litres of rainwater per day, resulting in cost-savings of over RM 9,000. The success of this system has encouraged us to install the same system at SkyVilla Condominium in the foreseeable future.

Our Performance

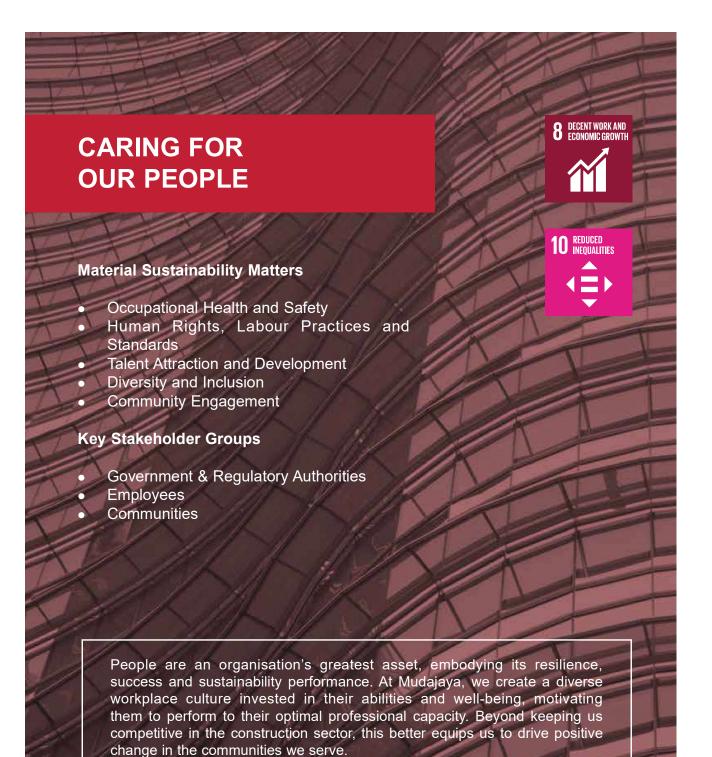
We monitor our water consumption at MCB Projects, MLSB, MJCC, MJCP and SKSB. Immediate action will be taken to identify the causes and check for leaks in the water pipes if an increase in water consumption is noticed.

In FY2023, tracking revealed a total water consumption of 110,996 m³, reflecting a 2.5% decrease compared to FY2022.



Water Consumption (m³)

(CONTINUED)



(CONTINUED)

Occupational Health and Safety

Why is this Important?

The construction sector is inherently high-risk, with work activities and environments that expose workers to potential accidents, injuries and illnesses. OHS practices are crucial as they serve safeguard the health and safety of our workers at the workplace.

Our Approach

We instituted the Group Health, Safety, and Environment Committee to drive a coordinated approach to managing health, safety and environmental aspects across our operations. In addition, we established a robust Health, Safety, and Environmental Policy that serves as a protective framework, addressing daily operational hazards to safeguard our employees and contribute to environmental conservation.

Under the policy, personnel and contractors involved in tasks with significant environmental and occupational health risks are mandated to undergo proper training in accordance with our ISO 45001 Occupational Health and Safety Management System. The approach aims to minimise injuries and workplace accidents. Through training and adherence to international standards, we strive to create a secure working environment for all.



On 19th September 2023, MCB was awarded the Safety & Health Assessment System in Construction ("SHASSIC") *Anugerah Kecemerlangan* (Excellence Award) as the contractor for the LRT3 GS01 project.

Our Performance

In the current reporting period, MCB Projects and MJCP collectively recorded 1,874,713 work hours, with no work-related incidents reported this year. Our ongoing training initiatives also resulted in a consistent track record of zero lost-time injuries among our workers, attesting to our determination to maintain the highest safety standards.

	FY2021	FY2022	FY2023
Total number of hours worked	1,545,582	1,774,500	1,874,713
Total number of work-related fatalities	-	-	-
Total number of recordable work-related injuries	2	2	-
Total number of work-related ill health	-	-	-
Lost Time Incident Rate ("LTIR")	0.26	0.23	-

We commit to keeping our employees informed on the latest OSH best practices and industry standards. Our various training programmes equip our team with the essential knowledge and skills for workplace safety, creating a culture where adherence to OHS standards is a shared priority among team members. In FY2023, we organised 181 health and safety training programmes with a total of 15,434 attendees and 269 total training hours.

	Total No.	Total	Total
	of Training	No. of	Training
	Programme	Attendees	Hours
MCB Projects	181	15,434	269

CORPORATE GOVERNANCE

SUSTAINABILITY

SUSTAINABILITY STATEMENT

(CONTINUED)



181 **HEALTH AND SAFETY TRAINING PROGRAMMES**

15,434 **EMPLOYEES TRAINED ON** HEALTH AND SAFETY





269 **TOTAL TRAINING HOURS ON HEALTH AND SAFETY**

Human Rights, Labour Practices and Standards

Why is this Important?

Active monitoring and continual improvement of labour practices and performance is paramount to protect the well-being of our workers, including particularly vulnerable groups of migrant workers. Upholding high standards of labour and human rights within our operations safeguards the rights and dignity of all individuals involved.

SUSTAINABILITY STATEMENT (CONTINUED)

Our Approach

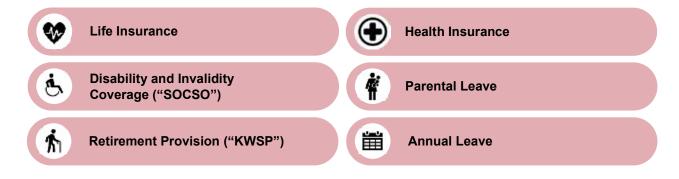
Safe and Compliant Worker's Accommodation

We provide safe, hygienic and clean accommodation for our workers, ensuring they are housed in safe and clean conditions. Our facilities, amenities and accommodation for foreign workers align with the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446). We prioritise the creation of a safe and healthy environment in our Centralised Labour Quarters ("CLQs") by providing living essentials such as beds, filtered water dispensers, dustbins, fans, lockers, kitchens, clothes drying areas, dining areas, prayer rooms, washrooms and transportation services for our workers. These CLQs undergo daily checks by our CLQ Supervisors and annual inspections by the Department of Labour to ensure the proper management of foreign labour.



Employee Benefits

We provide our employees with a diverse range of benefits, including healthcare, insurance, flexible work options and professional development opportunities, emphasising their well-being and growth.



Our Performance

Upholding Human Rights

For three consecutive years, Mudajaya maintained a record of zero substantiated cases of human rights complaints. It underscores our dedication to fostering a workplace that adheres to the highest labour standards, actively safeguarding the rights and dignity of every individual involved.

	FY2021	FY2022	FY2023
No. of substantiated complaints concerning human rights violation	-	-	-

(CONTINUED)

Talent Attraction and Development

Why is this Important?

Investing into the growth and development of our employees is a strategic imperative that fuels a continuously evolving workforce, ensuring they remain competitive within the industry and are equipped to navigate emerging risks. Prioritising our employee's career progression also improves their engagement, productivity and retention, contributing to our future success.

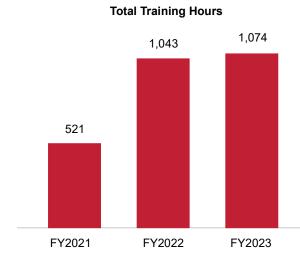
Our Approach

We nurture a positive workplace culture by organising diverse engagement activities such as festivals, sports events and blood donation drives, cultivating a supportive environment. In talent management, our emphasis is on providing a thorough onboarding experience and competitive salary adjustments. Our investment in employee growth includes internal training for skill enhancement and knowledge-sharing, along with external opportunities for specialised courses. These initiatives encourage employee engagement, development and overall well-being.

Our Performance

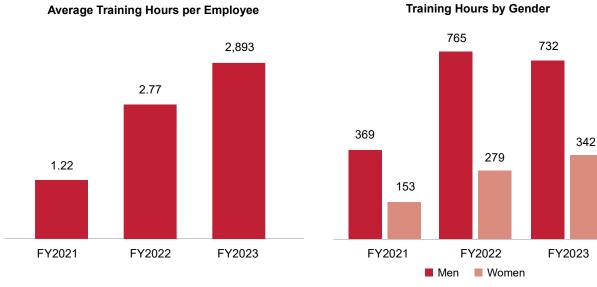
Employee Training and Development

In FY2023, our employees received a total of 1,074 training hours, averaging 3.64 hours per employee.



Employee	Total Training Hours				
Category	FY2021	FY2022	FY2023		
Senior Management	29	124	156		
Management	154	312	482		
Executive	216	399	364		
Non-Executive	123	209	72		

(CONTINUED)



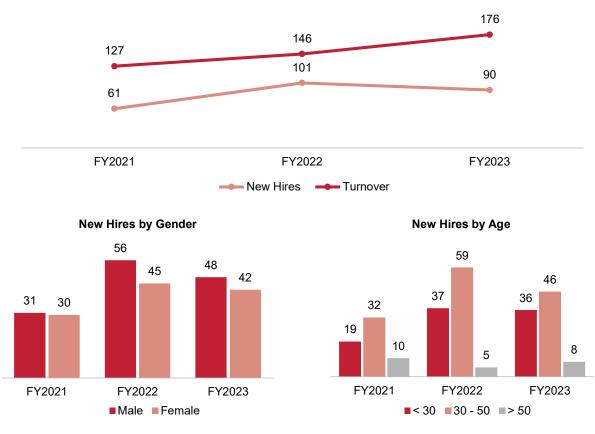
PERFORMANCE REVIEW CORPORATE GOVERNANCE

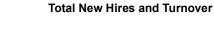
Average Training Hours per Employee

Employee New Hires and Turnover

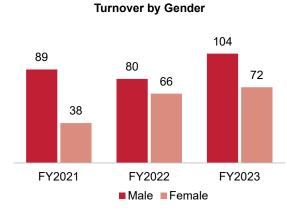
ABOUT THIS REPORT ABOUT US

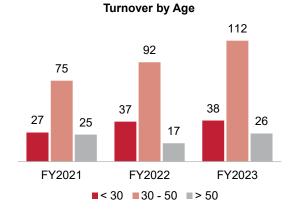
In FY2023, the Group recorded 90 new hires and 176 turnovers.





(CONTINUED)





	Total no. of employee turnover			
Employee Category	FY2021	FY2022	FY2023	
Senior Management	3	2	2	
Management	21	19	21	
Executive	51	61	56	
Non-Executive	52	64	97	

Employee Engagement Pogrammes





SUSTAINABILITY STATEMENT (CONTINUED)

On 7th October 2023, Mudajaya participated in the MBAM Hiking Event to explore nature together with other MBAM member companies at the Kota Damansara Community Forest.





On 28th October 2023, Mudajaya participated in the MBAM Futsal Tournament at the Sports Arena Sentosa in Kuala Lumpur.

Diversity and Inclusion

Why is this Important?

Fostering workplace diversity plays a crucial role in driving our business growth by cultivating a workforce enriched with diverse talents, skills and perspectives. Inclusive workplace cultures are conducive to information sharing and the generation of innovative ideas, ultimately contributing to organisational success.

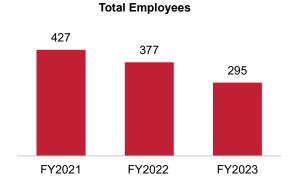
Our Approach

To foster an inclusive workplace culture, we have implemented rigorous policies aimed at eradicating any form of discrimination. It includes fair hiring practices and a merit-based promotion system that actively promotes equal opportunity and non-discriminatory practices within our operations. Our Group stands firm against all forms of discrimination, be it with regard to race, age, gender, sexual orientation, marital status or disability, supporting equal employment opportunity for all employees.

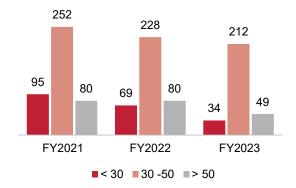
Our Performance

The Group employed a workforce totalling 295 employees in FY2023, with 59% comprising contractors or permanent staff. A majority of our workforce fell within the age bracket of 30 to 50 years old, with female staff constituting 36% of the total workforce.

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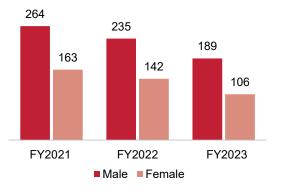


Employee Age Diversity



68% 67% 59% FY2021 FY2022 FY2023 Contractors/Temporary Permanent

Employee Gender Diversity



Employee Gender Diversity by Employee Category (%)						
Employee Category	Gender	FY2021	FY2022	FY2023		
Senier Management	Men	76	87	84		
Senior Management	Women	24	13	16		
Management	Men	72	71	67		
	Women	28	29	33		
Executive	Men	52	53	54		
	Women	48	47	46		
	Men	63	63	69		
Non-Executive	Women	37	37	31		

Employee Composition

(CONTINUED)

Employee Age Diversity by Employee Category (%)						
Employee Category	Age	FY2021	FY2022	FY2023		
	<30	0	0	0		
Senior Management	30-50	24	27	47		
	>50	76	73	53		
Management	<30	0	0	2		
	30-50	65	57	74		
	>50	35	43	24		
	<30	23	22	13		
Executive	30-50	67	66	76		
	>50	10	11	12		
Non-Executive	<30	31	23	17		
	30-50	55	61	71		
	>50	14	16	12		

Community Engagement

Why is this Important?

Implementing impactful corporate social responsibility ("CSR") initiatives enables us to uplift the quality of life for the communities we serve. By reinvesting our corporate resources into these communities, we drive tangible societal progress, elevate lives and build long-term relationships, strengthening our position as responsible corporate citizens.

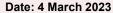
Our Approach and Performance

In FY2023, Mudajaya collaborated with various organisations and local authorities, investing in and supporting six programmes that uplift the local communities we serve.



(CONTINUED)

Back to School Programme





We donated up to RM 2,000 to the Kampung Sungai Kayu Ara Community Council's ("MPKK") Back-to-School Programme, supporting over 70 students with essential school supplies.

Brightening Festive Nights

Date: 22 May 2023



spotlights, Supplied gensets and equipment for the Hari Raya Aidilfitri celebration in Kampung Sungai Kayu Ara, organised by MPKK.

Enhancing Water Storage

Date: 12 April 2023



Contributed two 500-gallon water tanks valued at RM 1,200 to improve water storage facilities for the women's lockup at the Damansara Utama Police Station.

Machinery Support

Date: 28 June 2023



During Hari Raya Korban, we provided machinery support, including a backhoe, for MPKK's initiatives.

(CONTINUED)

Blood Donation Drive

Date: 18 July 2023



Mudajaya collaborated with the Universiti Malaya Blood Bank for a blood donation drive at our Head Office as part of our life-saving campaign. We surpassed collection targets with overwhelming support from all.

CSR Computer Donation

Date: 15 December 2023



Mudajaya donated 11 computers to two schools in Negeri Sembilan in collaboration with the Medical Awareness Camp Outreach ("MACO"). This initiative has been ongoing for 3 years to support underprivileged children.

LOOKING FORWARD ON OUR SUSTAINABILITY JOURNEY

At Mudajaya, ethical and responsible business practices rank among our top priorities, upheld through the implementation of a comprehensive governance framework, policies and procedures. As we advance on our sustainability journey, we pledge to maintain environmental sustainability, striving for efficient and innovative resource, energy, waste and effluent management solutions. Our efforts extend beyond environmental concerns - we also aspire to the highest standards of human rights, prioritising the welfare of our employees, customers, supply chain and local communities in all our operations.

Recognising the dynamic and intricate nature of sustainability, we, as a responsible corporate citizen, remain unwavering in our advocacy of sustainability and ethical business practices. Our aim is to elevate the community around us for a brighter future for generations to come.

(CONTINUED)

Performance Data Table from ESG Reporting Platform

This performance data table was generated from the ESG Reporting Platform and included in this Sustainability Statement, as mandated by the enhance sustainability reporting requirements of Bursa Securities.

Indicator	Measurement Unit	2021	2022	2023
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Senior Management	Percentage	0.00	0.00	84.00
Management	Percentage	0.00	0.00	59.00
Executive	Percentage	0.00	0.00	63.00
Non-Executive	Percentage	0.00	0.00	16.00
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
Technology, 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	99.96	99.98	99.22
Energy, Emissions and Climate Resilience				
Bursa C4(a) Total energy consumption	Megawatt	8,886.11	14,987.78	13,554.44
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	1,752.00	3,151.00	2,893.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	1,155.00	1,311.00	1,444.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	0.00	364.00
Material Consumption				
Bursa S5(a) Total weight or volume of materials that are used to produce products (Steel Bars)	Tonnes	50.50	220.80	40.50
Waste and Effluent Management				
Bursa C10(a) Total waste generated	Metric tonnes	594.50	659.20	829.20
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1.30	0.60	2.30
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	593.70	649.90	825.40
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	Cubic meters	0.00	0.00	0.00
Water Consumption				
Bursa C9(a) Total volume of water used	Megalitres	103.602000	113.843000	110.996000
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.26	0.23	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	0	0	15,434
Human Rights, Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0

External assurance No assurance

(CONTINUED)

ndicator	Measurement Unit	2021	2022	2023
alent Attraction and Development				
ursa C6(a) Total hours of training by employee category				
Senior Management	Hours	29	124	156
Management	Hours	154	312	482
Executive	Hours	216	399	36
Non-Executive	Hours	123	209	7
ursa C6(c) Total number of employee turnover by employee category				
Senior Management	Number	3	2	
Management	Number	21	19	2
Executive	Number	51	61	5
Non-Executive	Number	52	64	9
iversity and Inclusion				
ursa 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	0.0
Senior Management Between 30-50	Percentage	24.00	27.00	47.0
Senior Management Above 50	Percentage	76.00	73.00	53.0
Management Under 30	Percentage	0.00	0.00	2.0
Management Between 30-50	Percentage	65.00	57.00	74.0
Management Above 50	Percentage	35.00	43.00	24.0
Executive Under 30	Percentage	23.00	22.00	13.0
Executive Between 30-50	Percentage	67.00	66.00	76.0
Executive Above 50	Percentage	10.00	11.00	12.0
Non-Executive Under 30	Percentage	31.00	23.00	17.0
Non-Executive Between 30-50	Percentage	55.00	61.00	71.0
Non-Executive Above 50	Percentage	14.00	16.00	12.0
Gender Group by Employee Category				
Senior Management Male	Percentage	76.00	87.00	84.0
Senior Management Female	Percentage	24.00	13.00	16.0
Management Male	Percentage	72.00	71.00	67.0

Internal assurance External assurance No assurance

(*)Restated

(CONTINUED)

Indicator	Measurement Unit	2021	2022	2023
Executive Male	Percentage	52.00	53.00	54.00
Executive Female	Percentage	48.00	47.00	46.00
Non-Executive Male	Percentage	63.00	63.00	69.00
Non-Executive Female	Percentage	37.00	37.00	31.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	80.00	80.00	67.00
Female	Percentage	20.00	20.00	33.00
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 C6(b) Percentage of employees that are contractors or temporary staff	Percentage	68.00	67.00	59.00
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	-	-	3,200.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-		0

Internal assurance External assurance No assurance

(*)Restated

(CONTINUED)

GRI CONTENT INDEX

Statement of use	Mudajaya Group Bhd has reported the information cited in this GRI content index for the period 1 January 2023 to 31 December 2023 with reference to the GRI Standards.			
GRI 1 used	GRI 1: Foundation 2021			
GRI STANDARD	DISCLOSURE	LOCATION (PAGE)		

GRI STANDARD	DISCL	OSURE	(PAGE)
GRI 2: General	2-1	Organisational details	70
Disclosures 2021	2-2	Entities included in the organisation's sustainability reporting	71
	2-3	Reporting period, frequency and contact point	71
	2-5	External assurance	-
	2-6	Activities, value chain and other business relationships	80 - 82
	2-7	Employees	108 - 109
	2-8	Workers who are not employees	-
	2-9	Governance structure and composition	79
	2-10	Nomination and selection of the highest governance body	-
	2-11	Chair of the highest governance body	-
	2-12	Role of the highest governance body in overseeing the management of impacts	76
	2-13	Delegation of responsibility for managing impacts	86 - 88
	2-14	Role of the highest governance body in sustainability reporting	79
	2-16	Communication of critical concerns	80 - 82
	2-17	Collective knowledge of the highest governance body	-
	2-18	Evaluation of the performance of the highest governance body	-
	2-19	Remuneration policies	-
	2-20	Process to determine remuneration	-
	2-22	Statement on sustainable development strategy	-
	2-23	Policy commitments	76
	2-24	Embedding policy commitments	76
	2-25	Processes to remediate negative impacts	86 - 88
	2-26	Mechanisms for seeking advice and raising concerns	90 – 91
	2-27	Compliance with laws and regulations	92
	2-28	Membership associations	72
	2-29	Approach to stakeholder engagement	80 - 82
	2-30	Collective bargaining agreements	-
GRI 3: Material Topics	3-1	Process to determine material topics	83
2021	3-2	List of material topics	84
	3-3	Management of material topics	Throughout
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	86 - 88
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	93

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GRI STANDARD	DISCLO	DSURE	LOCATION (PAGE)
GRI 205: Anti-	205-1	Operations assessed for risks related to corruption	91
corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	92
	205-3	Confirmed incidents of corruption and actions taken	92
GRI 301: Materials 2016	301-1	Materials used by weight or volume	98
	301-2	Recycled input materials used	-
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	96
	302-2	Energy consumption outside of the organisation	-
	302-3	Energy intensity	-
	302-4	Reduction of energy consumption	96
	302-5	Reductions in energy requirements of products and services	-
GRI 303: Water and	303-1	Interactions with water as a shared resource	101
Effluents 2018	303-2	Management of water discharge-related impacts	-
	303-3	Water withdrawal	-
	303-4	Water discharge	-
	303-5	Water consumption	101
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	96 – 97
2016	305-2	Energy indirect (Scope 2) GHG emissions	97
	305-3	Other indirect (Scope 3) GHG emissions	98
	305-4	GHG emissions intensity	-
	305-5	Reduction of GHG emissions	97
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	99 – 101
	306-2	Management of significant waste-related impacts	99 – 101
	306-3	Waste generated	99 – 101
	306-4	Waste diverted from disposal	100
	306-5	Waste directed to disposal	100
GRI 401: Employment	401-1	New employee hires and employee turnover	107
2016	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	104
	401-3	Parental leave	-

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GRI STANDARD	DISCLO	DSURE	LOCATION (PAGE)
GRI 403: Occupational	403-1	Occupational health and safety management system	103
Health and Safety 2018	403-2	Hazard identification, risk assessment, and incident investigation	-
	403-3	Occupational health services	-
	403-4	Worker participation, consultation, and communication on occupational health and safety	103
	403-5	Worker training on occupational health and safety	104
	403-6	Promotion of worker health	-
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	-
	403-8	Workers covered by an occupational health and safety management system	-
	403-9	Work-related injuries	103
	403-10	Work-related ill health	103
GRI 404: Training and	404-1	Average hours of training per year per employee	106
Education 2016	404-2	Programmes for upgrading employee skills and transition assistance programs	-
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	108
GRI 406: Non- discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	-
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
GRI 408: Child Labour 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	-
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	-
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	111 – 112
	413-2	Operations with significant actual and potential negative impacts on local communities	-
GRI 417: Marketing and Labelling 2016	417-2	Incidents of non-compliance concerning product and service information and labelling	-
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	92