



LMS Compliance Ltd.

Sustainability Report 2025

This report was crafted in accordance with the sustainability reporting requirements prescribed for a company listed on the Catalist Board of the SGX-ST.



DECARBONOMICS

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PREFACE

Balanced Reporting Approach

LMS COMPLIANCE LTD. (“LMS” or the “Company”, and together with its subsidiaries, the “Group”) is a public limited liability company, incorporated and headquartered in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). The Group provides testing, assessment, certification, and assurance services, alongside the design, development, and commercialisation of decarbonisation solutions, and regulatory consultation services.

The Group engages a wide range of stakeholders, including regulators, accreditation bodies, manufacturers, and consumers across Malaysia, Singapore, and the Asia-Pacific region. Further information on our business activities is available on our corporate website at <https://lmscompliance.com/>.

Our commitment to strong governance and transparency underpins our sustainability reporting, ensuring disclosures are comprehensive, impartial, and reliable. This sustainability report for the financial year (“FY”) ended 31 December 2025 (“Reporting Period”) highlights key disclosures, the reporting frameworks applied, and strategic insights into the Group’s short-, medium-, and long-term business outlook.

The financial figures in this Report are expressed in Ringgit Malaysia (“RM”) and rounded to the nearest thousand (“RM’000”), unless otherwise stated.

Key Frameworks Applied and Scope of the Report

The Group’s sustainability report for FY2025 (“**Sustainability Report**” or “**Report**”) has been prepared in accordance with the International Financial Reporting Standards (“**IFRS**”) as the overarching framework, supported by the Global Reporting Initiative (“**GRI**”) Universal Standards and SGX Core ESG Metrics, to ensure comprehensive, transparent, and decision-useful sustainability disclosures.

This Report aligns with the sustainability reporting requirement set out under Rules 711A, 711B, and the Sustainability Reporting Guide of Practice Note 7F of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”), which govern sustainability reporting obligations for listed entities.

The Reporting Period covered in this Report spans from 1 January 2025 to 31 December 2025. The scope of the Report encompasses the sustainability performance and practices of the Group and its subsidiaries in which the Group holds a 100% ownership interest, as disclosed in the audited financial statements of the Group set out on page 83 of the Company’s annual report for FY2025. All subsidiaries within the scope of this Report prepare their financial statement in accordance with the Malaysian Financial Reporting Standards (“**MFRS**”) and the Companies Act 2016 of Malaysia.

Consistent with FY2024, the Group continues to apply IFRS S1, General Requirements for

Disclosure of Sustainability-related Financial Information, and IFRS S2, Climate-related Disclosures, for FY2025. This continued application reflects the Group’s commitment to enhancing the quality, consistency, and comparability of its sustainability disclosures in line with global best practices, while providing stakeholders with decision-useful information on sustainability-related risks, opportunities, and their potential financial impacts.

The Group recognises the complexities associated with reporting emission avoidance initiatives as part of its climate-related commitments. While emission avoidance is not classified as a primary category under the Greenhouse Gas (“**GHG**”) Protocol for Scopes 1, 2, and 3 emissions, it is a complementary measure that demonstrates emissions avoided relative to a defined baseline scenario. In this regard, the Group continues to adopt the GHG Protocol for emissions reporting. It applies ISO 14064-1 for the quantification and reporting of both GHG emissions and emission avoidance at the organisational level. This approach supports the provision of reasonable assurance over the Group’s overall GHG inventory, including emission-avoidance initiatives, and enhances the transparency and credibility of climate-related disclosures.

The Global Reporting Initiative Universal Standards 2021 have been adopted for their global recognition and robustness in reporting an organisation’s economic, environmental, and social impacts, complementing the IFRS Sustainability Disclosure Standards and reinforcing the Group’s commitment to transparent and accountable sustainability reporting.



Reporting Boundary

During FY2025, the Group completed an acquisition that resulted in a 75% equity interest in Anchor Technology Holdings Co., Limited and its subsidiaries (together, the “**ACC Group**”), effective 11 July 2025. As the ACC Group is not wholly owned by the Group and was consolidated only from mid-year, the sustainability performance of the ACC Group has not been included within the scope of this Report for FY2025. Nonetheless, this Report includes the associate company, namely Prismatic Technology Sdn. Bhd. The Group will continue to assess the appropriateness of expanding the reporting scope in future reporting periods as its ownership interest and level of operational integration evolve.

Assurance Statement

The Group’s subsidiary, MY CO2 CERTIFICATION SDN BHD, acting as a first-party assurance provider, has verified the data and information disclosed in this Report to enhance the accuracy, completeness, and reliability of the reported data. As an accredited verification and validation entity, MY CO2 CERTIFICATION SDN BHD conducted limited assurance on the sustainability segment of this Report, reinforcing LMS’s commitment to high-quality, transparent, and investor-relevant sustainability disclosures. The scope of assurance based on the ISO14064-1 standard focuses explicitly on GHG emissions and avoidance, covering the following key metrics:

- Scope 1/Category 1*: Direct GHG emissions
- Scope 2/Category 2*: Indirect GHG emissions from purchased energy
- Scope 3 Indirect GHG emissions
 - Category 3* (GHG emissions from transportation)
 - Category 4* (GHG emissions from products used by the Group)
 - Category 5* (GHG emissions associated with the organisation’s use of products)
- Emission avoidance*

* ISO 14064-1 Category

In accordance with Rule 711B(3) of the Catalist Rules, the Company has subjected its sustainability reporting processes to an internal review conducted by its internal auditor. The Company has not sought external assurance for this Reporting Period but may consider doing so in the future.

Materiality

This Report focuses on the most significant material matters affecting the Group and its stakeholders, ensuring that disclosures remain relevant, transparent, and aligned with industry best practices. Using a structured four-step process to identify, assess, prioritise, and validate, the Group has identified fifteen (15) key sustainability matters, evaluated for both financial and non-financial impact. Stakeholder feedback is incorporated to ensure that our approach reflects external expectations and priorities. These material matters guide the Group’s sustainability strategy and decision-making, helping to address critical risks and opportunities across short-, medium-, and long-term horizons while supporting resilient and sustainable growth.

Feedback

We remain committed to continually improving the quality and relevance of our annual sustainability reporting. Understanding the importance of stakeholder engagement, we actively encourage feedback to enhance our materiality assessment process and disclosure practices. Stakeholders are invited to share their queries, insights, or feedback on this Report through the following communication channels:

Name: Emily Choo
 Position: Investor Relations Director
 Email: ir@lmscompliance.com

Disclaimer

This Report may contain forward-looking statements based on current assumptions, estimates, risks and uncertainties, and such statements may be subject to revision or refinement over time. The Group presents sustainability-related metrics and targets to enhance comparability and facilitate meaningful analysis across reporting periods. However, actual future performance, outcomes and results may differ materially from those expressed or implied in these statements due to various factors, including changes in economic conditions, regulatory developments and the evolving landscape of sustainability-related risks and opportunities.

These forward-looking statements reflect Management’s expectations as at the reporting date and are subject to change as new information becomes available or as circumstances evolve. Where appropriate, sustainability-related financial disclosures may include cross-references to other reports issued by the Group to provide historical context and improve their relevance for decision-making.

Given the inherent uncertainties associated with forward-looking information, including the potential for subsequent revisions or restatements, stakeholders are advised to exercise due care and judgment when interpreting such statements.

Restatements

No restatements were made in the Group’s 2025 Sustainability Report, as there were no material changes to previously disclosed data, methodologies, or assumptions. The information presented remains consistent with prior reporting periods. This consistency reflects the accuracy, reliability, and robustness of the Group’s sustainability reporting processes, ensuring stakeholders continue to receive transparent and comparable information on the Group’s environmental, social, and governance (“ESG”) performance. The absence of restatements indicates that there have been no material revisions to reported figures, calculation methodologies, or sustainability performance metrics compared with previous disclosures. This stability underscores the Group’s continued commitment to strong data governance practices, effective internal controls, and adherence to established reporting standards, thereby reinforcing confidence among investors, regulators, and other stakeholders.





Mr. Ong Beng Chye
Independent Non-Executive Chairman

Board Responsibility Statement

Dear Stakeholders,

It is my privilege to present the Sustainability Report for LMS Compliance Ltd. for the financial year ended 31 December 2025 (“FY2025”). During the year, the Group continued to strengthen its operations while taking steps to broaden its capabilities beyond laboratory testing towards environmental, social and governance (“ESG”) related assurance services.

Financial Performance

For FY2025, the Group recorded revenue of RM33.64 million, representing a 32.5% increase from the previous year. Net profit for the year was RM6.76 million, an increase of 29.8% year-on-year. Excluding the RM0.44 million amortisation of intangible assets arising from the business combination with Anchor Technology Holdings Co., Limited (“ACC”), the adjusted net profit would be RM7.20 million.

The Group maintains a net cash position, which provides financial flexibility to support its operations and future business initiatives.

Dividend

In recognition of the Group’s performance and the continued support of our shareholders, the Board has declared a final tax-exempt (one-tier) cash dividend of 1.00 Singapore cent per ordinary share. This brings the total dividend payout for FY2025 to S\$1.37 million, compared with S\$1.15 million in FY2024.

During the year, the Company issued 9,456,340 consideration shares for the acquisition completed in July 2025 and distributed 22,875,667 bonus shares in November 2025, bringing the total number of issued shares to 137,254,006.

Business Developments and Outlook

In July 2025, the Group completed the acquisition of a 75% stake in ACC. This acquisition provides the Group with access to the food certification market in China. It expands its services in areas including certification, registration and research and development related to novel foods.

Demand for third-party testing, inspection and certification services continues to be supported by regulatory requirements and quality assurance standards across many industries. The Group will continue to focus on strengthening its core capabilities while exploring opportunities that complement its existing services.

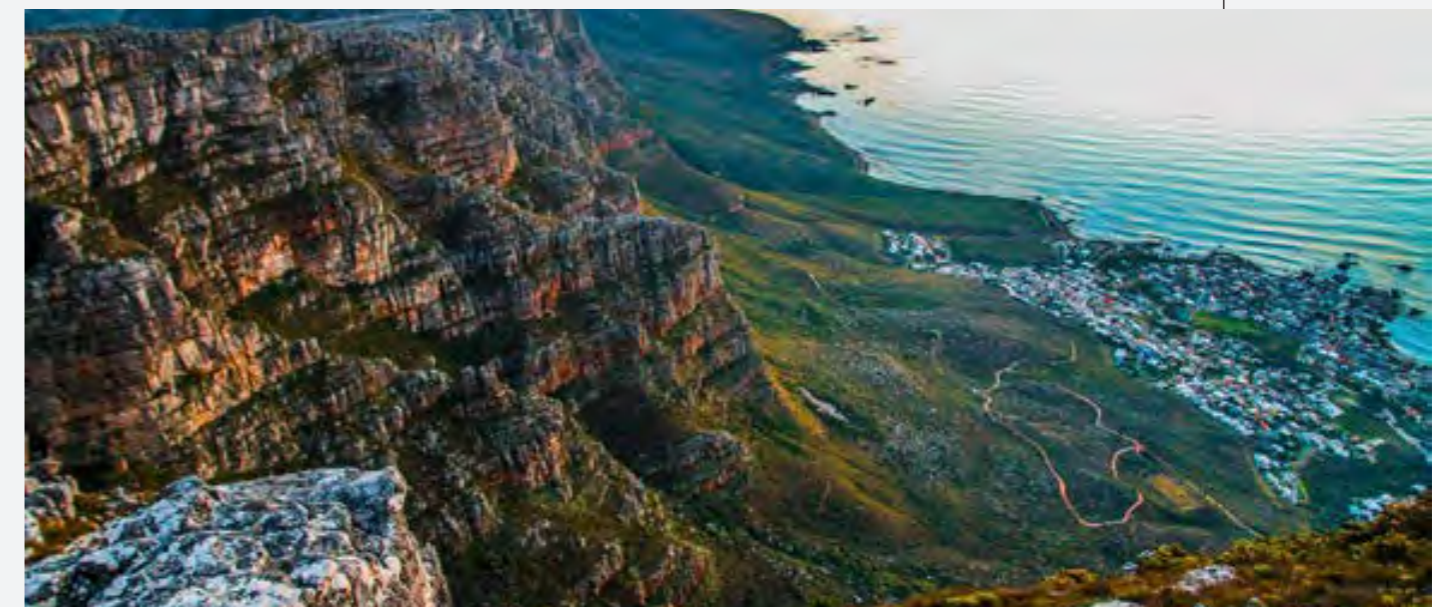
Commitment to Continuous Improvement

The Board acknowledges its responsibility to uphold the credibility, accuracy, and integrity of this Sustainability Report. It remains firmly committed to strengthening corporate governance, enhancing sustainability disclosures, and reinforcing operational resilience. In this regard, the Board actively considers sustainability issues in the Group’s business strategy, determines material ESG factors, and oversees their management and monitoring.

With the Board’s oversight and management’s support, the Group will continue to track emerging ESG trends, respond to evolving regulatory requirements, and improve reporting practices to maintain high levels of transparency, accountability, and stakeholder engagement.

The Board is confident that this Sustainability Report provides a comprehensive and balanced overview of all material matters that significantly influence the Company’s ability to generate long-term value. By adhering to strong governance and sustainability principles, the Company aligns with stakeholder expectations and regulatory obligations.

Mr. Ong Beng Chye
Independent Non-Executive Chairman





Dr. Ooi Shu Geok
Executive Director and Chief Executive Officer (CEO)

The CEO's Message on Sustainability

Dear Valued Stakeholders,

FY2025 has been a year of strong execution and strategic evolution for LMS. Building on our foundational legacy in laboratory testing, we expanded our service portfolio, enhanced our technological capabilities, and widened our geographic footprint.

Robust Segmental Performance

Our financial performance for FY2025 was driven by broad-based growth across core segments. Revenue from laboratory testing services grew by RM1.80 million, driven by increased demand from clients in the medical device, pharmaceutical, and environmental industries. Our certification and consultancy services recorded a revenue increase of RM6.61 million, primarily attributable to strategic acquisition of a subsidiary that expanded our service capabilities and strengthened our overall financial performance.

Pivoting to an ESG Assurance Platform

A central pillar of our FY2025 progress has been our proactive shift toward becoming a comprehensive ESG assurance platform, powered by regulation-led growth. We significantly strengthened our “Decarbonomics” offerings, providing data-driven, end-to-end services to decarbonise GHG emissions, underpinned by a science-based testing, inspection, and certification (TIC) approach.

We are proud to have obtained dual accreditation from the Singapore Accreditation Council (“SAC”) and Standard Malaysia as an accredited Validation and Verification Body (“VVB”) in FY2025. Our associate company, Prismatic Technology Sdn. Bhd., also completed the Proof of Concept (POC) for its advanced Slope Monitoring & Prevention technology in Malaysia, further demonstrating our commitment to integrating innovative technologies into our service offerings.

Expanding Our Footprint and Capabilities

Our inorganic growth strategy in FY2025 opened new avenues for the Group. A key highlight of this expansion was our strategic entry into the fast-growing novel food sector through the acquisition of ACC, which also extended our geographic reach into China. ACC provides comprehensive services to the novel food industry, encompassing certification, registration, research and development, and consulting on quality, safety, and regulatory compliance. The acquisition further diversifies our offering into regulatory consultation for novel food registration under the US FDA’s GRAS and NDI programmes, significantly enhancing our testing and certification business and positioning us to capture substantial value in this space.

To capitalise on the rapidly expanding green economy, we also incorporated a new subsidiary, MY CO2 Inspection Sdn. Bhd. (“MISB”), in October 2025. Tasked with conducting electric vehicle (EV) and goods

inspection services, MISB will assess clients’ conformity with applicable regulations and standards — complementing our existing compliance businesses and reinforcing our position as an integrated compliance solutions provider.

Moving Forward

Looking ahead, escalating regulatory requirements and heightened global emphasis on ESG compliance will continue to drive strong demand for our TIC services. By integrating new inspection services, advanced cloud-based applications, and deep certification expertise, we are well-placed to enhance operational efficiency and broaden customer engagement across the APAC region.

I extend my sincere thanks to our dedicated team of scientists, professionals, and support staff. It is your expertise and agility that enable us to deliver enduring value to our clients and shareholders consistently.

Dr. Ooi Shu Geok
Executive Director and
Chief Executive Officer
The author of LMS’s Sustainability Report FY2022,
FY2023, FY2024, and FY2025



A GLANCE AT LMS

Our Philosophy

Vision

The Global Local TIC

Mission

Contribute to Business Excellence

Core Value

Flexibility, Improvement, Teamwork, Commitment, Opportunity, Recognition, Peak Performance

Corporate Brand Tagline

Driving Compliance, Enabling Sustainability

Business Brand Tagline

The Compliance Catalyst

Our Positioning: Strengthening Our Role as an ESG Enabler

In FY2025, LMS reaffirmed and strengthened its strategic positioning as an Environmental, Social, and Governance Enabler (“**ESG Enabler**”). Building on the strong foundation laid in FY2024, the Group continued to expand its capabilities, broaden its regional footprint, and enhance its integrated compliance solutions to help clients navigate increasingly complex regulatory and sustainability landscapes.

Our ESG Enabler positioning reflects our core purpose — to empower clients to achieve sustainable growth, regulatory compliance, and responsible business practices. Through our expertise in testing, inspection, certification, and assurance, we provide reliable, independent, and high-quality services that enable businesses to meet evolving environmental standards, safeguard public health and safety, and uphold robust governance practices.

This deliberate positioning underscores our commitment to proactively contribute to business excellence across four strategic enablers: **Environment, Social, Governance, and Sustainability**. These enablers guide our efforts to drive positive impact, support clients’ ESG objectives, and foster long-term value creation.



ESG Enabler

In July 2025, LMS completed the acquisition of 75% of the issued and paid-up share capital of Anchor Technology Holdings Co., Limited (“ACC”). ACC and its wholly-owned subsidiaries provide end-to-end services for the novel food industry, including certification, product registration, research and development, and consulting on quality, safety, and regulatory compliance.

By integrating ACC’s specialised expertise with LMS’s established testing and certification platform, the Company further empowers clients to innovate responsibly while meeting rigorous safety, quality, and environmental standards. This acquisition also broadens the Company’s regional presence and strengthens its value proposition as a one-stop provider of ESG and compliance solutions.

In October 2025, the Group established MY CO2 Inspection Sdn. Bhd. (“MISB”), which delivers electric vehicle (“EV”) and goods inspection services to assess clients’ conformity with applicable regulations, standards, and inspection schemes. Through MISB, the Company continues to enable sustainable practices across industries, promote safer products, and support clients in meeting regulatory obligations.

Our diverse business portfolio encompasses the following conformity assessment activities:





Assurance Services

As part of its commitment to addressing climate change, the Company provides independent assurance of clients’ operations and products, with a focus on reliability, integrity, and quality, particularly regarding carbon emissions and footprint verification. The Company’s assessments follow internationally recognised standards such as ISO 14046 (Corporate and Project Carbon Footprint) and ISO 14067 (Product Carbon Footprint), ensuring transparency, accuracy, and alignment with global sustainability frameworks.



Testing Services

In supporting clients’ commitment to product quality and safety, the Company provides comprehensive testing and assessment services across multiple industries. Leveraging advanced methodologies and state-of-the-art laboratory equipment, the Company ensures that products meet stringent quality, safety, and regulatory requirements. The Company’s expertise encompasses chemical, microbiological, nucleic acid, and mechanical testing, delivering accurate, reliable, and timely results that enable clients to maintain compliance, uphold product integrity, and strengthen stakeholder confidence.



Assessment Services

In supporting clients’ commitment to workplace safety and health, the Company provides comprehensive workplace safety and health assessment services, including hazard identification, risk assessment, and compliance evaluation. The Company’s assessments strengthen safety programmes by delivering actionable recommendations and tailored training initiatives. Continuous monitoring and reporting further support the development of a safe working environment while ensuring compliance with applicable regulatory standards.



Certification Services

The Company provides certification services that validate the alignment of management systems and operational processes with applicable industry and ISO standards. These certifications serve as recognised benchmarks of excellence, enhancing trust, strengthening credibility, and promoting operational efficiency among clients and stakeholders. Also, through the acquisition of ACC, the Group has expanded the certification from the Management System to the Voluntary Functional Foods market segment.



Decarbonisation Solutions (SaaS)

In supporting clients’ digital transformation journeys, the Company develops Decarbonisation Solutions as Software-as-a-Service (“SaaS”), including Aizenz GHG, a carbon accounting application designed for manufacturers, laboratories, certification bodies, and inspection agencies. AikinZ-LIMS, Aihorz-Climate Action Solutions, and Aisinz-Realtime Voluntary Surveillance Mark. By staying at the forefront of innovation, the Company enhances the efficiency, accuracy, and reliability of conformity assessments, while reinforcing industry best practices and regulatory compliance.



Regulatory Consultation

The Company provides Regulatory Consultation services to help food manufacturers navigate complex global regulatory requirements. Leveraging ACC’s expertise, the Company assesses product classifications, develops tailored regulatory strategies, prepares dossiers, liaises with authorities, and monitors global regulatory changes. This service acts as a strategic partner, reducing time-to-market, ensuring compliance, and facilitating smoother entry into key markets worldwide.



In FY2025, the Company continued its holistic approach to serving diverse industries, reinforcing its position as a one-stop provider of assurance, testing, assessment, certification, regulatory consultation, and sustainability-driven services. Leveraging expanded capabilities, strategic acquisitions, and innovative technologies, the Company empowers conformity assessment activities that enhance product quality, regulatory compliance, environmental stewardship, and overall ESG performance — truly exemplifying the ESG Enabler.

Conformity Assessment

In FY2025, the Group compiled approximately 135,075 sustainability data points collected from sample tags under “Environment,” “Social,” “Governance,” and “Digitalisation”, marking a 1.9% decrease from FY2024. These datasets stem from daily operations in testing, assessment, certification, and assurance services across industries.

Conformity Assessment Activities	Contribute to sustainability pillars	FY2021	FY2022	FY2023	FY2024	FY2023
Total	ESGD	100,223	107,401	115,441	137,798	115,441

GOVERNANCE STRUCTURE

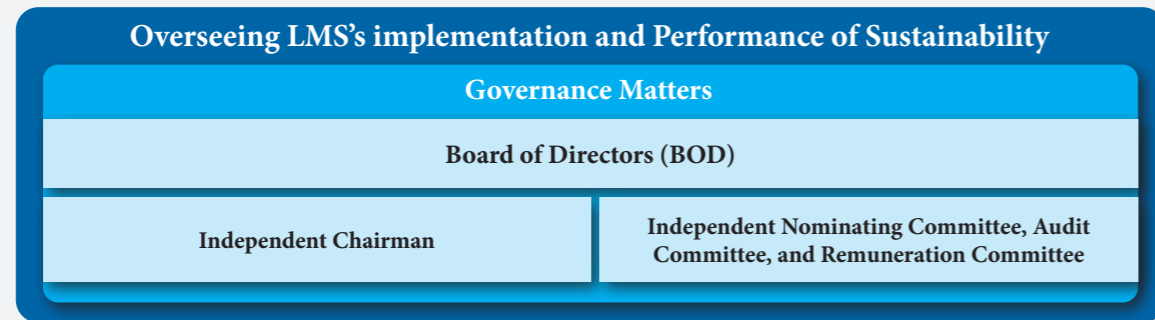
Sustainability Framework

At LMS, sustainability-related risks and opportunities (“**SrROs**”) and climate change-related risks and opportunities (“**CrROs**”) are recognised as critical to long-term success. In FY2025, the Company continued to embed SrROs and CrROs into decision-making processes at the highest levels, reinforcing the integration of ESG considerations across strategy, operations, and stakeholder engagement.

The Group maintains a comprehensive performance evaluation framework to assess the effectiveness of the highest governance body in overseeing the management of economic, environmental, and social impacts. Building on prior practices, RobecoSAM’s Economic Dimension Score (“**EDS**”) continues to be integrated into the annual Board evaluation process, ensuring alignment with globally recognised sustainability and governance benchmarks. The evaluation assesses the Board’s effectiveness in embedding ESG considerations into strategic decision-making, risk management, and stakeholder engagement, including oversight of key ESG impacts and progress towards sustainability objectives.

Evaluations are conducted annually and led by the Nomination Committee to ensure objectivity and credibility. Independent assessments identify areas for improvement, benchmark against industry best practices, and inform targeted actions to enhance governance effectiveness.

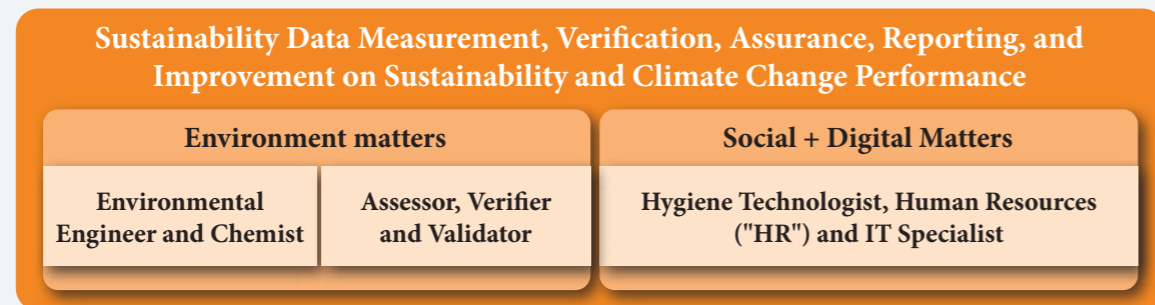
In FY2025, these actions included strengthening Board composition with directors experienced in ESG governance, enhancing sustainability-related training programmes, and updating policies to address emerging regulatory requirements. This structured approach ensures that the Board remains accountable, effective, and aligned with global sustainability expectations, thereby driving responsible business practices that deliver long-term stakeholder value.



Half-yearly reporting



Half-yearly reporting



Board of Directors

The Board retains ultimate responsibility for the Company's sustainability reporting. In FY2025, the Board actively considered sustainability matters in strategic planning, risk management, and investment decisions, and explicitly determined the material ESG factors, while overseeing their effective management.

The Board, composed of independent, non-independent non-executive and executive directors, continues to receive structured updates on SrROs and CrROs through half-yearly sustainability briefings, CEO-led sessions, and standing agenda items at all Board meetings. The Sustainable Development Committee ("SDC") provides detailed reports on climate risks, regulatory changes, and market trends affecting the Company's strategic direction.

In FY2025, the Board set and monitored sustainability-related targets, including progress towards the Net Zero Emissions ("NZE") 2050 Roadmap, reductions in GHG emissions, energy efficiency improvements, and other

ESG performance indicators. Sustainability key performance indicators ("KPIs") are embedded in executive remuneration policies, linking incentives directly to measurable environmental and social outcomes.

SrROs and CrROs are systematically integrated into major decision-making processes, including the assessment of significant action plans, annual budgets, and capital allocation. The Board evaluates environmental trade-offs and long-term sustainability impacts before approving substantial investments, acquisitions, or divestitures. By embedding SrROs and CrROs into enterprise risk management and operational planning, the Company strengthens resilience against climate-related risks. It captures growth opportunities in the low-carbon economy, in line with IFRS S1 and S2.

In FY2025, two Board meetings were conducted, with focused discussions on climate-related financial risks, ESG-driven market positioning, and compliance with IFRS S2 disclosure requirements. The Chairman and respective Board Committees led these discussions.

Independent Chairman and Committees

The Chairman of the Board remains independent and does not hold any executive position within the Company. This clear separation between governance and management aligns with the requirements of GRI 2-11 and reinforces transparency, accountability, and effective oversight of management. The independence of the Chairman mitigates potential conflicts of interest and strengthens the integrity of Board deliberations and decision-making processes.

All Board Committees — namely the Nominating Committee ("NC"), Audit Committee ("AC"), and Remuneration Committee ("RC"). This structure ensures balanced and objective oversight across key governance areas, including corporate strategy,

enterprise risk management, sustainability priorities, executive remuneration, and Board competencies.

AC oversees risk management, regulatory disclosures, and ESG reporting, collaborating with auditors to integrate climate risks and governance factors into the risk management framework.

RC links executive compensation to sustainability KPIs, including carbon reduction, diversity, and responsible resource management, fostering accountability and reinforcing a sustainability-driven culture.

NC ensures Board diversity, expertise, and strategic alignment, conducting regular evaluations to enhance governance effectiveness and support continuous improvement.





Sustainable Development Committee (SDC)

The Sustainable Development Committee plays a central role in strengthening the Company's sustainability governance framework. The SDC is led by the CEO and supported by the C-suite leadership team, including the Chief Development Officer, Chief Operation Officer, Chief Technology Officer, Chief Strategy Officer, Chief Compliance Officer, Chief People Officer, and Group Finance Manager.

The SDC is responsible for guiding and overseeing the Company's sustainability strategy and ensuring the systematic integration of sustainable development principles into operations, corporate strategy, and key decision-making processes. It ensures that SrROs and CrROs are continuously monitored, assessed, and properly managed in alignment with the Company's long-term objectives.

The SDC focused on strengthening ESG governance and enhancing the implementation of sustainability initiatives across the Group. The Committee developed and executed sustainability strategies aligned with the Company's vision and values, while establishing measurable goals and targets to improve environmental performance, social responsibility, and governance standards.

A key priority was the monitoring and assessment of the Company's environmental footprint, including GHG emissions, energy consumption, resource utilisation, waste management, and water usage. The SDC identified areas for operational improvement and implemented action plans to reduce environmental impact and support the Company's NZE 2050 Roadmap.

The SDC also strengthened ESG risk management practices by integrating climate-related and sustainability risks into the enterprise risk management framework. This included evaluating regulatory developments, transition risks, and physical climate risks, and developing mitigation strategies to enhance organisational resilience. The Committee oversaw sustainability reporting processes to ensure alignment with GRI Standards and IFRS S1 and S2 disclosure requirements.

Stakeholder engagement remained a core responsibility of the SDC. The Committee maintained structured engagement with investors, customers, employees, regulators, and industry bodies to understand evolving expectations and incorporate relevant feedback into sustainability strategies. This approach reinforces transparency, accountability, and continuous improvement in ESG performance.

In addition, the SDC promoted the adoption of sustainable technologies and digital innovation to enhance environmental performance and operational efficiency. By establishing and tracking KPIs, the Committee assessed the effectiveness of sustainability initiatives and ensured measurable progress. These efforts were supported by the Company's Competent Professional Team ("Competent Professional Team"), whose technical expertise strengthens the integrity of ESG data, verification, and reporting accuracy.

Through the leadership of the SDC, the Company further embedded sustainability into its corporate culture, enhanced climate resilience, and reinforced its commitment to long-term value creation for stakeholders.

The Competent Professional Team

The Competent Professional Team plays a vital role in ensuring the integrity, accuracy, and credibility of the Company's ESG reporting and sustainability performance. The team is responsible for measuring, verifying, and validating ESG-related data, and preparing comprehensive assurance and verification reports to support transparent and reliable disclosures. Comprising qualified environmental engineers, scientists, auditors, industrial hygienists, validators, and verifiers, the team undergoes continuous professional development to remain aligned with evolving regulatory requirements and internationally recognised sustainability standards.

Beyond data verification, the team enhances ESG governance by integrating advanced data measurement technologies and digital tools

to improve data accuracy, traceability, and reporting efficiency. Methodologies for GHG accounting, carbon footprint verification, and sustainability impact assessment are continuously refined to strengthen the robustness of climate-related disclosures in accordance with GRI Standards and IFRS S1 and S2 requirements. These efforts reinforce accountability and support informed decision-making at the Board and management levels.

As a key component of the Company's sustainability framework, the Competent Professional Team champions transparency, ethical conduct, and environmental stewardship across the organisation. Through proactive engagement and technical expertise, the team supports the Company's long-term ESG objectives, contributes to positive environmental and social outcomes, and drives continuous improvement by embedding ESG excellence into the Company's core operations.



STAKEHOLDERS ENGAGEMENT

Divergence of IFRS and GRI


Recognising the differing focus of IFRS on financial materiality and GRI on broader societal and environmental impacts, the Company prioritises stakeholder engagement in its GRI reporting. This approach enables the Company to understand and manage its wider impacts while complementing IFRS insights for investors. By engaging with a diverse range of stakeholders—including employees, communities, and other affected parties—the Company identifies material topics beyond financial risks and addresses ethical, social, and environmental responsibilities. Proactive engagement fosters trust, enhances transparency, and ensures that sustainability strategies reflect stakeholder concerns, supporting long-term value creation and embedding responsible, multi-stakeholder considerations into decision-making.


Multi-Stakeholder Approach

The Company's expertise in testing, assessment, and certification is built on the trust and support of its stakeholders. A key aspect of its sustainability initiatives is maintaining open and transparent communication across the value chain, engaging investors, clients, employees, regulators, suppliers, and communities. Stakeholders are identified based on their influence, interest, and impact on business operations and sustainability objectives. Through surveys, meetings, forums, and partnerships, the Company gathers insights that shape strategies, guide decision-making, and align with global sustainability standards (GRI 2-29). This engagement ensures ESG commitments address regulatory compliance, ethical practices, environmental stewardship, and social responsibility, fostering innovation, resilience, and long-term value creation across the value chain.

Remediate the Negative Impact

The Company maintains a robust compliance framework and actively engages stakeholders to understand their needs and enhance satisfaction. Mechanisms for seeking advice and raising concerns, including a grievance system for suppliers, vendors, and local communities, ensure that issues are addressed promptly and impartially. This proactive approach reinforces transparency, accountability, and trust, supporting the Company's commitment to responsible business practices and mitigating any negative impacts arising from its operations.

Who	Purpose of engagement (Why?)	When?	How do we engage?	What are the issues?	Action Taken and Response
Employees	The Group actively engages with its team members to foster an environment where creativity thrives and new ideas flourish. The Group recognises that each member brings unique perspectives and skills, and values the diversity of thought they contribute.	Half-yearly	mySuite* <i>* Intranet of the Group</i>	Inefficient and irresponsible use of resources hinders the Group's sustainability agenda, risking misalignment with long-term environmental and social goals.	Efficient Resource Management: The Group optimises energy use, reduces carbon emissions, conserves water, and minimises waste through recycling and circular economy practices. Water Conservation and Resource Optimisation: The Company has adopted water-saving technologies and policies to reduce consumption and prevent water pollution.
Vendors	The Group actively collaborates with raw material and solution providers to ensure seamless business operations while minimising its carbon footprint. The Group aims to achieve business continuity through strategic partnerships and sustainable sourcing practices, while prioritising environmental stewardship across its supply chain.	Yearly	Vendor Evaluation and Assessment	Fluctuations in foreign exchange ("Forex") rates may influence raw material pricing, potentially affecting overall production costs and financial performance.	Forex Risk Management: Implement hedging strategies to mitigate currency fluctuations and stabilise costs. Reduce Dependency: Source raw materials from multiple sources to reduce dependency. Cost Optimisation: Adjust procurement strategies, negotiate supplier contracts, and enhance operational efficiencies to manage or reduce costs.
Clients	The Group actively involves its clients, the downstream of its value chain, to understand their requirements across pillars such as accuracy, agility, security, simplicity, and sustainability. By engaging in dialogue and feedback loops, the Group tailors its services to meet clients' specific needs, ensuring excellence and relevance in its offerings.	Yearly Real-time	Clients survey Satisfaction Index through aikinz 	A lack of deep understanding of technical trade barriers (TBT) undermines compliance with regulatory standards, weakens international trade relationships, and disrupts the smooth flow of goods and services across borders.	Regulatory Compliance: Continuously monitor and adapt to evolving TBT regulations to ensure seamless market entry and adherence to international standards. Stakeholder Collaboration: Engage with industry bodies, policymakers, and trade partners to address regulatory challenges and facilitate smoother cross-border trade.

Who	Purpose of engagement (Why?)	When?	How do we engage?	What are the issues?	Action Taken and Response
Consumers	The Group actively involves indirect users, particularly consumers, in its processes by providing impartial and independent reports accessible through a quick response (QR) code scanning methodology. This approach empowers consumers with transparent and easily accessible information about the Group's products and services.	Real-time	aisinz Voluntary Real-time surveillance scheme 	Asymmetry of information may arise where producers possess more information about quality and carbon footprint but do not share it with consumers.	Transparent Disclosure: The Group continues to promote product quality and carbon footprint reporting to enhance consumer trust and support informed decision-making by introducing voluntary certifications (aisinz) that provide accessible, accurate information on environmental impact.
Regulators	The Group actively shapes industry challenges by engaging with formal governing institutions and contributing to the formulation of rules, regulations, and guidelines.	Ad-hoc	Participate in formal meetings, round table meetings, and working committees.	Compliance and traceability.	Regulatory Collaboration: Work closely with governing bodies to develop and refine industry standards, ensuring alignment between sustainability and compliance goals. Policy Advocacy: Contribute expertise to shape regulations and best practices, promoting responsible and ethical industry advancements.
Strategic Partners	The Group actively involves its regional subsidiaries and associated companies to ensure alignment with corporate values and growth targets. By fostering collaboration and sharing strategic objectives, the Group strengthens cohesion across its network and works collectively towards achieving common goals for sustainable growth and development.	Bi-yearly	Physical and online meetings	Integration and trust.	Strategic Alignment: Engage regional subsidiaries and associated companies to consistently uphold corporate values, sustainability goals, and growth targets. Conduct management retreats to foster collaboration through shared strategies, best practices, and resource optimisation, driving unified progress towards long-term sustainable development.
Community	The Group considers it paramount to ensure the local community remains unaffected by its operations. By engaging with community stakeholders, the Group actively listens to concerns and implements proactive strategies to promote harmony, preserve natural resources, and contribute positively to the well-being of the local population.	Yearly	Engage the resident association	Social issues, such as unemployment in the community, may pose security risks and increase the likelihood of break-ins, threatening the safety and integrity of our operations.	Enhanced Security Measures: Implement advanced surveillance systems, access controls, and security protocols to safeguard facilities and assets. Proactive Risk Management: Conduct regular security audits, employee training, and emergency response drills to mitigate break-in risks and ensure operational integrity.

Employee

The Company promotes open communication, transparency, and prompt issue resolution through multiple channels. An open-door policy allows employees to approach supervisors directly, while a whistle-blower policy provides a confidential avenue for reporting unethical behaviour. Town hall meetings facilitate engagement with senior management, and employee surveys and online platforms offer accessible feedback channels. By fostering a safe environment in which concerns can be raised without fear of retaliation, the Company cultivates trust, accountability, and a positive workplace culture, thereby supporting long-term organisational success and the well-being of its employees.



Vendor

The Company recognises that its value chain extends beyond laboratory operations, encompassing raw material sourcing, production, supply, and distribution. Strong partnerships with suppliers, manufacturers, and retailers ensure efficiency, innovation, and responsiveness to market needs. Annual vendor assessments evaluate GHG emissions, social compliance, labour practices, and workplace safety, while comprehensive audits measure environmental impact and uphold ethical supply chain standards. By fostering sustainable partnerships, the Company ensures responsible sourcing, operational excellence, and accountability, strengthening the business ecosystem and supporting long-term environmental, social, and economic sustainability across the value chain.

Client

The Company's client engagement strategy focuses on understanding and addressing their unique needs across key pillars: accuracy, agility, security, simplicity, and sustainability. Open dialogue and feedback mechanisms provide valuable insights into client expectations. Satisfaction and performance are measured using tools such as the AikinZ satisfaction index and client surveys. In FY2025, the Group achieved a customer satisfaction index ("CSAT") of 4.4 out of 5.0, an increase of 0.3 points compared to the previous year, and a Net Promoter Score ("NPS") of 69.7 out of 100, rose by 14.2 points, demonstrating strong client trust, advocacy, and confidence in the Company's services.

Consumer

Transparency and consumer empowerment are central to the Company's approach. The innovative QR code scanning system provides consumers with easy access to independent, unbiased reports, enabling informed purchasing decisions for clients' products and services. In addition, the proprietary surveillance platform, Aisinz, enhances accountability by offering real-time monitoring and reporting of key data, including product safety and hygiene information. These measures safeguard consumer rights, strengthen trust, and reinforce the Company's commitment to transparency, responsible practices, and the protection of end-user interests.

Regulator

The Company proactively engages with regulatory and governing institutions to address industry challenges and contribute to the development of effective regulations and guidelines. Participation in meetings, roundtables, and working committees enables the Company to support the advancement of industry best practices and promote responsible standards. Compliance and traceability remain key priorities, ensuring that regulatory frameworks enhance accountability and transparency across the supply chain. Through these engagements, the Company contributes to positive industry development, fosters collaboration among stakeholders, and reinforces its commitment to ethical, compliant, and sustainable business practices for the benefit of the broader ecosystem.

Strategic Partner

The Company actively engages its regional subsidiaries and associated companies through regular meetings and management retreats to foster collaboration and alignment with corporate values and strategic growth objectives. By promoting open dialogue and mutual trust, cohesion across the network is strengthened, enabling coordinated efforts toward sustainable growth. These engagements facilitate the sharing of strategic priorities, operational insights, and best practices, ensuring adaptability in a dynamic market environment. By leveraging the diverse expertise within the network, the Company enhances responsiveness while upholding strong governance and sustainability principles. This collaborative approach promotes accountability, continuous improvement, innovation, and long-term value creation across operations.

Community

The Company prioritises minimising the impact of its operations on local communities through continuous dialogue, responsive engagement, and proactive management of concerns. By promoting responsible resource use and supporting community well-being, the Company fosters long-term, constructive relationships with stakeholders. Robust security measures, including surveillance systems, access controls, and regular audits, are implemented to safeguard operational integrity and reduce potential disruptions. Through collaborative engagement and preventive strategies, the Company reinforces its commitment to responsible corporate citizenship, creating shared value for stakeholders while ensuring that operations remain aligned with community interests and sustainable development objectives.



Membership of the Association

Membership in professional and industry associations provides the Company with strategic advantages, including expanding its network, gaining industry insights, and strengthening its influence within the sector. Through active engagement with these organisations, the Company enhances its competitive positioning, supports sustainable growth, and aligns with evolving industry standards. Please refer to the table below for a list of our association memberships and corresponding roles by category.



Industry Insights and Information: Associations provide access to sector-specific insights, market trends, research, and relevant updates, enabling the Group to stay abreast of industry developments. This access to timely and reliable information supports informed decision-making, strategic planning, and continuous improvement across our operations.



Professional Development: Many associations provide training programmes, workshops, and conferences designed to support the professional growth of corporate employees. Engaging in these initiatives enhances employees' skills, knowledge, and competencies, boosting individual performance and reinforcing the Group's overall capability and effectiveness.



Advocacy and Representation: Associations frequently advocate for their members' interests and act as their representatives before regulatory bodies and government agencies. By joining an association, companies gain a platform to influence policies and regulations that directly affect their industry.



Collaboration and Knowledge Sharing: Associations create a collaborative environment where corporations can exchange experiences, share ideas, and gain valuable insights. This spirit of cooperation often drives innovation and supports more effective problem-solving.



Social Responsibility and Sustainability: Many associations promote sustainable business practices and social responsibility. By engaging with these associations, corporations can embrace these values and integrate sustainability into their operations.



Association	LMS Contribution	Roles
Malaysia Association of Accredited Laboratory ("PMAM")		Executive Committee
Agriculture Laboratory Association of Malaysia ("AGLAM")		Corporate Member
Malaysian Employers Federation ("MEF")		Corporate Member
Malaysia Semi-Conductor Association ("MSIA")		Sub-committee (Sustainability)
Malaysia Institute of Food Technology ("MIFT")		Corporate Member

Association	LMS Contribution	Roles
Association of Malaysian Medical Industries ("AMMI")		Corporate Member
Small and Medium Enterprises Association ("SAMENTA")		Corporate Member
Penang Chinese Chamber of Commerce ("PCCC")		Corporate Member
UN Global Compact ("UNGC")		Corporate Member
Singapore Business Federation ("SBF")		Corporate Member



Methodology of Materiality Assessment

The FY2025 materiality assessment followed GRI 3-1: Material Topics 2021 and was conducted in two phases: Engagement and Determination. The Engagement Phase involved stakeholder consultations and industry benchmarking to identify material matters relevant to the Group. At the same time, the Determination Phase prioritised these topics based on their impact on business operations and stakeholder concerns. This structured approach ensures alignment with the Group's corporate strategy, sustainability goals, and global best practices, enhancing transparency, supporting ESG performance tracking, and enabling informed decision-making on key sustainability risks and opportunities.

01 STEP

Identify

We conducted a comprehensive analysis of the elements shaping our strategic direction, scrutinizing existing trends, potential risks, and promising opportunities.

02 STEP

Assess

By assessing feedback collected from diverse internal and external stakeholder engagement channels, we analyzed and pinpointed the primary concerns voiced by stakeholders.

Engagement Phase

Engage to get feedback from various internal and external stakeholder

03 STEP

Verify

We brought forward the identified material matters to both the Sustainability Development Committee (SDC) and the management team for in-depth discussion and validation.

04 STEP

Prioritise

We structured the identified topics into a matrix to prioritize the most impactful concerns that influenced both business expansion and stakeholder decision-making.

Determination Phase

Determine material topics for reporting. Verify and prioritise the material topics

Materiality Approaches

In response to evolving European Union regulations, notably the Corporate Sustainability Reporting Directive (“CSRD”), the Group considers double materiality assessment essential for global companies. This approach enables the Company to identify and prioritise sustainability topics based on both their societal and environmental impacts (impact materiality) and their influence on financial performance (financial materiality), helping the Group navigate complex sustainability challenges, including decarbonisation, diversity, and ethical business practices.

Under IFRS S1, information is material if its omission, misstatement, or obscuration could reasonably influence investor decisions. In contrast, the GRI Standards define material topics as those that represent the organisation’s most significant impacts on the economy, the

environment, and people, including human rights. IFRS S1 primarily addresses investors’ informational needs, while GRI Standards consider a broader range of stakeholders, including employees, communities, and regulators.

For the Group, sustainable value creation depends on understanding market dynamics, operational challenges, and stakeholder expectations. The Company’s strategies align business growth with stakeholder needs, supporting informed decision-making by the Board and leadership team. By integrating insights from both IFRS and GRI frameworks, the Group embeds sustainability into laboratory operations, strengthens corporate stewardship, and delivers long-term value while maintaining meaningful engagement with investors and other stakeholders.



Identification of Material Matters

In the FY2025 materiality assessment, the Group identified ten (10) sustainability-related material matters and five (5) climate-related material matters, consistent with the total of fifteen (15) material matters from FY2024, while prioritising the most critical areas in accordance with IFRS requirements. The materiality matrix below illustrates the significance and impact of these matters on the Group’s overall sustainability strategy, ensuring initiatives are focused on the most relevant and high-impact areas to address stakeholder needs and expectations.

Recognising the dynamic sustainability landscape and the evolving nature of its operations, the Group remains committed to conducting regular materiality assessments. This ongoing process enables the Company to anticipate emerging challenges and opportunities and continuously refine its sustainability strategy. By aligning material matters with stakeholder priorities and the broader societal and environmental context, the Group ensures its initiatives remain impactful, forward-looking, and integrated into long-term value creation.

Material Matters			
Pillar	Sustainability-Related	Climate-Related	Pillar
Social	Workplace Safety	Extreme weather events	Environment
Social	Innovation & Novelty	Water availability	Environment
Social	Talent Transformation	Waste management	Environment
Social	ESG Culture	Temperature fluctuations	Environment
Social	Employee Rights	Power outages	Environment
Social	Customers’ Value Creation		
Governance	Board Diversity		
Governance	Strategic Alliance & Compliance		
Governance	Financial Sustainability		
Digitalisation	Accuracy, Agility, and Security		

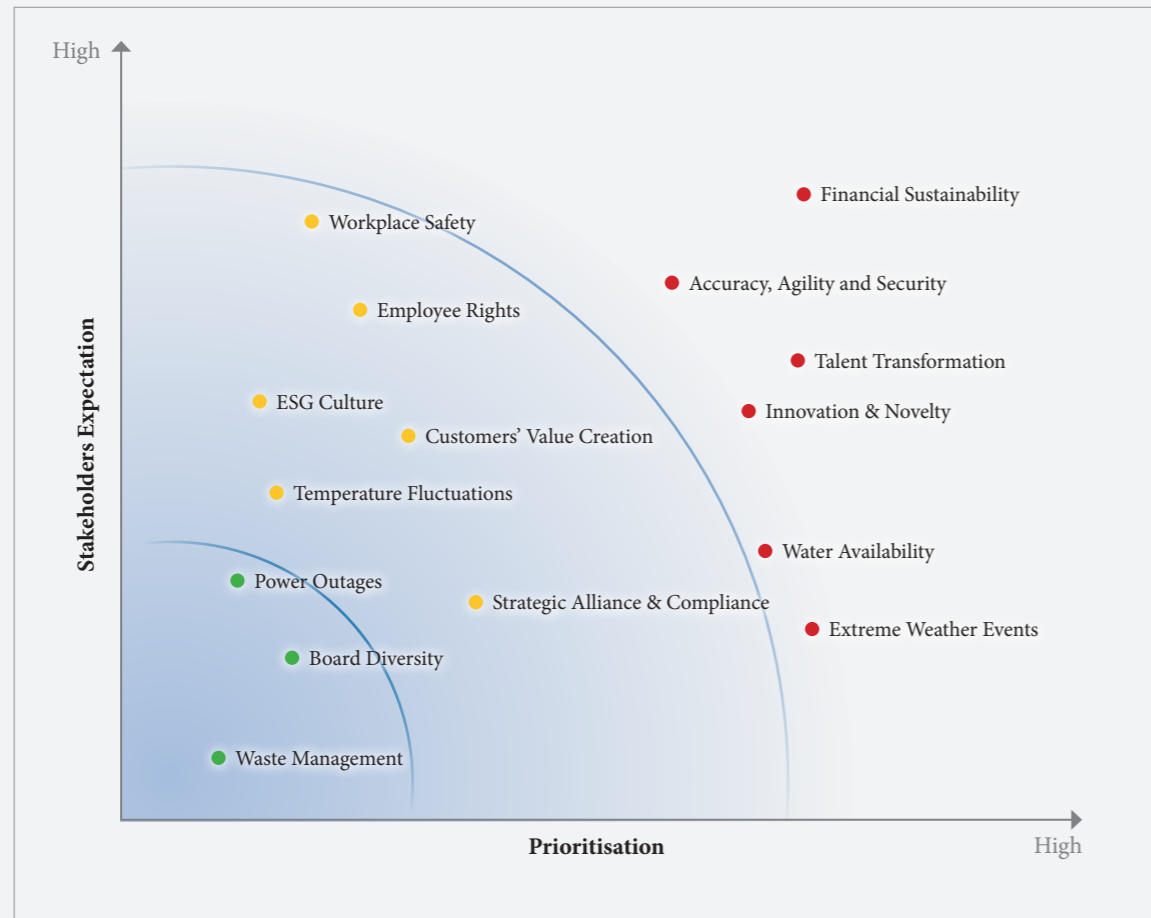
Assessment of Material Matters

The Group has illustrated its material matters and their implications to ensure stakeholders understand each issue comprehensively, highlighting their significance in relation to the sustainability strategy, business operations, and long-term objectives. The Group has enhanced the mapping process by conducting a detailed assessment of actual and potential impacts on the organisation, the environment, and society, while identifying appropriate mitigation strategies and value-creation opportunities. This refined approach ensures that the materiality assessment remains robust, responsive, and aligned with emerging sustainability challenges, enabling the Group to prioritise critical material matters effectively.

Prioritisation of Material Matters

Addressing and managing key sustainability issues across Environmental, Social, Governance, and Digitalisation (“ESGD”) dimensions remains essential for the Group and its stakeholders. These critical matters inform the Company’s understanding of industry trends and support the evaluation of related risks and opportunities. In FY2025, the Group reviewed its fifteen (15) material matters, emphasising six (6) high-priority areas to ensure alignment with evolving industry standards and best practices. This assessment forms the foundation of the Company’s four (4) sustainability pillars, guiding ESGD integration across operations. The process was aligned with internationally recognised frameworks, including the GRI Standards, IFRS, and the United Nations Sustainable Development Goals (“UNSDGs”), reinforcing transparency and accountability in sustainability reporting.

By leveraging these frameworks, the Group ensured that its FY2025 materiality assessment reflects global sustainability expectations and business imperatives. The materiality matrix below illustrates the fifteen (15) material matters, demonstrating their significance to the Company’s strategic sustainability direction and stakeholder priorities. Through this structured and continuous approach, the Group remains committed to sustainable growth, ongoing improvement, and leadership in responsible business practices, ensuring that high-priority material matters are effectively addressed and integrated into operational decision-making.



Verification: Material Matters

Through a rigorous validation process, we confirmed that most of our material matters align with key sustainability frameworks. This validation reinforces our commitment to integrating globally recognised standards into our sustainability initiatives. As outlined in GRI 3: Material Topics, material matters should reflect an organisation’s most significant impacts on the economy, environment, and people. Following a detailed assessment, we retained fifteen (15) material matters categorised under four (4) sustainability pillars, ensuring their continued relevance to our business operations and stakeholder expectations.

The validated material matters were presented to the Sustainability and Development Committee (SDC) and management team for review and discussion. After thorough deliberation, the Board formally endorsed these material matters, highlighting their strategic importance to the Company’s sustainability agenda. As recommended by GRI 2-12: Role of the Highest Governance Body in Sustainability Reporting, Board-level approval ensures that sustainability issues remain a core business priority. Six (6) high-priority material matters, highlighted in blue, were identified as critical to long-term value creation and stakeholder engagement. This structured validation process underscores the Group’s commitment to transparency, accountability, and responsible business practices, aligning sustainability strategy with global best practices while proactively addressing environmental, social, and governance challenges to drive sustainable growth across operations.

Material Matters			
Pillar	Sustainability-Related	Climate-Related	Pillar
Social	Workplace Safety	Extreme weather events	Environment
Social	Innovation & Novelty	Water availability	Environment
Social	Talent Transformation	Waste management	Environment
Social	ESG Culture	Temperature fluctuations	Environment
Social	Employee Rights	Power outages	Environment
Social	Customers' Value Creation		
Governance	Board Diversity		
Governance	Strategic Alliance & Compliance		
Governance	Financial Sustainability		
Digitalisation	Accuracy, Agility, and Security		

Coloured blue is the prioritised material matter.

RISK MANAGEMENT AND STRATEGY

Risk Management and Strategy

The Group has established a comprehensive framework to identify, assess, prioritise, and monitor SrROs, ensuring they are effectively managed within the overall risk management process. This approach leverages multiple data sources, including industry reports and regulatory guidelines, to evaluate the scope of operations considered in the risk analysis. Climate-related scenario analysis is integrated to assess potential future climate trajectories, enabling the Company to anticipate risks associated with extreme weather events, regulatory changes, and market transitions. The nature, likelihood, and magnitude of these risks are assessed using both qualitative factors and quantitative thresholds to provide a balanced and informed evaluation. Climate-related risks are prioritised based on potential financial and operational impacts, ensuring that high-risk areas receive targeted mitigation strategies.

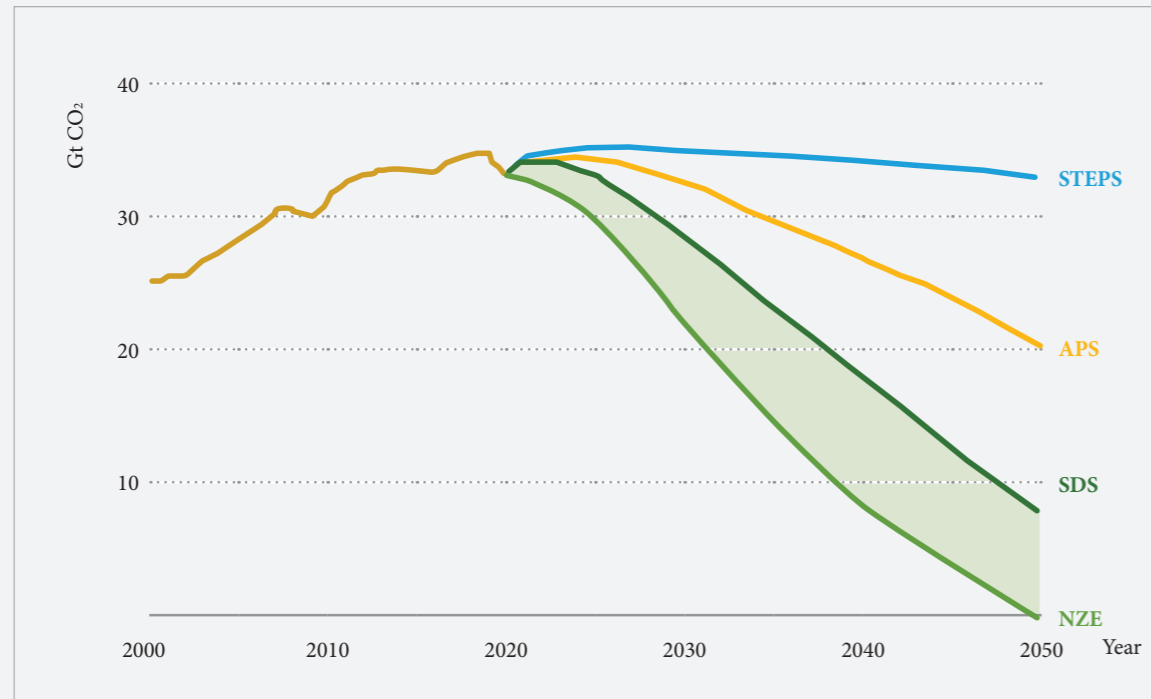
The management of CrROs is fully integrated into the Group's broader risk management strategy, ensuring a cohesive and proactive approach. Regular reviews and updates of the climate risk framework enable adaptability to evolving climate science and policy developments. These processes are aligned with corporate governance structures, ensuring that CrROs inform key decision-making at all levels. By maintaining transparency in climate-related financial disclosures, the Company strengthens stakeholder confidence and supports informed decision-making by investors and business partners. This integrated approach enhances the Group's resilience to climate-related disruptions while driving sustainable growth and innovation across operations, underpinned by scenario analysis.

Scenario Analysis

To better understand CrROs, the Group employs scenario analysis to explore potential future pathways associated with both transition and physical climate factors. These scenarios are not precise forecasts but provide insights into the key drivers shaping future outcomes. While acknowledging inherent uncertainties, the analysis guides the Company in identifying emerging trends relevant to its operations. It is reviewed annually to incorporate the latest data and ensure alignment with evolving climate risks and opportunities.

The Group considers four key climate scenarios. The Stated Policies Scenario (“STEP”) reflects current energy and climate policies, commitments, and announced government intentions, serving as a baseline for energy production, consumption, and environmental impacts. The Sustainable

Development Scenario (“SDS”) supports global climate goals under the Paris Agreement, aiming to limit temperature rise well below 2°C and striving for 1.5°C, with a strong focus on emissions reduction and renewable energy adoption. The Announced Pledges Scenario (“APC”) assumes full implementation of all global climate commitments, including Nationally Determined Contributions (“NDCs”) and net-zero targets. The Net-Zero Emissions Scenario (“NZE”) outlines a stringent yet achievable pathway for the energy sector to reach net-zero CO₂ emissions by 2050 without relying on external offsets.



STEP serves as a conservative projection based on declared policies, while the SDS represents a more ambitious pathway requiring additional measures to address climate change. Anchoring the Group’s climate risk analysis in STEP and SDS provides a structured framework for assessing and responding to transition risks, enhancing resilience and ensuring alignment with global sustainability initiatives that inform the Group’s strategic decision-making.

Sustainability Strategy

The Group integrates sustainability into its business strategy and operations to create long-term value for people and the planet. Its commitment to managing SrROs is reflected in the NZE 2050 Roadmap, developed in collaboration with the United Nations (UN). As part of its broader sustainability agenda, the Company prioritises transparency in sustainability-related financial disclosures, ensuring stakeholders have a clear understanding of the Group’s strategic approach to sustainability challenges and opportunities. The agenda is structured around four key pillars: Environmental, Social, Governance, and Digitalisation (ESGD), encompassing several focus areas and aligning with fifteen (15) carefully selected UN Sustainable Development Goals (UN SDGs) across all pillars, consistent with prior years.

In FY2025, the Group continues to build on its holistic sustainability approach, reinforcing its position as an “ESG Enabler.” This approach embeds sustainability across the Group and encourages vendors, clients, and stakeholders to adopt responsible business practices. Key focus areas have been refined to ensure that sustainability initiatives address the most critical topics affecting the Company and its stakeholders, supported by robust risk management. Through this integrated strategy, the Group drives sustainable growth, enhances resilience, and strengthens its long-term impact on society and the environment.



Environment



Social



Governance



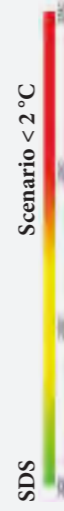







Digitalisation









Risk Management







The Group fulfils the requirements of IFRS S1 paragraphs 43 and 44 by integrating SrROs and CrROs into its overall risk management framework. A dedicated SDC, led by the CEO, oversees risk assessments to ensure alignment with the Group’s sustainability framework and reports directly to the Board. The Group leverages internal operational data, stakeholder engagement insights, industry benchmarks, and regulatory guidelines to assess risks across areas such as supply chain, compliance, and operational continuity. Scenario analysis is applied to model climate-related, regulatory, and financial risks, which are prioritised based on the likelihood and magnitude of their potential impact. Risks are defined in accordance with IFRS S1 requirements, providing a structured approach to identifying, evaluating, and managing material risks and opportunities.

Time Horizon (IFRS S1-30(b))	Short-term	Medium-term	Long-term
	Days	> 1 year	> 5 years
Climate Barometer			
Physical Risk (IFRS S2-3, Appendix A)	Acute		Chronic
Transition Risk (IFRS S2-3)		Policy, legal, technological, and market risks impact NZE by 2050	

Regular monitoring through Key Risk Indicators (KRIs) enables the Group to make proactive adjustments, while annual reviews ensure alignment with evolving industry standards, as outlined below:

Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Financial Materiality (Outside-in)	Impact Materiality (Inside-out)			
<p>Risk: The Group's chemical operations may be vulnerable to severe weather events, including storms and floods. Such incidents can disrupt testing activities, damage infrastructure, and pose safety risks to personnel and the surrounding environment.</p> <p>Risk Profile: Type: Acute Likelihood: High</p> <p>Time horizon: Short-Term Impact: High</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM400,000): The Group anticipates more frequent extreme weather events, leading to operational disruptions due to flooding. The impacts occur in three phases: immediate operational interruptions, post-flood cleanup costs, and asset losses (e.g., vehicles and equipment), estimated at RM200,000 per disruption. Based on the NZE 2050 scenario, two floods over 25 years could result in a potential EBITDA loss of RM400,000.</p>	<p>Opportunity: The Group has an opportunity to enhance operational resilience and reduce flood risk by moving scientific equipment to upper floors and strengthening protection of office equipment and assets using flood-resistant metal and cement materials.</p> <p>Strategy / Mitigation Cost (RM300,000): The Group addressed flood risk by upgrading its Selangor plant in FY2024, including relocating scientific equipment to upper floors and using flood-resistant materials to protect assets. With an estimated capital expenditure of RM300,000, the initiative is supported by capital allowances and is expected to safeguard operations and EBITDA over the long term. In FY2025, the Group continues to enhance resilience through maintenance, monitoring, and staff preparedness.</p>	Refer to the financial impact.	<p>The Group contributes to extreme weather events, such as floods, through high energy consumption, greenhouse gas emissions, and improper waste disposal, thereby exacerbating climate change. Implementing sustainable practices, including energy-efficiency measures and responsible waste management, is essential for reducing the environmental footprint and mitigating climate-related risks.</p> <p>TOP PRIORITY</p>	Climate Change Policy	 Environment	    		



Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Financial Materiality (Outside-in)	Impact Materiality (Inside-out)			
<p>Risk: The Group depends on water for a range of processes and cooling systems. Alterations in precipitation patterns and water availability resulting from climate change may make it challenging to ensure an adequate water supply for the Group's operations.</p> <p>Risk Profile: Type: Acute Likelihood: High</p> <p>Time horizon: Short-Term Impact: High</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM300,000): The Group anticipates that water scarcity could disrupt operations such as distillation, chemical mixing, and glassware washing, particularly during periods of water rationing when dam levels are low. Water shortages may halt operations and affect the timely completion of clients' projects. Workforce downtime during rationing could cost approximately RM6,000 per occurrence per day, assuming two days of disruption each year. This estimate represents a potential EBITDA loss and productivity decline, calculated using the NZE 2050 scenario, with an estimated 2 failures per year over 25 years.</p>	<p>Opportunity: The Group can enhance water availability by improving water treatment efficiency, expanding recycling initiatives, and strengthening water-conservation technologies. By integrating sustainable water management practices, the Group aims to optimise water usage, reduce dependency on freshwater sources, and promote responsible water stewardship across its industrial operations and surrounding communities.</p> <p>Strategy / Mitigation Cost (RM120,000): In FY2024, the Group implemented a water reuse and storage system at the Johor plant to reduce operational downtime during water shortages. In FY2025, the Group expanded this system to the KL plant. The total allocation is approximately RM120,000 for the design and implementation of this system, which provides up to one day of water usage capacity. This investment helps preserve EBITDA over the next 25 years, despite capital expenditure being recognised in the financial records over the following five years.</p>	Refer to the financial impact.	<p>The Group affects water availability through high water consumption in testing processes, chemical waste discharge, and inefficient water management. Adopting sustainable practices—such as wastewater treatment, recycling, and water conservation—is essential to minimise its environmental footprint and promote responsible water usage.</p> <p>TOP PRIORITY</p>	Climate Change Policy	 Environment	    		




Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	Financial Materiality (Outside-in)	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective			Impact Materiality (Inside-out)	Financial Materiality (Outside-in)			
<p>Risk: Climate-related hazards can disrupt waste disposal processes, particularly during extreme weather events such as floods, which may increase hazardous waste generation or hinder waste collection and treatment operations.</p> <p>Risk Profile: Type: Chronic Likelihood: Low</p> <p>Time horizon: Short-Term Impact: Low</p> <p>SDS Scenario < 2 °C</p> <p>STEP</p> <p>Financial Impact (RM100,000): The Group anticipates challenges in waste collection during severe weather. For instance, flooding may disrupt collection services, impede treatment processes, and lead to increased waste accumulation, with an estimated cost of RM2,000 per disruption. This figure represents a potential EBITDA impact, projected under the NZE scenario by 2050, assuming two flood events over 25 years.</p>	<p>Opportunity: The Group can drive innovation in waste management by developing advanced testing, recycling, and treatment solutions. By implementing sustainable practices, the Group minimises waste, ensures regulatory compliance, and supports circular economy initiatives, delivering both environmental and economic benefits.</p> <p>Strategy / Mitigation Cost (RM300,000): The Group revamped both the shop floor and office spaces to better prepare for potential extreme weather events, particularly floods. Segregating scientific equipment to the upper floor formed part of the strategy to mitigate potential damage. Additionally, the Group utilised new building materials that can withstand water during floods, thereby reducing the risk of asset loss, especially for office equipment. The Group estimated the total capital expenditure at approximately RM300,000, covering the cost of new materials and the redesign of the shop floor. While this capital expenditure will impact financial records over the next ten (10) years, it is expected to protect EBITDA over the next 25 years, helping to mitigate potential financial impacts. Capital allowances may also help cushion this sunk cost for mitigating extreme weather events, declared risk under flood.</p>	<p>Refer to the financial impact.</p>	<p>The Group generates chemical and biological waste that requires proper disposal. Without effective management, such hazardous waste can pose risks to ecosystems and the environment.</p>	Climate Change Policy	 Environment	    			

Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	Financial Materiality (Outside-in)	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective			Impact Materiality (Inside-out)	Financial Materiality (Outside-in)			
<p>Risk: The Group's experiments and chemical reactions often require precise temperature control. Climate fluctuations, such as extreme heat or cold spells, can disrupt stable conditions, creating challenges in maintaining accuracy and reproducibility in experiments.</p> <p>Risk Profile: Type: Chronic Likelihood: Medium</p> <p>Time horizon: Long-Term Impact: Low</p> <p>SDS Scenario < 2 °C</p> <p>STEP</p> <p>Financial Impact (RM212,500): The Group anticipates that rising ambient temperatures will lead to warmer conditions inside the building. Consequently, additional energy will be required to maintain optimal temperatures on the shop floor. On average, for every 2°C increase, adjusting the thermostat over eight hours results in an approximate 3% increase in the electricity bill, equivalent to RM8,500 annually. This figure represents a potential EBITDA impact, projected under the NZE scenario by 2050 over the 25 years.</p>	<p>Opportunity: The Group can develop climate monitoring and adaptation solutions, strengthen resilience against temperature fluctuations, and adopt sustainable cooling technologies to mitigate impacts. In addition, energy efficiency and environmental sustainability can be supported through the implementation of prismatic decarbonisation solutions.</p>  <p>Strategy / Mitigation Cost (RM200,000): The Group is investing RM200,000 in renewable energy and efficiency initiatives, such as solar panels and energy management systems, to reduce its environmental impact. While these costs will affect EBIT over the next five years, they are expected to enhance EBITDA and deliver long-term financial benefits over a 25-year horizon.</p>	<p>Refer to the financial impact.</p>	<p>The Group contributes to temperature fluctuations through high energy consumption from equipment such as autoclaves, incubators, and refrigeration units. The excess heat generated affects indoor and surrounding temperatures, increasing cooling demands and overall energy use, which may exacerbate environmental heat stress and broader climate impacts.</p>	Climate Change Policy	 Environment	    			

Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	Financial Materiality (Outside-in)			
<p>Risk: Extreme weather events, such as severe storms, can lead to power failures, posing significant risks, particularly in the Group's chemical operations. Uninterrupted power is essential for the proper functioning of critical equipment, including fume hoods, refrigerators, and safety systems.</p> <p>Risk Profile: Type: Acute Likelihood: Medium Time horizon: Short-Term Impact: Low</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM300,000): Power outages pose a risk of operational disruption and equipment damage from improper shutdowns, potentially leading to missed deadlines and high replacement costs. Although productivity losses are minor, the EBITDA impact could reach RM300,000 by 2050 under the NZE scenario, assuming three major equipment failures, with each costing around RM100,000.</p>	<p>Opportunity: The Group can enhance power availability by adopting energy-efficient equipment, implementing backup power solutions, and integrating renewable energy sources. These measures strengthen operational resilience, reduce reliance on the grid, and support sustainable energy management.</p> <p>Strategy / Mitigation Cost (RM80,000): The Group intends to install an Uninterruptible Power Supply (UPS) for critical equipment to prevent asset loss and reduce the need for costly part replacements. The UPS installation is estimated at RM80,000. While the related capital expenditure will be recognised in the financial statements over the next five years, this initiative is expected to safeguard EBITDA over the next 25 years.</p>	<p>Refer to the financial impact.</p>	<p>The Group contributes to power outages through high energy consumption from equipment, temperature control, and ventilation systems. Sudden surges in electricity demand can strain local grids, increasing the risk of outages. Adopting energy-efficient technologies and implementing backup power solutions can help mitigate these impacts.</p>	Climate Change Policy	 Environment	    		

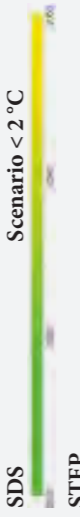

Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	Financial Materiality (Outside-in)			
<p>Risk: If ESG values are not embraced and embedded into the Group's culture, the risk of missing opportunities to enhance sustainability performance increases.</p> <p>Risk Profile: Type: Entity's strategy and decision-making Likelihood: Medium Impact: Low</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM650,000): The financial impact of not embracing sustainability values and failing to integrate them into the Group's culture could lead to increased operational costs, regulatory penalties, reputational damage, and loss of investor confidence. If sustainability-related risks, such as climate regulations, inefficient resource use, and stakeholder disengagement, are not effectively managed, the Group could experience a potential decline in profitability. Assuming a conservative 10% impact from missed sustainability opportunities and increased risk exposure, the Group's profit could decrease by approximately RM650,000 in FY2025, which would significantly affect long-term financial stability and market valuation.</p>	<p>Opportunity: A strong sustainability-focused culture enables the Group to embed ESG principles across its operations by promoting awareness and engagement. Employees are empowered to adopt sustainable practices through induction programs and talent transformation initiatives, ensuring ESG integration across all levels and driving long-term environmental and social responsibility.</p> <p>Strategy / Mitigation Cost (RM500,000): The Group continues to foster an ESG-driven culture among employees through targeted initiatives and internal engagement programmes. The Group targets RM500,000 over the next 10 years to support comprehensive induction programmes that educate new employees on ESG principles, as well as talent transformation initiatives to strengthen sustainability-related skills and awareness. These initiatives support the long-term integration of ESG practices across the organisation, reinforcing responsible business conduct and contributing to sustainable growth.</p>	<p>Refer to the financial impact.</p>	<p>By maintaining a strong ESG focus, the Group strengthens stakeholders' trust through its commitment to sustainability, ethical governance, and social responsibility. This approach enhances relationships with investors, regulators, and clients, further reinforcing the Group's reputation. The Group also promotes sustainable practices across the industry by raising ESG awareness among external stakeholders through partnerships, training initiatives, and transparent reporting. These efforts foster a culture of accountability and long-term value creation, supporting positive environmental and social impact within the industry.</p>	HR Policy and Work From Home ("WFH") guideline	 Social	    		



Employee Right	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Financial Materiality (Outside-in)	Impact Materiality (Inside-out)			
<p>Risk: Demotivation arising from a lack of respect for employee rights could adversely affect productivity and overall performance within the Group. Failure to uphold employee rights may also result in higher employee turnover, reduced morale, and potential legal liabilities for the Group.</p> <p>Risk Profile: Type: Entity's strategy and decision-making Likelihood: Medium Impact: Low</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM500,000): Failure to uphold employee rights could reduce the Group's profit due to increased employee turnover, lower morale, and potential legal liabilities. Recruitment and training costs may amount to approximately RM100,000, productivity losses RM300,000, and possible legal penalties RM100,000, potentially reducing profit by a total of RM500,000.</p>	<p>Opportunity: By upholding employees' fundamental rights and supporting their well-being and prosperity, the Group can foster a positive work environment that encourages high performance and enhances overall employee satisfaction.</p> <p>Strategy / Mitigation cost (RM100,000): To enhance employee rights and maintain productivity, the Group will continue to target RM100,000 annually to support related initiatives. Regular compensation reviews are conducted to ensure fairness and competitiveness, helping to reduce turnover and boost morale. Approximately RM50,000 supports job empowerment and skill development initiatives to foster employee engagement and operational efficiency, while the remaining RM50,000 supports strengthening workplace ethics and communication. Through these efforts, the Group aims to cultivate a supportive work environment that promotes sustainability, safeguards its reputation, and drives long-term profitability, while maintaining stakeholder confidence in its responsible business practices.</p>	<p>Refer to the financial impact.</p>	<p>The Group's commitment to upholding employee rights enhances its reputation and credibility with stakeholders, earning recognition through three prestigious ESG awards. By promoting fair compensation, job empowerment, and professional growth, the Group fosters a motivated and engaged workforce, improving operational efficiency and reducing the risk of employee turnover.</p>	HR Policy and WFH guideline	Social	    		

Talent Transformation	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Financial Materiality (Outside-in)	Impact Materiality (Inside-out)			
<p>Risk: Limited employee empowerment and weak leadership support can create silos, hinder collaboration, and weaken talent transformation efforts. This reduces workforce capability, engagement, and innovation, ultimately affecting operational performance and long-term strategic and sustainability goals.</p> <p>Risk Profile: Type: Entity's strategy and decision-making Likelihood: High Impact: High</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM1,300,000): Insufficient employee empowerment can reduce productivity, collaboration, and talent development, leading to inefficiencies and higher turnover. This could result in an estimated RM1,300,000 impact (20% of FY2025 profit), with additional strain from recruitment and training costs, ultimately affecting long-term profitability.</p>	<p>Opportunity: Empowering talent with autonomy in decision-making aligns employees' actions with the Group's values and fosters a culture of innovation and ownership. The implementation of the Amoeba Management System (AMS) offers a structured framework to support talent transformation and enhance workforce effectiveness.</p> <p>Strategy / Mitigation cost (RM600,000): The Group actively promotes workforce efficiency and collaboration through talent empowerment initiatives, structured training programs, leadership development, mentorship, and digital learning platforms. With a target of RM600,000 annually for professional development and employee rewards, these initiatives enhance decision-making, autonomy, and productivity while reducing operational risks. By cultivating an engaged, high-performing workforce, the Group strengthens workplace culture, supports long-term business sustainability, fosters innovation, and reinforces its reputation as a responsible and forward-thinking organisation.</p>	<p>Refer to the financial impact.</p>	<p>This strategic approach attracts top talent, creating a skilled and motivated workforce that drives innovation and operational efficiency. By fostering a culture of continuous learning and professional growth, the Group enhances employee satisfaction and retention. Strengthening its talent pool reinforces the Group's competitive position in the industry, supporting long-term success and sustainable growth.</p> 	Amoeba Management System and Guide	Social	    		

Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	Financial Materiality (Outside-in)	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective			IFRS SDS Perspective	Impact Materiality (Inside-out)			
<p>Risk: Accidents can cause injuries or fatalities, resulting in the loss of valuable talent. They may also damage equipment and disrupt operations, impacting productivity and increasing operational costs.</p> <p>Risk Profile: Type: Entity's strategy and decision-making Likelihood: Medium Impact: Low</p> <p>SDS Scenario < 2 °C</p> <p>STEP</p> <p>Financial Impact (RM250,000): Workplace accidents could result in injuries or fatalities, significantly impacting the Group's profit through the loss of valuable talent and operational disruptions. Financial burdens may include medical expenses, compensation payouts, equipment damage, and regulatory fines. Additionally, productivity losses from workforce shortages and downtime, along with potential legal costs and penalties for non-compliance, could further strain profitability. The Group could face an estimated annual profit reduction of RM250,000.</p>	<p>Opportunity: Ensuring workforce safety addresses a fundamental human need while creating a productive and supportive workplace environment.</p> <p>Strategy / Mitigation cost (RM150,000): To ensure workplace safety and minimise financial and operational risks, the Group dedicates RM150,000 annually to Occupational Safety and Health (OSH) initiatives. The strategy includes regular OSH assessments to identify and address potential hazards, minimising exposure to toxic materials through enhanced safety protocols, and providing comprehensive employee training. The Group also promotes a culture of safety and accountability, encouraging proactive hazard reporting and regulatory compliance. These measures safeguard employee well-being, reduce accident-related disruptions, and protect the Group's profitability, reputation, and long-term sustainability.</p>	<p>Refer to the financial impact.</p>	<p>Strong Occupational Safety and Health (OSH) practices reduce accidents, liabilities, and costs while improving productivity and employee retention. By emphasising training, compliance, and hazard prevention, the Group enhances operational efficiency, lowers insurance expenses, and strengthens long-term financial and reputational sustainability.</p>	<p>Safety and Health Policy</p>	<p>Social</p>	<p>2 ZERO HUNGER</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>5 GENDER EQUALITY</p> <p>10 DECENT WORK AND ECONOMIC GROWTH</p> <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>			
Workforce Safety									











Risk / Financial Impact	IFRS SDS Perspective		Opportunity / Strategy	Financial Materiality (Outside-in)	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective			IFRS SDS Perspective	Impact Materiality (Inside-out)			
<p>Risk: The risk associated with innovation and novelty in the Group remains the allocation of significant resources, including financial investment, time, and human resources.</p> <p>Risk Profile: Type: Entity's Business Model and Value Chain Likelihood: High Impact: High</p> <p>SDS Scenario < 2 °C</p> <p>STEP</p> <p>Financial Impact (RM2,000,000): Allocating up to RM2,000,000 (30% of FY2025 profit) to innovation without clear returns could strain profitability by leading to inefficient use of resources and reduced productivity. To manage this risk, the Group applies structured frameworks, feasibility assessments, and strategic alignment to ensure innovation supports sustainable growth and long-term value.</p>	<p>Opportunity: Embracing innovation continues to enable the Group to create value and maintain a competitive edge. By investing in the development of new technologies, processes, and products, the Group aims to differentiate itself from competitors, improve operational efficiency, and reinforce its market position in an increasingly dynamic business environment.</p> <p>Strategy / Mitigation cost (RM100,000): The Group targets RM100,000 annually to support suitable research and development initiatives, ensuring continuous innovation and technological advancement. By collaborating with industry partners and academic institutions, the Group gains access to specialised expertise and resources that accelerate innovation and enhance market competitiveness. Additionally, fostering a culture of creativity among employees encourages the development of novel solutions, process improvements, and practical technologies. These initiatives drive continuous improvement, strengthen the Group's industry position, and support long-term business sustainability in an evolving market landscape.</p>	<p>Refer to the financial impact.</p>	<p>By collaborating with industry leaders and academic institutions, the Group strengthens its reputation, gains access to advanced expertise and resources, and enhances credibility. This approach attracts investment, unlocks funding opportunities, and supports long-term growth, competitiveness, and sustainable value creation.</p> <p>TOP PRIORITY</p>	<p>Innovation Policy</p>	<p>Social</p>	<p>2 ZERO HUNGER</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>5 GENDER EQUALITY</p> <p>10 DECENT WORK AND ECONOMIC GROWTH</p> <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>			
Innovation & Novelty									

Risk / Financial Impact	IFRS SDS Perspective		GRI Perspective	Policy	Pillars	UN SDGs
	Risk / Financial Impact	Opportunity / Strategy				
<p>Risk: The risk associated with Customers' Value Creation for the Group lies in consistently meeting and exceeding customer expectations.</p> <p>Risk Profile: Type: Entity's Business Model and Value Chain Likelihood: Medium Impact: Low</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM650,000): Failing to meet customer expectations could result in a 10% profit loss, reducing profitability by approximately RM650,000. This decline may increase marketing and customer acquisition costs, further straining financial resources. Additionally, dissatisfied customers could damage the Group's reputation, making it more difficult to attract new business and sustain long-term growth.</p>	<p>Opportunity: By focusing on customer value creation, the Group can deliver greater benefits to its customers while distinguishing itself from competitors.</p> <p>Strategy / Mitigation cost (RM100,000): The group prioritises customer engagement through feedback mechanisms such as surveys, interviews, and focus groups. By actively listening and understanding customer needs, the Company's laboratories can tailor products, services, and processes to deliver exceptional value and experiences that truly resonate. To mitigate risks, the Group can invest RM100,000 annually in customer experience initiatives and quality improvements, enhancing loyalty, sustaining revenue, and safeguarding long-term profitability.</p>	<p>Refer to the financial impact.</p>	<p>The Company consistently delivers value to its customers, differentiating itself from competitors by securing more contracts. This competitive advantage enhances brand reputation, strengthens client relationships, and drives sustainable long-term growth.</p>	<p>ISO17025, 17021, and 17029 Quality Manual on customer relationship policy</p>	<p>Social</p>	<p>2 CLIMATE ACTION</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>5 GENDEQUALITY</p> <p>10 REDUCED INEQUALITIES</p> <p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>

Risk / Financial Impact	IFRS SDS Perspective		GRI Perspective	Policy	Pillars	UN SDGs
	Risk / Financial Impact	Opportunity / Strategy				
<p>Risk: The risk associated with Board Diversity in the Group remains the potential cost of recruiting directors who can enhance board diversity, including compensation and other benefits.</p> <p>Risk Profile: Type: Entity's strategy and decision-making Likelihood: Low Impact: Low</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM165,000): Recruiting directors to enhance board diversity may incur additional costs, including competitive compensation packages, relocation expenses, and other benefits. If these costs represent 2.5% of the Group's profitability, they could impact financials by approximately RM165,000. While this investment strengthens governance, brings global insights, and improves decision-making, failure to manage these expenses effectively may strain financial resources. A balanced approach ensures that board diversity contributes strategic value without significantly affecting profitability.</p>	<p>Opportunity: To strengthen board effectiveness and governance practices, incorporating directors with diverse backgrounds, experiences, and perspectives provides valuable insights, innovative ideas, and specialised expertise. Such diversity fosters more informed decision-making, enhances risk management, and improves strategic planning, ultimately supporting the organisation's long-term success and resilience.</p> <p>Strategy / Mitigation Cost: The Group proactively recruits and integrates diverse directors. This may involve targeted searches for qualified candidates from different demographic groups, providing cultural competency training for board members, and fostering an inclusive boardroom culture where diverse perspectives are valued and respected.</p>	<p>Refer to the financial impact.</p>	<p>Board diversity strengthens the Group's reputation by demonstrating a commitment to inclusive governance, ethical leadership, and diverse perspectives. This approach fosters trust and confidence among external stakeholders, including investors, customers, partners, and the community, ultimately enhancing credibility, attracting new opportunities, and supporting long-term business sustainability and growth.</p>	<p>Anti-bribery policy, Whistleblowing policy, and Conflict of Interest policy</p>	<p>Governance</p>	<p>1 PEOPLE</p> <p>2 CLIMATE ACTION</p> <p>3 GOOD HEALTH AND WELL-BEING</p> <p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>

Strategic Alliance & Compliance	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Financial Materiality (Outside-in)	Impact Materiality (Inside-out)			
<p>Risk: One risk associated with Strategic Alliance and Compliance in the Group is the potentially time-consuming and complex integration process. Aligning different entities, methods, and systems can be challenging and may lead to operational delays or disruptions.</p> <p>Risk Profile: Type: Entity's Business Model and Value Chain Likelihood: Medium Impact: Low</p>  <p>STEP</p> <p>Financial Impact (RM650,000): The integration process for strategic alliances and compliance can be complex, potentially causing delays and inefficiencies that affect profitability. A 10% drop in operational efficiency could reduce profits by approximately RM650,000, while additional compliance costs may further strain the Group's resources.</p>	<p>Opportunity: Strategic alliances and compliance enable the Group to expand its regional footprint more quickly and efficiently. By forming alliances with compatible partners and leveraging their resources, networks, and expertise, the Group can gain access to new markets, customers, and growth opportunities.</p> <p>Strategy / Mitigation cost (RM200,000): The Group proactively strengthens its approach to due diligence, risk management, and compliance. This includes conducting thorough assessments of potential partners, enhancing alignment with evolving regulatory requirements, and refining communication channels and governance structures to facilitate effective collaboration and oversight. Additionally, participating in regional and international tradeshows, forums, and industry events enables the Group to expand its network, forge strategic partnerships, and stay ahead of emerging market trends and opportunities. To mitigate risks, the Group targets RM200,000 for enhanced integration planning, periodic compliance audits, and targeted staff training, ensuring smoother transitions, minimising operational disruptions, and maintaining regulatory adherence and financial stability.</p>	<p>Refer to the financial impact.</p>	<p>Strategic partnerships enable laboratories to strengthen market position, foster innovation, and broaden services. Collaborations with industry leaders, research institutions, and regulatory bodies build credibility, attract investment, and unlock new opportunities, supporting long-term growth, profitability, and a sustainable competitive advantage.</p>	<p>ISO17025, 17021, and 17029 Quality Manual on subcontracting policy</p>				

Financial Sustainability	IFRS SDS Perspective		Opportunity / Strategy	GRI Perspective		Policy	Pillars	UN SDGs
	Risk / Financial Impact	IFRS SDS Perspective		Financial Materiality (Outside-in)	Impact Materiality (Inside-out)			
<p>Risk: Loss of investor interest in stocks that are not sustainability-compliant due to weak financial sustainability practices.</p> <p>Risk Profile: Type: Entity's prospects in the short-term Likelihood: High Impact: High</p>  <p>STEP</p> <p>Financial Impact (RM225,000): Weak financial sustainability could erode investor confidence and reduce market-based valuation (MBV). With profits of RM5,000,000, inefficiencies and rising costs may erode RM225,000 in profits, affecting margins, market position, and growth prospects. This may deter ESG-focused investors and risk capital outflows, underscoring the need to strengthen financial sustainability.</p>	<p>Opportunity: Strengthen business sustainability by prioritising environmental and social well-being while setting a benchmark for non-financial disclosure.</p> <p>Strategy / Mitigation cost (RM300,000): By incorporating ESG factors and decarbonisation solutions into its decision-making processes, the Group will strengthen its reputation and appeal to responsible investors through transparent climate-related disclosures. The Group targets RM300,000 to adopt decarbonisation solutions over the next few years.</p>  <p>Our financial sustainability initiatives enhance operational efficiency, attract top talent, and optimise resource utilisation. Maintaining financial sustainability also enables investments in green initiatives, such as solar energy and energy-efficient systems, reinforcing long-term business resilience. These efforts ensure operations remain sustainable, cost-effective, and aligned with global environmental and economic priorities, securing future growth.</p>	<p>Refer to the financial impact.</p>	<p>A solid financial foundation enables strategic investments in sustainability initiatives, such as solar energy and energy-efficient systems, to enhance operational efficiency. These investments strengthen long-term resilience, reduce environmental impact, and drive cost savings, supporting sustainable growth while aligning with global sustainability goals.</p> 	<p>Budget planning policy, cash flow monitoring policy, and financial compliance policy.</p>				

IFRS SDS Perspective		GRI Perspective	Policy	Pillars	UN SDGs
Risk / Financial Impact	Opportunity / Strategy				
<p>Risk: The potential leakage of sensitive data may lead to financial and reputational damage, as well as a loss of clients' trust and business. Additionally, operational errors or inefficiencies stemming from inadequate systems or processes could cause delays, inaccuracies, or inconsistencies in testing, assessment, or certification activities, ultimately affecting quality.</p> <p>Risk Profile: Type: Entity's Business Model and Value Chain Likelihood: High Impact: High</p> <p>SDS  Scenario < 2 °C</p> <p>STEP </p> <p>Financial Impact (RM1,000,000): A data breach or operational inefficiencies could reduce profitability by up to 15%, potentially costing RM1,000,000. This includes legal penalties, cybersecurity investments, and loss of clients. Strengthening data protection, enhancing automation, and reviewing security protocols can mitigate these risks, ensure financial stability and regulatory compliance, and maintain client trust in the Group.</p>	<p>Opportunity: Strengthen security measures and capabilities to address clients' evolving needs. Through investments in advanced data security protocols, encryption technologies, and access controls, the laboratory can protect sensitive information, reduce risks, and establish itself as a trusted and dependable service provider.</p> <p>Strategy / Mitigation cost (RM150,000): The Group targets RM150,000 annually to maintain a comprehensive approach to data management, security, and operational excellence. This includes maintaining secure data centres, implementing data recovery mechanisms, and leveraging cloud computing solutions to enhance agility, scalability, and resilience. Regular cybersecurity training and audits ensure robust protection against data breaches and operational disruptions.</p>	<p>Refer to the financial impact.</p>	<p>By prioritising operational accuracy and agility, a company can build a strong competitive advantage through consistently reliable results. This fosters customer trust, encourages repeat business, and strengthens long-term client relationships. Enhanced efficiency also minimises errors and delays, reinforcing the laboratory's reputation as a preferred industry partner.</p> <p>TOP PRIORITY</p>	<p>ISO17025, 17021, and 17029 Quality Manual</p> <p> Digitalisation</p>	 4  8  9  10  11  13  16

Accuracy, Agility and Security

Note: The disclosed amounts are subject to significant estimation uncertainty. The ranges were derived from climate scenario analysis that incorporated specific variables as inputs and are subject to the limitations outlined in the Report. Such uncertainty in report estimates is expected to decrease as advances in scientific understanding of the macroeconomic impacts of climate change enable further refinement of the inputs and modelling techniques used in these analyses.



ENVIRONMENT STEWARDSHIP

Environment Stewardship

From the perspective of environmental stewardship, the Group has prioritised two material matters, as follows:

Extreme Weather Events such as Flood

The increasing prevalence of extreme weather events, particularly floods, poses a significant threat to the Group's operational resilience. The Group undertook a strategic flood mitigation initiative at its Selangor plant in FY2023, which included relocating critical scientific equipment to upper floors to prevent water damage and utilising flood-resistant metal and cement materials to safeguard assets. In FY2025, the Group continues to strengthen the Selangor plant's resilience against flood risks by focusing on ongoing maintenance, operational monitoring, and staff preparedness to ensure optimal protection of scientific equipment and office assets. These enhancements help ensure business continuity and minimise financial losses from potential flooding. A capital expenditure of RM300,000 was allocated to this initiative, with capital allowances helping to offset the financial impact over time. While the investment affects financial records for the next decade, it enhances long-term EBITDA protection for the next 25 years. Based on NZE 2050 scenario projections, the Group anticipates experiencing two major floods over this period, potentially resulting in a total EBITDA loss of RM400,000 due to operational disruptions, cleanup costs, and asset damage. By proactively mitigating these risks, the Group ensures sustained productivity, financial stability, and long-term operational resilience.

Water Availability

Water scarcity remains a significant risk to the Group's operations, particularly in processes such as distillation, chemical mixing, and glassware washing. To mitigate this, the Group implemented a water reuse and storage system at its Johor plant in FY2024. It expanded it to the KL plant in FY2025, providing up to one day's water usage capacity to reduce operational downtime during shortages. The total allocation for the design and implementation of this system is approximately RM120,000. This expansion further strengthens the Group's ability to manage potential water supply disruptions. The Group anticipates water rationing events may occur twice annually due to climate-driven shortages, potentially causing workforce disruptions and EBITDA losses of RM6,000 per day. Over 25 years, this could result in a cumulative financial impact of approximately RM300,000. By implementing this mitigation strategy, the Group safeguards operational efficiency, minimises potential revenue losses, and supports long-term financial sustainability.



The total mitigation cost for both strategies amounts to RM420,000. Compared to the projected financial impact of RM700,000 under the NZE 2050 scenario, these investments represent a prudent approach

to risk mitigation, yielding a net financial benefit of RM280,000 over 25 years. The likelihood of success is high, as both strategies directly address foreseeable climate-related disruptions using proven solutions. By proactively managing extreme weather and water scarcity risks, the Group reinforces its commitment to sustainability, operational resilience, and long-term financial stability, supporting its journey towards achieving NZE by 2050. Through the implementation and monitoring of these initiatives, the Group strengthens its sustainability agenda, ensuring it comprehensively addresses critical topics for the organisation and its stakeholders in alignment with the five selected UN SDGs.



The Group continues to employ comprehensive environmental metrics, including Scope 1, 2, and 3 GHG emissions, to evaluate environmental stewardship and identify improvement opportunities from CrROs. In addressing ongoing challenges such as extreme weather events and water availability, the Group has updated and refined its emissions-reduction targets to further enhance climate resilience. By integrating these considerations into strategic and operational decision-making processes, the Group effectively mitigates environmental risks, strengthens sustainability initiatives, and upholds long-term environmental responsibility.

Emissions

The Group follows the GHG Protocol and ISO 14064-1 standards to measure and manage GHG emissions across Scopes 1, 2, and 3. This process involves assessing key environmental metrics, including energy consumption, water usage, waste generation, transportation activities, and the use and end-of-life phases of products. Using methodologies established under the GHG Protocol, these emissions are converted into tonnes of CO₂-equivalent (CO₂e), enabling a comprehensive assessment of the Group's environmental impact. This approach is aligned with IFRS S2 requirements, ensuring that climate-related risks and opportunities are appropriately identified, disclosed, and managed through the following metrics and targets.

Metrics and Targets

Pillar	Material Matters	Metrics	Perpetual Target	Current Year Performance	Status
Environment	Extreme Weather Events	Scope 1 Scope 2 Scope 3	Emissions reduction of 30% by 2030, followed by 60% by 2040, and to be NZE by 2050.	Scope 1 & 2 emissions intensity increased from 0.004334 to 0.004365. The Group planned to adopt Science-Based Targets Initiative ("SBTi") to pursue 30% reduction in emissions by 2030.	In progress
	Water Availability	Total Emissions Intensity			
	Waste management	Emission Avoidance Initiatives			
	Temperature fluctuations				
	Power outages				

Coloured green is the prioritised material matter.



Scope 1

Scope 1 emissions	FY2021	FY2022	FY2023	FY2024	FY2025
Industrial Gases	619	616	723	600	363
Stationary Combustion Fuel Emissions	1,122	10,633	22,678	6,965	4,573
Refrigerant Gases	-	-	-	18,550	12,663
Passenger Vehicles	-	-	-	70,365	61,112
Delivery Vehicles	-	-	-	24,000	13,858
Total Scope 1 emissions (kg CO₂e)	1,741	11,249	23,401	120,480	92,568
Total Scope 1 emissions (tonnes CO₂e)	1.741	11.249	23.401	120.480	92.568
Scope 1 emission/conformity activity (tonnes CO₂e)	0.000017	0.000105	0.000203	0.000874	0.000685

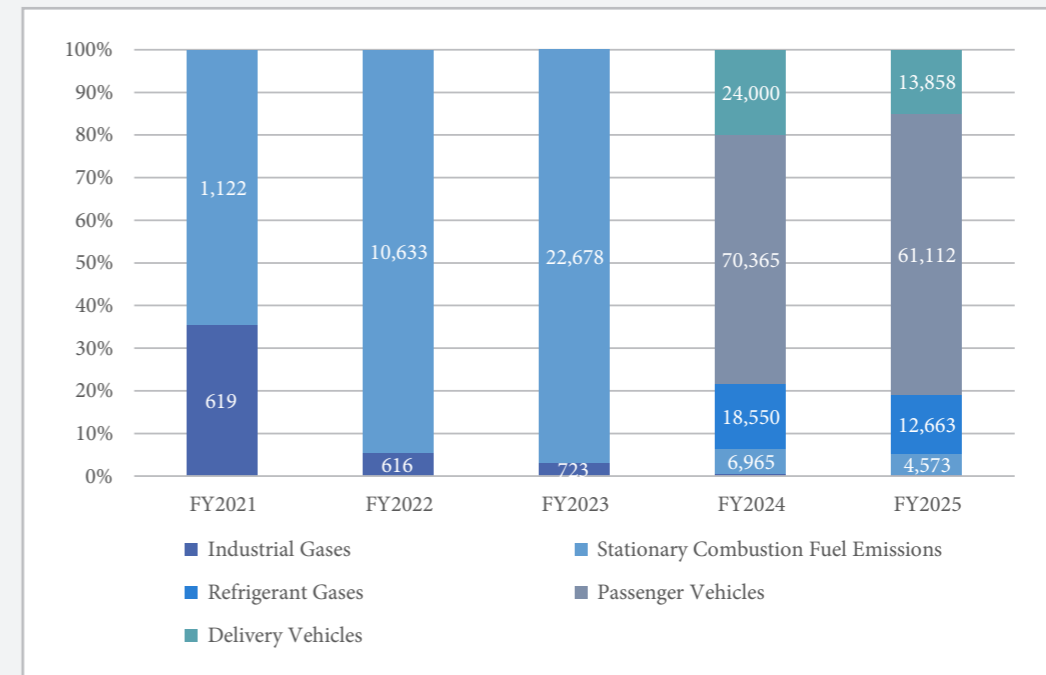
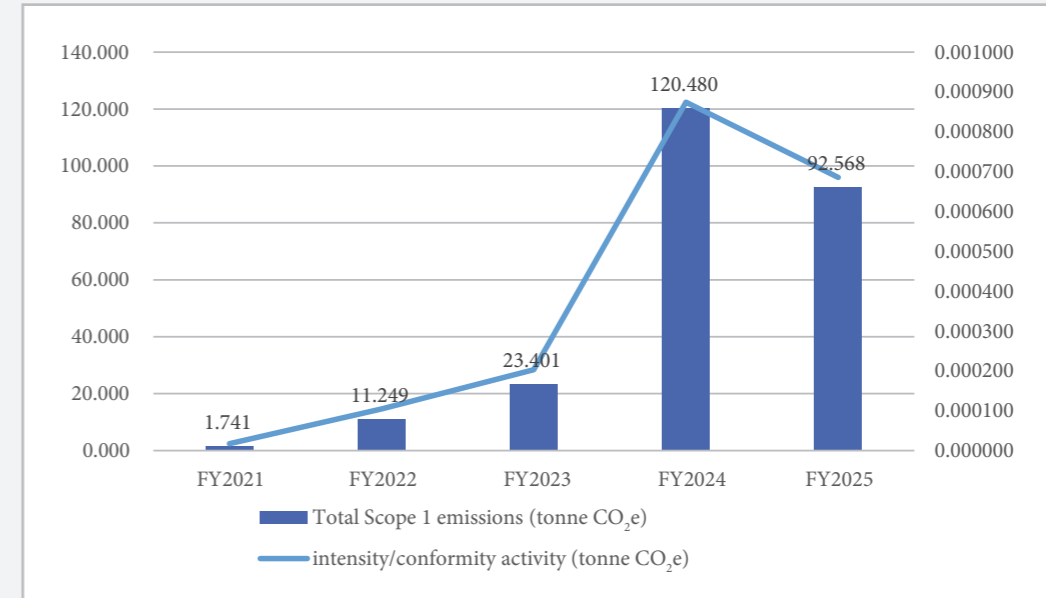
From FY2021 to FY2025, total Scope 1 emissions increased significantly, from 1.741 tonnes CO₂e in FY2021 to 92.568 tonnes CO₂e in FY2025, peaking at 120.480 tonnes CO₂e in FY2024. The most notable increases occurred between FY2021 and FY2022, and more prominently between FY2023 and FY2024, primarily driven by the inclusion of refrigerant gases, passenger vehicles, and delivery vehicles. These emission sources were not captured in FY2021 to FY2023, resulting in a substantial increase in reported emissions following the expansion of the reporting boundary.

In FY2025, total Scope 1 emissions decreased by approximately 23% compared to FY2024. This reduction was mainly attributable to lower emissions from passenger vehicles, delivery vehicles, refrigerant gases, and stationary combustion. The decline reflects improved operational efficiency, better fuel management, and optimisation of equipment utilisation. Industrial gas emissions remained relatively stable over the years, indicating a continued but controlled reliance on these gases for industrial processes.

A similar trend is observed in emission intensity per conformity activity. Emission intensity increased from 0.000017 in FY2021 to a peak of 0.000874 in FY2024, before declining to 0.000685 in FY2025. The decrease in FY2025 indicates an improvement in the Group's ability to manage emissions relative to its operational output. While the earlier rise in intensity was largely due to expanded reporting boundaries and increased activity data, the improvement in FY2025 suggests greater efficiency and more effective emission-control measures.



To address and further reduce emissions, the Group continues to target a 30% reduction in emission intensity by 2030, a 60% reduction by 2040, and ultimately achieving Net Zero Emissions (NZE) by 2050. These targets are expected to be achieved through ongoing initiatives, including improving energy efficiency, optimising fleet and fuel use, increasing reliance on cleaner energy sources, and strengthening overall emissions management practices.



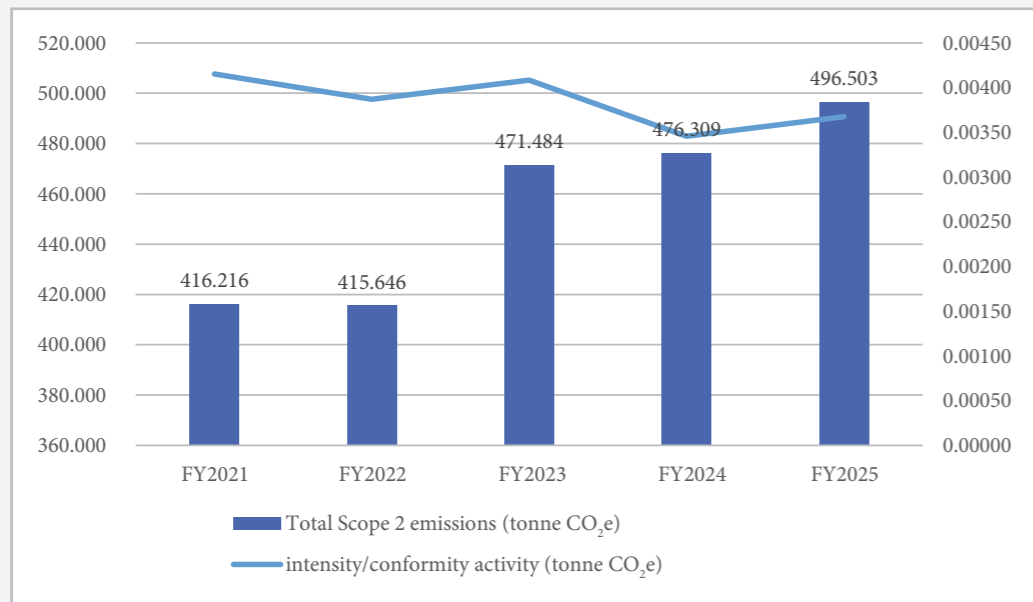
The graph illustrates the upward trend in total Scope 1 emissions and emission intensity per conformity activity from FY2021 to FY2025. The noticeable decrease in FY2025 underscores the importance of implementing effective mitigation measures to support the Group's long-term emission-reduction targets, which include a 30% reduction by 2030, a 60% reduction by 2040, and achieving Net Zero Emissions (NZE) by 2050.

Scope 2

Scope 2 emissions	FY2021	FY2022	FY2023	FY2024	FY2025
Consumption (kWh)	533,610	532,880	604,466	628,376	641,477
Electricity (kg CO ₂ e)	416,216	415,646	471,484	476,309	496,503
Total Scope 2 emissions (kg CO₂e)	416,216	415,646	471,484	476,309	496,503
Total Scope 2 emissions (tonnes CO₂e)	416.216	415.646	471.484	476.309	496.503
Scope 2 emission intensity/conformity activity (tonnes CO₂e)	0.00415	0.00387	0.00408	0.00346	0.00368

Between FY2021 and FY2025, Scope 2 emissions generally increased. The emissions were fairly stable from FY2021 (416.216 tonnes CO₂e) to FY2022 (415.646 tonnes CO₂e). In FY2023, emissions rose more significantly to 471.484 tonnes CO₂e. There was a small increase of 1.00% in FY2024, reaching 476.309 tonnes CO₂e, and then a further rise to 496.503 tonnes CO₂e in FY2025. The main reason for this increase was growth in operational activities, which led to higher electricity use and greater Scope 2 emissions.

Emission intensity measures how much CO₂ equivalent emissions are produced for each conformity activity. It decreased from 0.00415 in FY2021 to 0.00387 in FY2022. Then, it slightly increased to 0.00408 in FY2023. In FY2024, there was a significant 15.2% drop, bringing the intensity down to 0.00346. In FY2025, it increased a little to 0.00368. Even though total emissions rose at times, the overall reduction in emission intensity indicates improvements in energy use, higher productivity, and possibly cleaner energy sources. These changes help lower emissions per activity, indicating better efficiency and environmental performance.

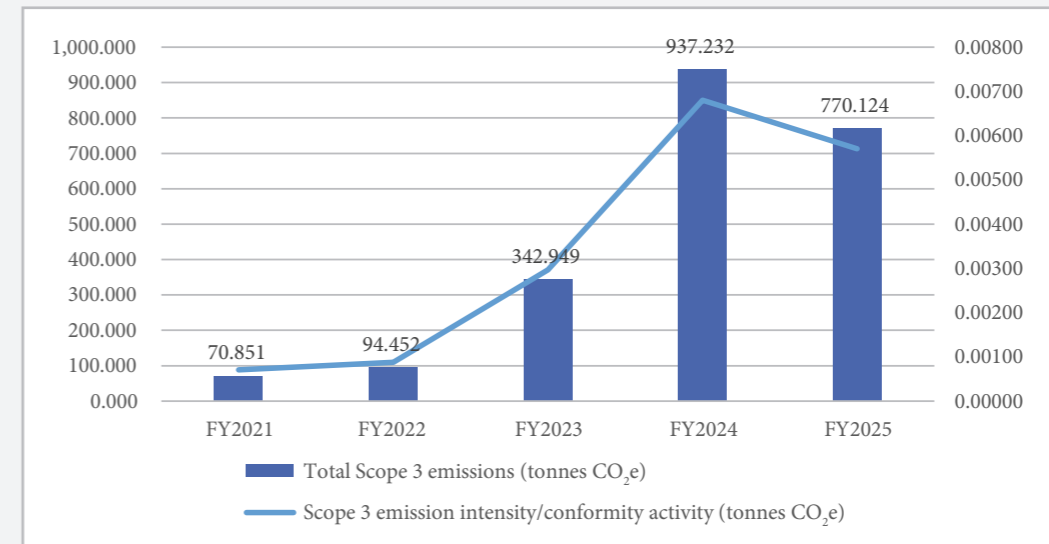


The graph illustrates the trends in Scope 2 emissions and emission intensity from FY2021 to FY2025. Although total emissions have increased over the period, the overall reduction in emission intensity by FY2025 indicates improvements in operational efficiency and the effectiveness of the Group's sustainability initiatives.

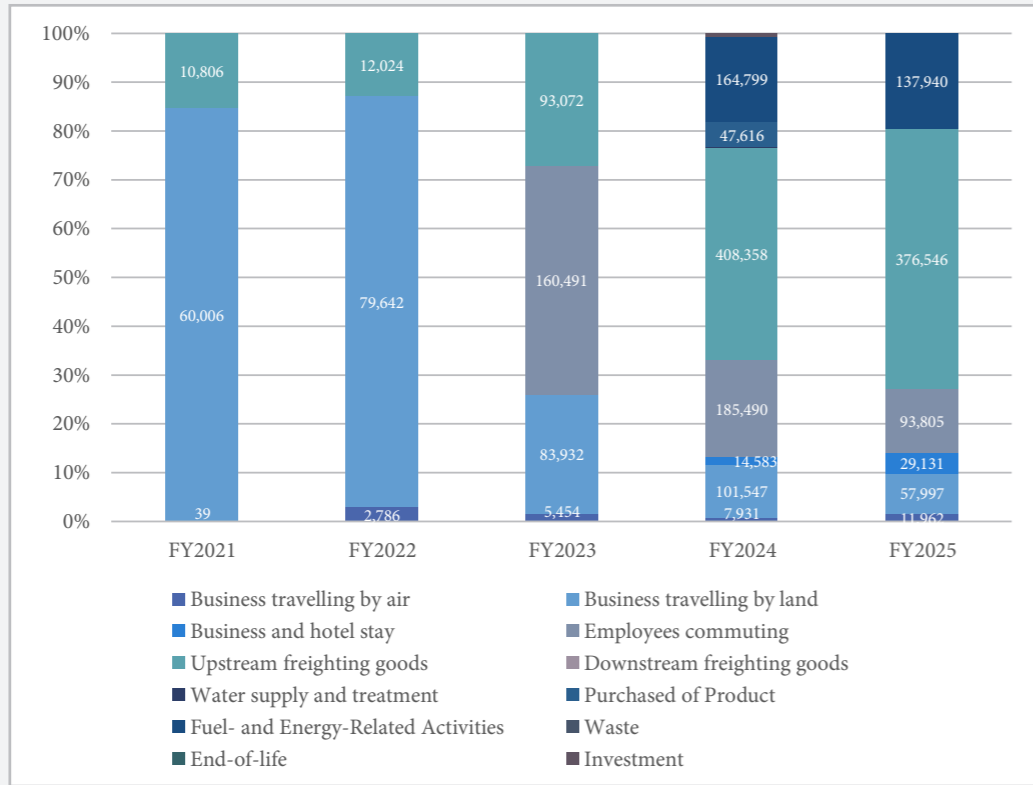
Scope 3

Scope 3 emissions	FY2021	FY2022	FY2023	FY2024	FY2025
Total Scope 3 emissions (tonnes CO ₂ e)	70.851	94.452	342.949	937.232	770.124
Scope 3 emission intensity/conformity activity (tonnes CO ₂ e)	0.00071	0.00088	0.00297	0.00680	0.00570

From FY2021 to FY2024, Scope 3 emissions increased significantly, primarily driven by higher business activities, supply chain operations, and employee travel. Emissions went up from 70.851 tonnes CO₂e in FY2021 to 937.232 tonnes CO₂e in FY2024, then decreased to 770.124 tonnes CO₂e in FY2025. The drop in FY2025 was mainly due to less business travel and employee commuting. A similar trend is observed in Scope 3 emission intensity per conformity activity, which increased from 0.00071 in FY2021 to 0.00680 in FY2024, before improving to 0.00570 in FY2025. While the earlier rise reflects the Group's growing reliance on external suppliers, logistics partners, and energy-related activities, the reduction in FY2025 indicates initial progress in managing indirect emissions through enhanced operational efficiency and sustainability practices.



The increase in Scope 3 emissions over the reporting period is closely associated with the expansion of business operations, which required greater procurement of materials and services. Fuel- and energy-related activities have emerged as a more significant contributor in recent years, capturing upstream emissions linked to energy production and fuel transportation. In addition, emissions from purchased goods and services rose in line with the Group's operational growth and higher demand for raw materials and supporting services. Although emissions increased substantially between FY2023 and FY2024, the decline in FY2025 suggests improvements in several operational areas, including logistics management, supplier engagement, and travel optimisation.



To better manage Scope 3 emissions, the Group will continue implementing targeted reduction initiatives, including engaging suppliers to adopt lower-carbon materials, promoting sustainable travel practices, and strengthening supply chain decarbonisation efforts. Integrating climate-related considerations into procurement policies and operational decision-making will further support long-term emission reductions.

Water Discharge Management

In FY2025, the Group continues to prioritise responsible management of water discharge from laboratory processes, building on the initiatives implemented in FY2024. Techniques such as coagulation, filtration, and monitoring of effluent quality are employed to ensure contaminants are effectively removed, and regulatory compliance is maintained. Proper water discharge management safeguards water resources, ecosystems, and public health. The Group recognises that sustainable water management requires collaboration among governments, industries, communities, and individuals, reinforcing its commitment to protecting clean, healthy waterways for future generations.

Scope 3 emissions	FY2021	FY2022	FY2023	FY2024	FY2025
Government water (m ³)	6,991	6,535	7,817	7,759	9,910
Rain harvesting water (m ³)	0	0	0	0	0
Recycle water (m ³)	0	0	0	0	0
Waste water (m ³)	0	0	0	7,759	9,910
Waste (tonnes)	0.012	0.542	0.387	0.4646	0.7205

Hazardous Waste Management

The Group remains committed to responsible hazardous waste management in FY2025, addressing the environmental and health risks associated with increasing waste generation. Emphasis is placed on proper handling, treatment, and disposal of hazardous materials to minimise adverse effects on ecosystems and human health. The Group continues to reduce waste at its source through awareness campaigns, educational programs, and the promotion of sustainable laboratory practices. Source separation of recyclables and hazardous substances, including acids and alkalines, improves handling efficiency. Reuse initiatives within laboratories are actively encouraged to reduce landfill and incineration waste, foster a more sustainable approach to waste management, and alleviate environmental pressures. These ongoing efforts reflect the Group's dedication to environmental stewardship and continuous improvement in the sustainable management of both water and hazardous waste.

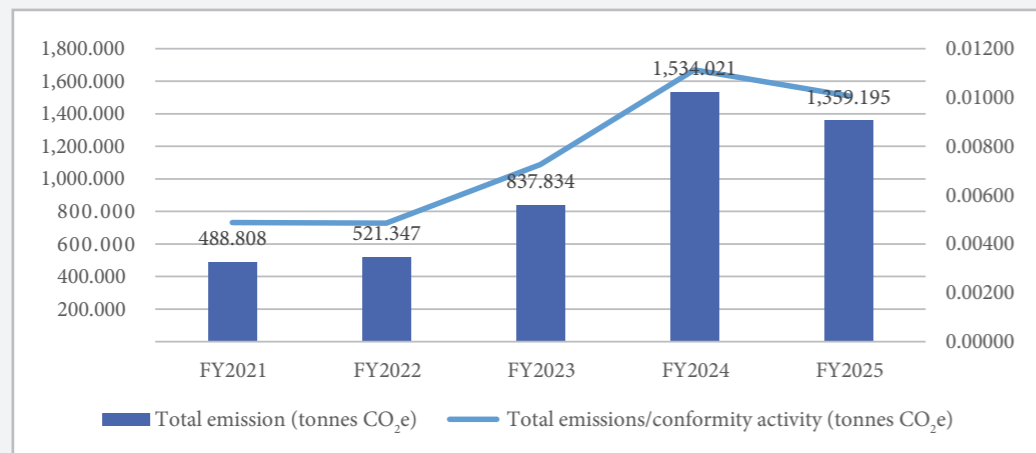
The graph illustrates the rising trend in total Scope 3 emissions and emission intensity per conformity activity from FY2021 to FY2025. A detailed analysis of these trends will be presented in the table below:

Scope 3 emissions	Standards	FY2021				FY2022				FY2023				FY2024				FY2025			
		GHG Protocol	ISO 14064-1	Total	CO ₂	NH ₄	N ₂ O	Total	CO ₂	NH ₄	N ₂ O	Total	CO ₂	NH ₄	N ₂ O	Total	CO ₂	N ₂ O	Total		
Business travelling by air	Category 3			39	2,786	0	0	2,786	5,454	0	0	5,454	7,859	6	66	7,931	11,853	-	-	11,962	
Business travelling by land	Category 3			60,006	79,623	15	4	79,642	83,911	17	4	83,932	100,669	604	274	101,547	57,323	17	1	57,997	
Business travelling by sea	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9
Business and hotel stay	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,131
Employees commuting	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14
Upstream freight goods	Category 3			10,806	12,023	0	0	12,024	93,067	3	2	93,072	402,693	75	5,590	408,358	371,294	2	19	376,546	
Downstream freight goods	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water supply and treatment	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Product	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,358
Fuel- and Energy-Related Activities	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	50,266
Waste	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	137,940
End-of-life	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15
Investment	Category 3			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3
Total Scope 3 emissions (kg CO ₂ e)				70,851	94,432	15	4	94,452	342,901	36	12	342,949	929,495	1,375	6,362	937,232	574,400	57	22	770,124	
Total Scope 3 emissions (tonnes CO ₂ e)				70,8507	94,4324	0.0154	0.0040	94,4518	342,9006	0.0364	0.0119	342,9489	929,495	1.375	6.362	937,232	574,400	0.057	0.022	770,124	
Scope 3 emission intensity/conformity activity (tonnes CO ₂ e)				0.00071	0.00088	0.00088	0.00088	0.00297	0.00680	0.00297	0.00680	0.00297	0.00680	0.00297	0.00680	0.00297	0.00680	0.00297	0.00680	0.00297	0.00680

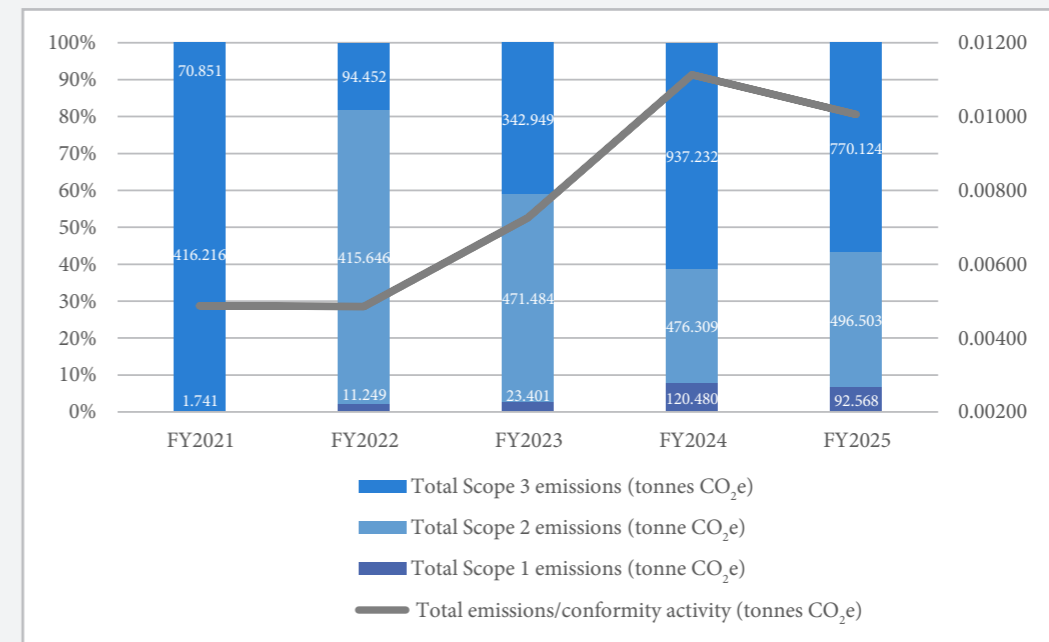
Total Emissions Intensity

Emission intensity	FY2021	FY2022	FY2023	FY2024	FY2025
Total Scope 1 emissions (tonne CO ₂ e)	1.741	11.249	23.401	120.480	92.568
Total Scope 2 emissions (tonne CO ₂ e)	416.216	415.646	471.484	476.309	496.503
Total Scope 3 emissions (tonnes CO ₂ e)	70.851	94.452	342.949	937.232	770.124
Total emission (tonnes CO ₂ e)	488.808	521.347	837.834	1,534.021	1,359.195
Total emissions/conformity activity (tonnes CO ₂ e)	0.00488	0.00485	0.00726	0.01113	0.01006
Emission data points reported in Scope 1, 2, and 3	6	6	7	17	17

Between FY2021 and FY2025, total emissions generally increased. In FY2021, emissions were 488.808 tonnes CO₂e, rising to 521.347 tonnes CO₂e in FY2022. There was a bigger increase in FY2023, reaching 837.834 tonnes CO₂e, and a peak in FY2024 at 1,534.021 tonnes CO₂e. In FY2025, emissions decreased to 1,359.195 tonnes. The overall rise indicates increased activity and energy use, while the drop in FY2025 may reflect improved efficiency, effective measures, or changes in reporting.



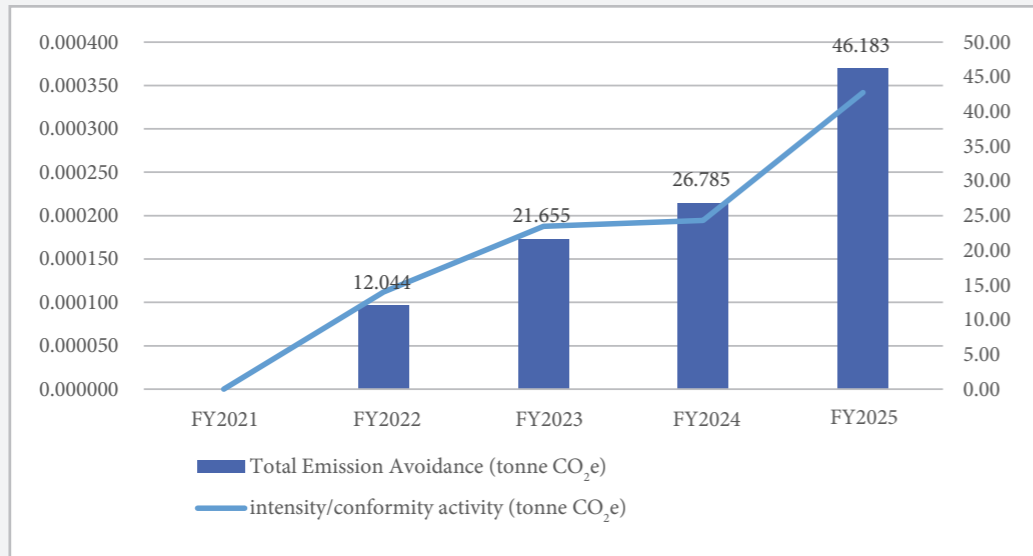
Similarly, emission intensity per conformity activity increased over the years. In FY2021, it was 0.00488 tonnes CO₂e per conformity activity, slightly decreasing to 0.00485 in FY2022, before rising to 0.00726 in FY2023 and peaking at 0.01113 in FY2024. In FY2025, emission intensity slightly declined to 0.01006 tonnes CO₂e per conformity activity. The primary factor behind these changes is the expansion of emission data points, which increased from six in FY2021 to seventeen in FY2024. Between FY2023 and FY2024, ten additional Scope 3 emission data points were incorporated, including emissions from the use and end-of-life phases of the Group's products. Consequently, Scope 3 now contributes approximately 56.7% of the Group's total emissions, significantly influencing the overall emission intensity.



The rise in total emissions and emission intensity underscores the urgent need for strategic sustainability measures. LMS is committed to reducing emission intensity by 30% by 2030 and 60% by 2040, with the ultimate goal of achieving Net Zero Emissions (NZE) by 2050. To reach these targets, the Group will implement robust energy efficiency initiatives, expand the use of renewable energy, and invest in sustainable technologies to decouple emissions growth from business expansion. Current trends highlight the importance of proactive interventions to ensure that LMS advances long-term sustainability in alignment with Science-Based Targets (“SBTs”) and global climate goals.

Emission Avoidance Initiatives

Emission intensity	FY2021	FY2022	FY2023	FY2024	FY2025
Solar energy avoids use of fossil fuel electricity	-	12,044	21,655	21,208	40,275
Digitalise workflow avoid use of paper	-	-	-	3,932	5,483
EV avoid use of fossil fuel	-	-	-	1,645	425
Total Emission Avoidance (kg CO₂e)	-	12,044	21,655	26,785	46,183
Total Emission Avoidance (tonne CO₂e)	-	12.044	21.655	26.785	46.183
Total emission avoidance intensity/conformity activity (tonne CO₂e)	-	0.000112	0.000188	0.000194	0.000342



From FY2023 to FY2025, the Group’s emission-avoidance initiatives have made notable progress. Measures such as adopting solar energy to reduce reliance on fossil-fuel electricity, digitalising workflows to minimise paper use, and introducing electric vehicles (EVs) to lower fossil-fuel consumption in transportation have all helped curb emissions in specific areas. Total emission avoidance increased from approximately 21.655 tonnes CO₂e in FY2023 to 26.785 tonnes CO₂e in FY2024, representing a 23.7% increase. In FY2025, this figure rose substantially to 46.183 tonnes CO₂e, largely driven by the expanded deployment of solar energy. This growth reflects the cumulative impact and effectiveness of the Group’s emission-avoidance initiatives, particularly through the integration of renewable energy and digitalisation.

Despite these achievements, the Group recognises that these measures alone have not been sufficient to offset the overall increase in emissions, given the expansion of operations and the inclusion of broader emissions categories. To strengthen emission avoidance, the Group is considering additional strategies, including energy-efficiency enhancements, wider adoption of renewable energy, supply chain decarbonisation, electrification of operations, and carbon offset programs. These comprehensive measures are designed to effectively reduce emissions across all scopes.

The rationale behind these initiatives is grounded in the Group’s commitment to combating climate change. By prioritising renewable energy, digitalisation, and operational electrification, the Group mitigates GHG emissions while promoting sustainability, operational efficiency, and long-term value creation. Collectively, these strategies align the Group with global climate objectives, enhance corporate responsibility, and demonstrate a proactive approach to environmental stewardship, ultimately generating lasting environmental and economic benefits.



Migration to Science-Based Targets Initiative

To strengthen its commitment to addressing climate change, the Group is progressing towards establishing SBTs that are aligned with the latest climate science. While the Group previously adopted emission reduction targets in 2022—aiming for a 30% reduction in emission intensity by 2030, 60% by 2040, and achieving NZE by 2050—these targets may be influenced by external factors such as national policies and the decarbonisation strategies of key service providers. Although they provide a general direction, the Group recognises the importance of aligning its targets more closely with globally recognised scientific pathways to support deeper emission reductions.

Accordingly, the Group is committed to establishing clear, measurable, and time-bound targets that support the Paris Agreement’s goal of limiting global warming to below 2°C, preferably 1.5°C. Aligning its climate strategy with science-based methodologies will enable the Group to drive internal decarbonisation initiatives more proactively, rather than relying solely on national energy transitions. By integrating SBTs into its climate strategy, the Group aims to strengthen its sustainability leadership, mitigate climate-related risks, and enhance long-term business resilience in response to evolving regulatory and market expectations.

As part of this effort, the Group plans to adopt the SBTi framework, beginning with developing a comprehensive GHG inventory covering Scope 1, Scope 2, and Scope 3 emissions. The Group will then evaluate appropriate target-setting methodologies, such as the absolute contraction approach, which focuses on reducing absolute emissions, or the sectoral decarbonisation approach, which aligns emissions reductions with industry-specific pathways. Based on these methodologies, the Group intends to establish both short-term and long-term targets aligned with a 1.5°C or well-below 2°C trajectory. Implementation will involve initiatives such as improving energy efficiency, increasing the use of renewable energy, decarbonising supply chains, and strengthening stakeholder engagement. Through continuous monitoring, transparent reporting, and verification, the Group aims to develop a data-driven emissions-reduction strategy that supports long-term climate leadership and sustainable business growth.

Social Responsibility

Similarly, from a social responsibility perspective, the Group has prioritised two material matters, as outlined below.

Talent Transformation

The Group actively supports its talent transformation strategy by strengthening workforce capabilities, enhancing collaboration, and fostering a culture of continuous learning. Through structured training programmes, leadership development, mentorship initiatives, and digital learning platforms, employees are equipped with critical skills that improve decision-making, teamwork, and operational effectiveness. An annual budget of RM600,000 has been allocated to professional development, training sessions, and employee recognition, reinforcing the Group's commitment to long-term human capital development. This strategic investment enhances employee autonomy, innovation, and productivity while mitigating operational and succession risks. Conversely, inadequate employee engagement and development may lead to higher staff turnover, increased recruitment and onboarding costs, productivity gaps as new hires take time to reach optimal performance, and potential loss of institutional knowledge, resulting in an estimated annual financial impact of RM1,300,000. By prioritising employee empowerment, retention, and structured knowledge transfer, the Group strengthens organisational resilience, safeguards service quality, and supports sustainable long-term profitability.

SOCIAL RESPONSIBILITY



Innovation and Novelty

The Group recognises the critical role of research and development (R&D) in maintaining competitiveness and driving long-term sustainability. To foster continuous innovation, an annual target of RM100,000 is set to support R&D and enable collaboration with industry partners and academic institutions. These partnerships provide access to specialised expertise and cutting-edge technologies, accelerating the development of novel solutions, process improvements, and breakthrough innovations. Promoting a culture of creativity among employees further ensures that the Group remains at the forefront of industry advancements. However, innovation carries financial risks, particularly if substantial resources are invested without generating returns. For example, if 30% of profits, amounting to RM2,000,000, are allocated to unstructured innovation efforts, profitability could be significantly impacted due to misallocated resources and productivity losses. To mitigate these risks, the Group adopts structured innovation frameworks, conducts feasibility studies, and aligns R&D investments with strategic business goals to ensure sustainable growth and financial stability.

The total mitigation cost for both strategies amounts to RM700,000 annually. In contrast, the potential financial impact of failing to empower employees and innovate effectively is estimated at RM3,300,000 per

year. Relative to this risk, investment in training, talent transformation, and R&D represents a strategic approach to securing long-term sustainability and competitiveness. The likelihood of success is high, as these initiatives directly address critical business risks and align with the Group's broader goals for achieving NZE by 2050. By investing in workforce development and innovation, the Group ensures operational resilience, market leadership, and long-term profitability, aligned with five designated UN SDGs. Through these efforts, the Group upholds rigorous product standards and safety protocols while contributing to broader societal well-being and sustainable development objectives.

The Group utilises comprehensive social metrics, in line with IFRS S1-45, to assess its social responsibility and identify areas for improvement related to social-related risks and opportunities (SrROs). These metrics include **average amoeba achievement**, a proxy for talent transformation, and **productivity** indicators that reflect innovation and novelty. By establishing specific targets to address challenges in talent development and foster innovation, the Group strengthens its social resilience. Integrating these factors into decision-making enables the Group to mitigate risks, enhance sustainability initiatives, and uphold its commitment to long-term social responsibility.



Social Performance Data

Social Data		FY2021	FY2022	FY2023	FY2024	FY2025
Diversity	Number of employees	112	121	131	139	142
	Number of employees with disabilities	-	-	-	-	-
	Percentage of employees with tertiary education (%)	91	88	90	91	92
	Number of foreign employees	-	-	-	-	-
	Number of female managers	7	11	12	12	13
	Percentage of female managers (%)	41	55	50	52	50
	Percentage of top 30 female employees (%)	53	54	54	56	56
	Percentage of C-suite-1 female employees (%)	-	-	-	56	56
	Percentage of female C-suite members (%)	25	25	25	29	38
Safety and Health	Total work days	247	244	244	247	243
	Total working hours	2,058	2,033	2,033	2,058	2,024
	Total overtime hours	254	748	2,625	5,458	4,167
	Total lateness hours	380	498	561	736	535
	Total medical leave taken (days)	281	449	457	568	617
	Average paid leave taken (days)	11	10	10	11	11
	Total Recordable Incident Rate (TRIR)	1	1	-	-	-
Performance	Fatality	-	-	-	-	-
	Total training hours	387	336	1,544	2,245	3,632
	Annual training cost (RM)	44,645	26,342	109,122	36,894	86,467
	Number of appraisals (time)	4	4	4	2	3
	Number of performance bonuses issued	7	4	4	2	4
	Productivity (RM)	151,676	154,344	159,560	182,622	191,772
	Average amoeba achievement (%)	73	70	66	88	86
No. of amoeba criteria (quarter)	96	114	120	92	92	
Engagement	Employee engagement score	7.9	8.1	8.3	8.0	8.1
	Relationship with manager score	8.0	8.3	8.4	8.2	8.2
	Wellness and Happiness score	7.7	7.5	7.4	7.4	7.3
	Ambassadorship score*	8.3	7.9	7.9	7.6	7.6
	Management review (times)	2	2	2	2	2

The analysis of social data from FY2024 to FY2025 highlights several notable trends across key workforce metrics. The total number of employees increased from 139 in FY2024 to 142 in FY2025, indicating continued growth in workforce size. The percentage of female managers slightly declined from 52% to 50%; however, this still reflects a healthy level of gender diversity in leadership positions. In addition, total training hours rose significantly from 2,246 hours in FY2024 to 3,632 hours in FY2025, demonstrating a stronger commitment to employee development. Conversely, total medical leave taken increased from 568 to 617 days, signalling potential health or workload concerns that require attention. Among other indicators, the wellness and happiness score declined slightly from 7.4 to 7.3, while training costs increased to approximately RM86,467 in FY2025.

The upward trend in total training hours from FY2024 to FY2025 can be attributed to the Group's intensified focus on employee development and skills enhancement, which is essential for maintaining competitiveness in a rapidly evolving market environment. This increase reflects the Group's commitment to equipping employees with the necessary competencies to address current and future challenges. Additionally, the increase in the number of employees suggests organisational expansion driven by growing operational needs, which should continue to be supported by effective talent management and workforce planning strategies.

Despite positive developments in training and workforce growth, the increase in total medical leave and a slight 0.1-point decline in wellness and happiness scores raise concerns about employee well-being and overall satisfaction. These indicators may suggest that higher workloads or health-related factors are affecting employee morale and productivity. As such, identifying and addressing the underlying causes of increased medical leave should remain a priority, potentially through enhanced wellness initiatives, improved work-life balance measures, or periodic workload assessments to ensure employees can perform effectively without compromising their health.

Overall, FY2025 presents a mixed landscape in social performance metrics, with encouraging progress in employee development and workforce expansion, alongside emerging challenges in health and engagement. The average amoeba achievement stands at 86%, exceeding the 75% target and remaining a key indicator of talent transformation. Furthermore, the Group set a productivity target of RM200,000 to drive innovation and operational efficiency. In FY2025, the Group's productivity reached RM191,772 exceeding the perpetual target. This balanced focus on capability building and performance improvement will remain essential for enabling the Group to navigate future challenges while fulfilling its social responsibility objectives and targets.

Metrics and Targets

Pillar	Material Matters	Metrics	Perpetual Target	Current Year Performance	Status
Social	Talent Transformation	Average Amoeba Achievements	75%	86%	Achieved
	Innovation and Novelty	Productivity	RM165,000	RM191,772	Achieved
	Workplace Safety	Case of work incident	Zero cases of work-related accidents and fatalities.	Zero cases of work-related accidents and fatalities	Achieved
	ESG Culture	Score	To reinforce the Company's values and commitment to ESG targets, score > 8.0	The relationship with manager score remained at 8.2, reflecting strong employee-management relationships and supporting the Group's ESG culture development	Achieved
	Employee Rights	Case of non-compliance	Zero cases of non-compliance with laws and regulatory requirements.	Zero cases of non-compliance with laws and regulatory requirements	Achieved
	Customers' Value Creation	Satisfaction Index and Net Promoter Score (NPS)	To sustain a Customer Satisfaction Index > 4 and NPS > +20.	The group customer satisfaction index is 4.4 out of 5, and NPS is +69.7	Achieved

Coloured green is the prioritised material matter.

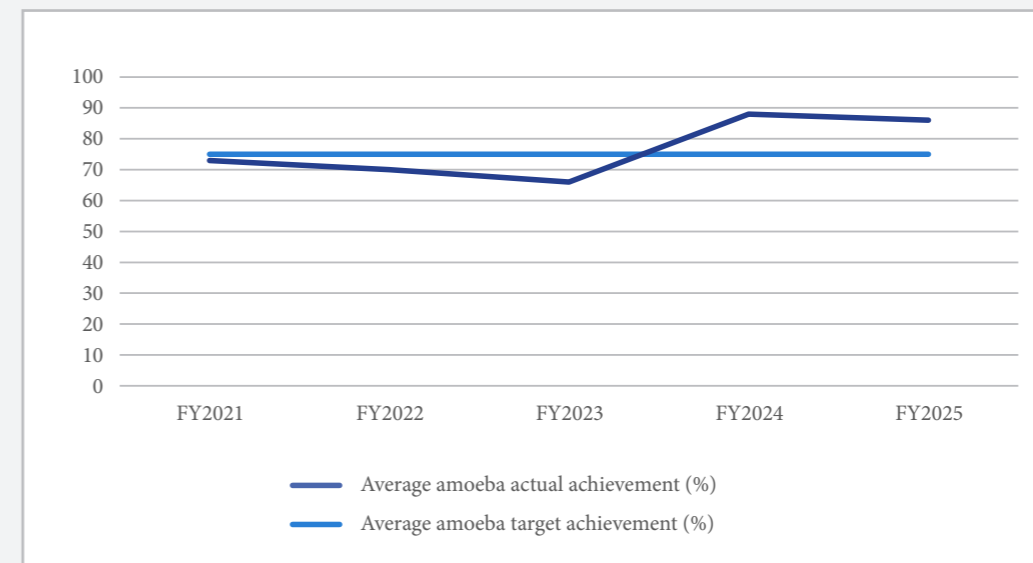
Average Amoeba Achievements

From FY2024 to FY2025, the Group achieved an average amoeba achievement percentage of 86%, exceeding the target of 75% by 11 percentage points. This overachievement reflects the effectiveness of the talent transformation strategies implemented within the organisation. Although the achievement slightly decreased from 88% in FY2024 to 86% in FY2025, the result still demonstrates a consistently strong performance. The Group continues to show a firm commitment to developing workforce capabilities, aligning with its broader vision of fostering an innovative and productive work environment.

The strong average amoeba achievement can be attributed to several key factors. First, the significant increase in total training hours—from 2,246 in FY2024 to 3,632 in FY2025—indicates a continued and substantial investment in employee development. This focus on training enables employees to enhance their knowledge and technical competencies, ultimately improving efficiency and productivity. Furthermore, the incorporation of innovative methodologies and practical learning approaches within training programmes helps employees adapt to evolving business demands, thereby contributing positively to the amoeba achievement metric.

In addition, a supportive organisational culture that emphasises employee engagement plays an important role. Despite a slight decline in the wellness and happiness score from 7.4 in FY2024 to 7.3 in FY2025, overall engagement levels remain relatively stable, suggesting that employees continue to feel connected and motivated within the organisation. The Group's focus on professional growth, combined with transparent communication from management, helps maintain a positive work environment and reduces the risk of disengagement. When employees feel valued and supported, they are more likely to demonstrate accountability and ownership in their roles, which directly influences performance outcomes.

Lastly, the alignment between organisational goals and individual objectives has been instrumental in sustaining strong amoeba achievements. By setting a clear target of 75% for average amoeba achievement, the Group encourages employees to pursue continuous improvement and maintain high performance standards. The 86% achievement in FY2025 illustrates how clearly defined targets and shared organisational goals can cultivate a culture of excellence while supporting ongoing talent development and operational performance.



Productivity

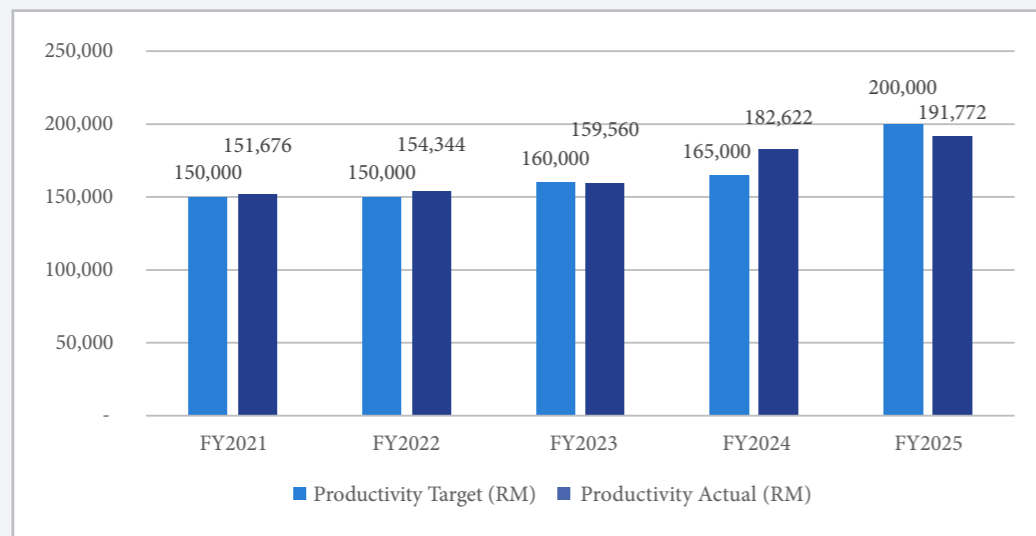
In FY2025, the Group achieved a productivity figure of RM191,772, above the target of RM165,000. This performance reflects effective resource utilisation and the continued implementation of strategies to foster an innovative and productive business environment. The relatively strong productivity level demonstrates the Group’s ongoing commitment to continuous improvement and operational adaptation.

One significant contributing factor to this performance is the intensified focus on employee training and development. As reflected in social data trends, training hours increased substantially from 2,246 in FY2024 to 3,632 in FY2025. This strong investment in employee development enhances individual competencies and strengthens team capabilities, ultimately improving operational efficiency and encouraging innovation. With employees better equipped to address complex challenges, the Group can benefit from improved problem-solving, higher quality outputs, and stronger productivity outcomes.

Furthermore, a supportive organisational culture continues to play an important role in sustaining productivity. The Group has fostered an environment that encourages employee engagement and participation in innovation initiatives, creating a sense of ownership among staff. The relationship with manager score remained stable at 8.2, indicating a consistently positive working relationship between employees and management. Such an environment motivates employees to contribute meaningfully to organisational goals, supporting steady productivity performance, as reflected in the RM191,772 productivity level achieved in FY2025.

Moreover, the alignment of organisational goals with individual performance metrics further supports this outcome. By establishing a clear productivity target of RM165,000, the Group encourages employees to work collectively toward shared objectives. This alignment strengthens accountability and drives employees to strive for continuous improvement, achieving RM191,772 in performance, indicating that the performance benchmark remains achievable and providing a meaningful framework for evaluating operational effectiveness.

Overall, the Group’s productivity figure of RM191,772 in FY2025 demonstrates continued progress in fostering innovation and operational efficiency. Enhanced employee training initiatives, a positive organisational culture, and effective alignment between corporate goals and individual performance largely support this performance. Sustaining these efforts will be crucial as the Group seeks to strengthen its competitive position and further improve productivity and innovation in the coming years.



Demographic Data

Diversity Data	FY2022			FY2023			FY2024			FY2025			
	Female	Male		Female	Male		Female	Male		Female	Male		
Gender Diversity													
Current employee	%	55.4	44.6	58.0	42.0		59.7	40.3		58.5	41.5		
New hires	%	43.9	56.1	54.5	45.5		63.2	36.8		56.4	43.6		
New hires	no.	18	23	18	15		24	14		22	17		
Separation	no.	21	8	9	16		17	13		21	14		
Employee at the start of the period	no.	71	41	67	54		76	55		83	56		
Employee at the end of the period	no.	67	54	76	55		83	56		83	59		
Turnover	%	30.4	16.8	12.6	29.4		21.4	23.4		25.3	24.3		
Age-based Diversity		< 30	30 – 50	>= 50	< 30	30 – 50	>= 50	< 30	30 – 50	>= 50	< 30	30 – 50	>= 50
Current employee	%	47.9	49.6	2.5	42.7	54.2	3.1	43.2	49.6	7.2	45.8	47.9	6.3
New hires	%	83	17	-	76	24	-	76	11	13	79	15	5
New hires	no.	34	7	-	25	8	-	29	4	5	31	6	2
Separation	no.	18	11	-	18	7	-	17	11	2	27	8	-
Employee at the start of the period	no.	49	60	3	58	60	3	56	71	4	60	69	10
Employee at the end of the period	no.	58	60	3	56	71	4	60	69	10	65	68	9
Turnover	%	33.6	18.3	-	31.6	10.7	-	29.3	15.7	28.6	43.2	11.7	-
Employment													
Separation	no.		29			25			30			35	
Turnover	%		24.9			19.8			22.2			24.9	
Total employee	no.		121			131			139			142	
Development & Training		Female	Male		Female	Male		Female	Male		Female	Male	
Training hours	Hrs	714	318		990	554		340	906		2,572	1,060	
Avg. training hrs/employee	Hrs/no.	10.6	5.9		13.0	10.1		16.1	16.2		31.0	18.0	
Avg. training hrs/employee	Hrs/no.		8.5			11.8			16.2			25.6	

Between FY2024 and FY2025, demographic data on gender diversity showed several notable developments. The proportion of female employees slightly decreased from 59.7% in FY2024 to 58.5% in FY2025, while the proportion of male employees increased from 40.3% to 41.5% over the same period. In addition, the percentage of female new hires declined from 63.2% in FY2024 to 56.4% in FY2025. Despite this moderation, female representation within the workforce remains strong, reflecting the Group’s continued commitment to promoting gender diversity and maintaining an inclusive workplace environment. Such diversity contributes to stronger organisational performance by encouraging varied perspectives and collaborative innovation.

The age-based demographic data indicate moderate shifts in the workforce distribution. In FY2025,

45.8% of employees were under 30, up from 43.2% in FY2024, while the proportion aged 30 to 50 decreased from 49.6% in FY2024 to 47.9% in FY2025. Meanwhile, the percentage of new hires under 30 increased from 76% in FY2024 to 79% in FY2025. This hiring pattern demonstrates the Group's strategy of bringing in younger talent to support business growth, introduce new perspectives, and contribute innovative ideas that are valuable in dynamic, evolving industries.

Furthermore, the emphasis on recruiting younger employees supports the development of a balanced and dynamic workforce. Younger employees are often more adaptable to emerging technologies, new methodologies, and evolving market demands, which is critical in maintaining a progressive and innovative organisational culture. At the same

time, maintaining a mix of experienced and younger employees helps ensure knowledge transfer, stability, and long-term capability development within the organisation.

Overall, the demographic trends from FY2024 to FY2025 demonstrate the Group's continued focus on workforce diversity and talent development. While there were slight fluctuations in gender distribution, female representation remains significant within the organisation. At the same time, the increasing proportion of younger employees highlights the Group's commitment to cultivating fresh talent and supporting long-term innovation. Together, these initiatives contribute to building a diverse, adaptable, and high-performing workforce capable of supporting the Group's strategic growth objectives.



Discussion of Employee Safety and Health

The safety and health metrics analysis from FY2021 to FY2025 reveals notable trends highlighting the importance of a robust Environment, Safety, and Health (“ESH”) policy within the Group. Over this period, the Total Recordable Incident Rate (“TRIR”) remained at 0, and no fatalities were reported, reflecting a strong safety culture. However, total medical leave increased steadily from 281 days in FY2021 to 617 days in FY2025, raising concerns about employee well-being. Additionally, total lateness and overtime hours have fluctuated over time, suggesting potential workload- and stress-related issues that must be addressed to further enhance workplace safety and health.

Implementing a comprehensive ESH policy is critical for several reasons. First, the increase in medical leave indicates that employees may be experiencing health challenges related to workplace conditions or higher work pressure. Overtime hours increased from 2,625 hours in FY2023 to 5,458 hours in FY2024, before declining to 4,167 hours in FY2025, reflecting a slight improvement in workload management. While the reduction in FY2025 is encouraging, the remaining overtime levels suggest some employees may still face heavy workloads, potentially causing fatigue that can affect productivity and increase the risk of workplace incidents. A proactive ESH

policy can help identify these risks, promote a healthier work-life balance, and reduce absenteeism and health concerns.

Second, the consistent record of zero fatalities and a TRIR of 0 demonstrates progress and a strong safety culture. Nevertheless, the Group must continue strengthening ESH initiatives to sustain this achievement. Strategic measures such as regular safety training, health awareness programmes, and ergonomic workplace assessments can help mitigate risks associated with workloads and work-related stress, while ensuring regulatory compliance and fostering a culture that prioritises employee well-being.

Finally, fostering a safe and healthy work environment aligns closely with the Group's organisational objectives, including employee morale, engagement, and productivity. Employees who feel safe and supported are more likely to contribute positively to their teams and the organisation. An effective ESH policy that involves employees in safety initiatives encourages open communication on health and safety concerns. By continuously monitoring and addressing these factors, the Group can reinforce its commitment to a healthy workplace, ultimately supporting sustainable productivity, innovation, and its corporate social responsibility goals.

Discussion of Upstream Supply Chain

Vendor	FY2022	FY2023	FY2024	FY2025
Sustainability Readiness Score	0	47.1	47.0	45.2
Environmental Stewardship Score	0	25.7	26.0	26.2
Combat Climate Change Score	0	11.7	12.0	0.0
Social Responsibility Score	0	48.2	48.0	39.4
Governance Score	0	58.6	61.7	52.4

The Group’s vendor assessment process remains a cornerstone of its strategy to promote sustainability and environmental responsibility throughout its supply chain. The assessment scores from FY2022 to FY2025 reinforce this commitment, highlighting the Group’s continued integration of environmental criteria into vendor evaluations. The Sustainability Readiness Score, which was 47.0 in FY2024, decreased slightly to 45.2 in FY2025, indicating areas for ongoing improvement to ensure vendors are well prepared to adopt sustainable practices. The Environmental Stewardship score increased marginally from 26.0 in FY2024 to 26.2 in FY2025, emphasising the Group’s drive to partner with vendors who proactively manage environmental responsibilities.

From an environmental perspective, the Group’s commitment to greening the supply chain demonstrates its recognition of the significant impact suppliers have on overall sustainability. By prioritising vendors who comply with environmental standards and practices, the Group mitigates regulatory risks and reduces its carbon footprint. The Combat Climate Change score decreased from 12.0 in FY2024 to 0 in FY2025, highlighting areas

where vendor climate initiatives may need reinforcement. Nevertheless, the Group continues to emphasise climate readiness as a key criterion in vendor selection, aligning with global corporate responsibility requirements and supporting broader climate action goals.

The supply chain’s Social Responsibility score, which was 48.0 in FY2024, decreased to 39.4 in FY2025, indicating a renewed focus on strengthening ethical practices alongside environmental considerations. Ensuring vendors uphold both environmental and social standards helps foster a supply chain culture prioritising sustainability and accountability. This alignment enhances the Group’s reputation, promotes operational efficiencies, and can lead to cost savings in resource management and waste reduction.

Overall, the vendor assessment process is vital for engaging suppliers in the Group’s sustainability journey. By integrating environmental and social criteria, and emphasising climate readiness, the Group reinforces ethical procurement, strengthens long-term resilience, and sets a benchmark for industry peers while contributing to the protection of the planet for future generations.



Discussion of Downstream Supply Chain

Client	FY2022	FY2023	FY2024	FY2025
Customer Satisfaction Index (CSAT)	4.6	4.2	4.1	4.4
Net Promoter Score (NPS)	67.2	67.3	55.5	69.7

The Group’s commitment to providing high-quality services is exemplified by its focus on client assessments, particularly as reflected in analyses of the Customer Satisfaction Index (“CSAT”) and Net Promoter Score (“NPS”) over the fiscal years. The CSAT, which measures customer satisfaction on a scale, declined from 4.6 in FY2022 to 4.2 in FY2023, then to 4.10 in FY2024, before improving to 4.4 in FY2025. This trend indicates ongoing concerns about client satisfaction, and the Group will continue to prioritise understanding and addressing the factors contributing to it, ensuring its services align with client expectations.

Meanwhile, the NPS—a measure of customer loyalty and advocacy—remained stable at 67.2 in FY2022, increased slightly to 67.3 in FY2023, dropped to 55.5 in FY2024, and rose again to 69.7 in FY2025. The fluctuation in NPS highlights the importance of monitoring client perceptions, as lower scores may indicate fewer customers are likely to recommend the Group’s services. By conducting detailed

customer feedback analysis, the Group can identify common pain points and implement targeted improvements to transform dissatisfied clients into advocates.

Focusing on these metrics reflects the Group’s recognition of the strong correlation between client satisfaction, loyalty, and organisational success. Regular CSAT and NPS assessments demonstrate the Group’s dedication to a customer-centric culture, which is essential for retaining clients and attracting new ones through positive referrals. The insights gained also guide enhancements to operational processes and service delivery.

Despite historical fluctuations in CSAT and NPS, the Group’s ongoing commitment to client assessment reflects a proactive approach to service quality. By implementing targeted action plans to address specific areas of concern, the Group aims to strengthen its reputation, foster customer loyalty, and drive sustainable business growth.

GOVERNANCE PRACTICES

Financial Sustainability

The Group remains committed to incorporating Environmental, Social, and Governance (ESG) factors and decarbonisation solutions into its strategic decision-making process to strengthen its reputation and attract investors. By investing RM300,000 over the next few years, the Group aims to enhance operational efficiency, maximise resource utilisation, and reinforce financial sustainability. Transparent climate change disclosures and responsible financial practices demonstrate the Group's commitment to sustainability and enhance its appeal to investors prioritising ESG principles.

Furthermore, maintaining financial sustainability enables the Group to reinvest in green initiatives such as solar energy and energy-efficient systems, ensuring long-term resilience. These efforts reduce carbon emissions and support the Group's alignment with global environmental and economic priorities, promoting future growth and profitability.

The cost for ESG integration and decarbonisation initiatives remains RM300,000 over the next few years. In contrast, the potential financial impact of failing to uphold sustainable financial practices is estimated at RM225,000 annually, which could weaken investor confidence and reduce the Group's Market-Based Valuation (MBV). Implementing these initiatives will help mitigate financial risks, enhance investor appeal, and contribute to the Group's long-term goal of achieving NZE by 2050, which encompasses several key focus areas and aligns with five selected UN SDGs.



Governance Data

	Governance	FY2021	FY2022	FY2023	FY2024	FY2025
Board Independence	Total directors	0	7	7	7	5
	Total independent non-executive directors	0	4	4	4	2
	Total Non-Independent Non-Executive Directors	0	1	1	1	1
	Total Malaysian directors	0	5	5	5	3
	Total foreign directors	0	2	2	2	2
	Board independence	0.0%	57.1%	57.1%	57.1%	40.0%
	Independent chairman ¹	0	1	1	1	1
	Independent chairman of the audit committee ¹	0	1	1	1	1
	Independent chairman of the nomination committee ¹	0	1	1	1	1
	Independent chairman of the remuneration committee ¹	0	1	1	1	1
Board Diversity	Duality ¹	0	0	0	0	0
	Board diversity (Ethnicity)	0	57.1%	57.1%	57.1%	40.0%
	Board meeting (times)	0	1	2	2	2
	Percentage of directors with a doctoral education	0.0%	42.9%	42.9%	42.9%	40.0%
	Percentage of women directors	0.0%	42.9%	42.9%	42.9%	20.0%
Board Performance	Review business risk and stress testing ³	0	1	1	1	1
	Review the supply-chain management ³	0	0	1	1	1
	Review tax strategy ³	0	0	1	1	1
	Review the materiality score on value creation activity ³	0	0	1	1	1
	Review public influence investment ³	0	0	1	1	1
	Review impact measurement and valuation ³	0	0	1	1	1
Other	Number of audits by regulators	0	9	19	14	12
	Number of audits by other stakeholders	0	12	10	11	16
	Training on corporate governance ²	0	0	1	1	0

Note 1: Independent directors chair all committees, and the independent chairman leads the Board. Hence, our Board, especially the executive directors, is not dually constituted.

Note 2: Corporate governance training includes, but is not limited to, policies on business conduct, anti-bribery, PDPA, and information security.

Note 3: This is cited from RobecoSAM's Economic Dimension Score (EDS). <https://www.spglobal.com/en/research-insights/articles/exploring-the-g-in-esg-governance-in-greater-detail-part-i-2021> Refer to myco2

In FY2025, the Board reduced from seven (7) directors to five (5) directors after three independent directors retired or resigned and one new independent director was appointed. As a result, the board's ethnic diversity score, which had remained at 57.1% from FY2022 through FY2024, declined to 40.0% in FY2025, although the Group continues to demonstrate its commitment to inclusive governance. Notably, women's representation on the Board decreased to 20%, while the Group continues to prioritise diversity in leadership roles.

Focusing on board independence and diversity remains pivotal for the Group's strategic planning, particularly in addressing sustainability and climate-related risks. An independent board ensures objective decision-making, which is essential for identifying and mitigating environmental and sustainability challenges. Diverse perspectives from board members with varied backgrounds

enhance the Group's ability to navigate complex climate and sustainability issues effectively. Representation of women and ethnic diversity further strengthens decision-making by incorporating multiple viewpoints and aligning with good corporate governance practices. This governance framework enables the Group to proactively strategise on sustainability initiatives, ensuring that climate-related opportunities are identified, capitalised upon, and aligned with broader business objectives.

The Group's commitment to robust governance practices remains strong. By fostering a diverse and independent board, the Group is well-positioned to navigate sustainability challenges and capitalise on opportunities, ultimately driving long-term value and resilience in an evolving regulatory and environmental landscape. This governance framework ensures that sustainability considerations are consistently embedded in strategic decision-making, further reinforcing the Group's dedication to corporate responsibility and sustainable growth, as reflected in the metrics and targets outlined below.

Metrics and Targets

Pillar	Material Matters	Metrics	Perpetual Target	Current Year Performance	Status
Governance	Financial Sustainability	Revenue Growth	20.0%	32.5%	Achieved
		PBT margin (%)	30.0%	28.0%	Not achieved
		PAT margin (%)	20.0%	20.1%	Achieved
		Leverage (Debt-to-Equity Ratio%)	20.0%	21.7%	Achieved
	Board Diversity	Directors percentage	To sustain the 30% female and foreign directors on the Board.	The Board consist of 20.0% female Directors and 40.0% foreign (non-Malaysian) Directors.	Not achieved
	Strategic Alliance & Compliance	Case of non-compliance	Zero cases of non-compliance with laws and regulatory requirements	Zero cases of non-compliance with laws and regulatory requirements.	Achieved

Coloured green is the prioritised material matter.

Financial Sustainability

	Actual	Actual	Actual	Actual	Actual	Perpetual Target
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2025
Revenue growth	7.3%	9.9%	11.9%	21.4%	32.5%	20.0%
PBT %	38.9%	12.9%	36.3%	30.8%	28.0%	30.0%
PAT %	29.1%	3.9%	26.1%	20.5%	20.1%	20.0%
Leverage (DE) (Total Debt/Total Equity)	46.7%	20.7%	19.0%	19.5%	21.7%	20.0%

The analysis of financial data from FY2021 to FY2025 indicates a strong upward trajectory in revenue growth, with figures rising from 7.3% in FY2021 to an impressive 32.5% in FY2025, surpassing the 20% target for that year. This remarkable growth reflects the Group's strategic initiatives and market positioning. Comparing FY2024 to FY2025, revenue growth increased substantially from 21.4% to 32.5%, demonstrating effective management and operational enhancements that have strengthened the Group's revenue generation capabilities.

In terms of profitability, Profit Before Tax (“PBT”) growth fluctuated over the observed years, declining from 30.8% in FY2024 to 28.0% in FY2025. Although PBT did not achieve the set target of 30%, this still reflects robust operational performance relative to expectations. Conversely, Profit After Tax (“PAT”) growth slightly declined from 20.5% in FY2024 to 20.1% in FY2025, exceeding the target of 20%. This performance highlights the Group’s ability to maintain profitability despite challenges and market fluctuations.

From a financial leverage perspective, the leverage ratio (debt-to-equity) increased from 19.5% in FY2024 to 21.7% in FY2025, slightly above the targeted 20%. This trend illustrates a balanced approach to debt management and equity positioning, highlighting the Group’s commitment to maintaining a strong balance sheet while optimising its capital structure. The combination of strong revenue growth and relatively stable leverage ratios suggests that the Group effectively balances expansion

with prudent financial risk management, ensuring sustained financial health.

The rationale for these governance data and financial performance metrics is integral to the Group’s strategy to enhance financial sustainability. Strong corporate governance practices amplify the Group’s ability to achieve its financial objectives responsibly and sustainably. Maintaining an independent and diverse board equips the Group to provide effective oversight and strategic direction, particularly when navigating complex financial landscapes and sustainability challenges. This governance framework reinforces the Group’s commitment to transparency, accountability, and ethical decision-making, further enhancing its capacity to leverage financial data for strategic planning. By prioritising sound governance practices, the Group fosters resilience, which is critical for ensuring long-term financial sustainability and adaptability in an increasingly dynamic market environment.



Discussion on Board Performance

Over the fiscal years from FY2021 to FY2025, the Group has continued to strengthen its governance practices and enhance board performance, as reflected in the evolution of various metrics derived from RobecoSAM’s Economic Dimension Score. In FY2025, the Board composition was reduced from seven (7) directors to five (5) directors following several changes in membership. Despite this reduction, the Board maintained its commitment to transparency and accountability, reflected in a governance score of 40.0. In terms of diversity, the Board recorded an ethnic diversity score of 40.0%, while women represented 20.0% of the directors, demonstrating the Group’s continued efforts to incorporate diverse perspectives in leadership. These governance practices extend beyond regulatory compliance and play an essential role in fostering independent oversight that effectively addresses sustainability and climate-related risks.

The Board continues to conduct focused reviews of key areas, including business risk and stress testing, supply chain management, tax strategy, materiality assessments of value creation, public influence investments, and impact measurement. These reviews demonstrate the Board’s commitment to embedding sustainability into the Group’s core strategies. By systematically evaluating these dimensions, the Board can identify

and mitigate climate-related risks while capitalising on emerging opportunities for sustainable growth. This proactive governance approach enables the Group to navigate complex environmental challenges effectively and reinforces its dedication to responsible business practices that generate long-term value. As a result, sustainability remains an integral component of the Group’s decision-making processes and aligns closely with its long-term strategic vision.

Discussion on Anti-Bribery

Anti-bribery policies remain critical in promoting ethical conduct and ensuring compliance with legal standards, as outlined under the GRI Standards, specifically GRI 205: Anti-Corruption. These policies explicitly prohibit the offering, receiving, or soliciting of bribes in any form and establish clear guidelines for ethical conduct in all business dealings. The Group continues to implement training programmes to reinforce these principles and enhance employee awareness of bribery risks and proper reporting procedures. In addition, regular audits and monitoring are conducted to detect potential violations and ensure accountability. By adhering to a robust anti-bribery framework, the Group mitigates legal risks. It strengthens stakeholder trust, thereby supporting sustainable business practices and reinforcing its commitment to integrity and transparency across all operations. No bribery cases were reported in FY2025.

ECONOMIC OF DIGITALISATION

Accuracy, Agility, and Security

To safeguard business continuity and protect against data-related risks, the Group has allocated RM150,000 annually to maintain a comprehensive framework for data management, security, and operational excellence. This strategy includes establishing secure data centres, deploying data recovery mechanisms, and integrating cloud computing solutions to enhance agility, scalability, and resilience. Regular cybersecurity audits and employee training sessions are also conducted to strengthen defences against cyber threats and operational inefficiencies. By proactively investing in security infrastructure and operational excellence, the Group ensures regulatory compliance, strengthens client trust, and enhances overall business efficiency.

The total mitigation cost for this strategy is RM150,000 per year, while the potential financial impact of a data breach or operational inefficiency is estimated at RM1,000,000, representing approximately 15% of FY2025 profitability. By continuously improving cybersecurity measures, automating processes, and conducting rigorous security assessments, the Group can effectively mitigate financial risks, maintain regulatory compliance, and support its long-term objective of achieving NZE by 2050.





Metrics and Targets

Pillar	Material Matters	Metrics	Perpetual Target	Current Year Performance	Status
Digitalisation	Accuracy, Agility, and Security	Data Protection	Zero case of misappropriation of data	Zero	Achieved

Coloured green is the prioritised material matter.

Data Protection

The Group has implemented a comprehensive policy to safeguard personal data and ensure confidentiality for all stakeholders, including employees, clients, vendors, and trainees. Key measures include an induction programme for new employees and trainees on the Personal Data Protection (“PDP”) and Confidentiality Policy, which requires their acknowledgement and commitment from the outset of their engagement. Clients are also required to acknowledge the PDP policy upon their first login to the Laboratory Information Management System (“LIMS”), promoting awareness of the Group’s data protection practices. In addition, all vendors must review and sign the PDP policy during annual assessments to ensure consistent data protection standards across all partnerships. These practices underline the Group’s commitment to maintaining high data security and confidentiality standards, reflecting values of trust and accountability while continuously updating the policy to align with best practices and legal requirements. This approach aligns with GRI 418: Customer Privacy, emphasising the importance of data protection in supporting sustainable and responsible business practices. No data breaches were reported in FY2025.

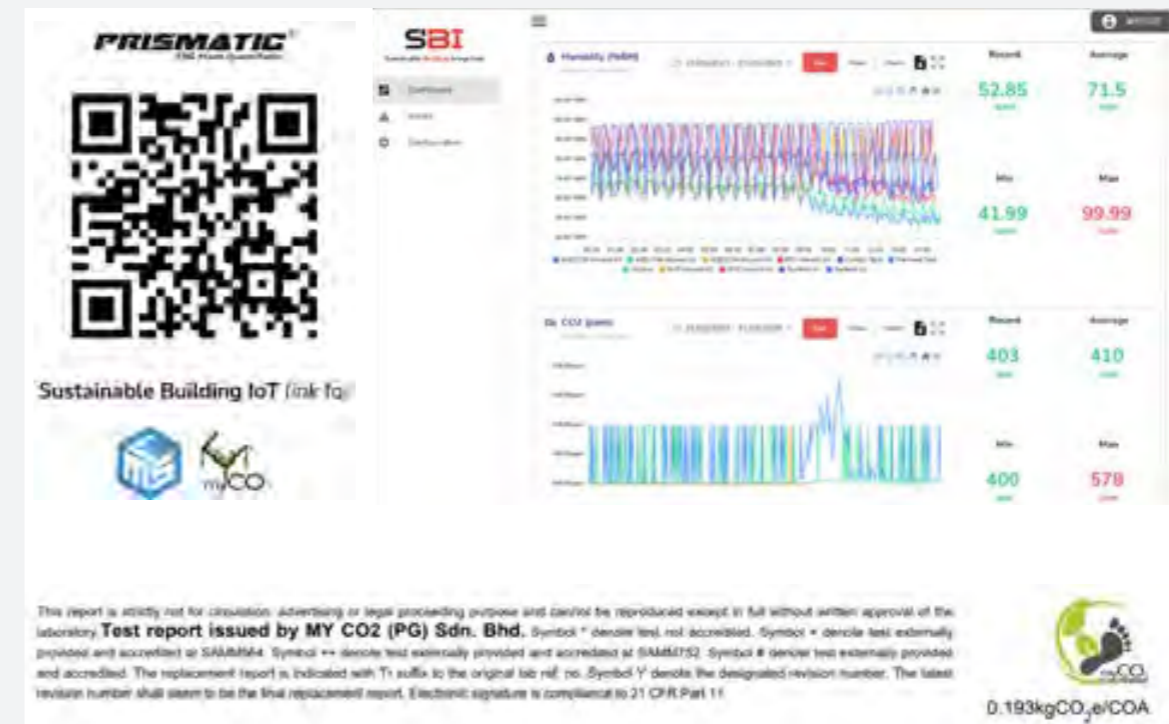
A key accomplishment is the continued eradication of misappropriation, which achieved a 100% success rate. This was driven by strategic digitalisation initiatives that enabled the implementation of robust systems and internal controls. These mechanisms effectively detect and prevent unauthorised access or misuse of resources, thereby safeguarding the organisation from potential financial losses. As a result, stakeholder trust and confidence have been further strengthened, including among the Group’s valued customers, investors, and business partners.

Discussion on the Decarbonised Solutions

The Group’s digital transformation is intrinsically linked to its core values, resulting in continuous advancements in environmental sustainability, productivity, and competitive advantage. The Group remains committed to utilising decarbonised technologies and innovative solutions to drive positive change, deliver value to stakeholders, and support a sustainable future for both the organisation and the communities it serves.



As part of its commitment to environmental stewardship, the Group adopted Sustainable Building Intelligence of Things (“SBI”) in FY2023 to facilitate the segmentation and monitoring of carbon emissions. Through this initiative, the Group completed carbon footprint measurements for all significant analytical instruments under Scope 2 emissions. Building upon this progress, in FY2025, the Group further expanded its assessment by measuring the carbon footprint of auxiliary analytical devices. This initiative supports the development of a pilot project to report the Product Carbon Footprint (“PCF”) in kgCO₂e on the footer of the Certificate of Analysis (“COA”) for each test conducted. This effort reflects the Group’s ongoing commitment to transparency, environmental accountability, and integrating decarbonisation practices into its operational framework.



Limited Assurance

GHG VERIFICATION STATEMENT

Organization Verification Statement No: GHG-ISO 14064(1)-260022
Version: 00

LMS COMPLIANCE LTD

14, Lengkok Kikik 1, Taman Inderawasih, 13600 Perai, Penang, Malaysia.
16, Lengkok Kikik 1, Taman Inderawasih, 13600 Perai, Penang, Malaysia.
40, 46, 48 & 50, Jalan Sepadu B25/B, 40400 Shah Alam, Selangor, Malaysia.
15, Jalan Molek 1/8, Taman Molek, 81100 Johor Bahru, Johor, Malaysia.

For the reporting period 1st Jan 2025 to 31st Dec 2025 was verified in accordance with ISO 14064-3:2019 and with regard to compliance with the requirements of **ISO 14064-1:2018**

We hereby confirm:

Total Direct Emissions:

92.568 t CO₂-equ.

Total Energy Indirect Emissions:

496.503 t CO₂-equ.

Total Indirect Emissions from Transportation:

569.450 t CO₂-equ.

Total GHG Emissions from Product Used by Organization:

191.579 t CO₂-equ.

Indirect GHG Associated with the used of organisation's products

9.095 t CO₂-equ.

Total Avoided Emissions:

46.183 t CO₂-equ

Total Net GHG emissions for year 2025:

1359.195 t CO₂-equ

Emission intensity: 0.01 tCO₂-equ/conformity

In our opinion, dated 2026-04-08, MY CO2 CERTIFICATION found no evidence to indicate that the data and information LMS Compliance Ltd's statement were not fairly stated except the omission of the category 6 emissions with less than 5% material threshold

This verification statement is only valid for the mentioned above and explanation to verification statement

MY CO2 Certification Sdn. Bhd.

As first- party validation/verification Body takes the responsibility for Greenhouse Gases according to ISO/IEC 17029: 2019 & ISO 14065: 2020



Lead Verifier MYCT Penang
Name: CHONG MOI ME
Date: 07/04/26

MY CO2 Certification Sdn Bhd
16, Lengkok Kikik 1, Taman Inderawasih, 13600 Perai, Penang.
Tel: +604-3808282 Fax: +604-3808280
The GHG statemen authenticity can be verified by emailing: certification@myco2.com.my



EXPLANATION TO VERIFICATION STATEMENT

Abbreviations

LMS	LMS Compliance Ltd.
t CO ₂ -equ	tonnes of carbon dioxide equivalent
CH ₄	Methane
CO ₂	Carbon dioxide
PFCs	Perfluorocarbons
SF ₆	Sulfur hexafluoride
EF	Emission Factor
GHG	Greenhouse Gas(es)
GWP	Global warming potential
HCFC/HFC	Hydrochlorofluorocarbon
IPCC	Intergovernmental Panel on Climate Change
kWh	Kilowatt-hours
LSI	Large Scale Integration
m ³	Meter cube
MT	Metric tonne
N ₂ O	Nitrous oxide
OSH	Occupational, Safety and Health
MYCT	MY CO2 Certification Sdn. Bhd.
TNB	Tenaga Nasional Berhad
ISO 14064-1	ISO 14064-1:2018 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
ISO 14064-3	ISO 14064-3:2019 Specification with guidance for the validation and verification of greenhouse gas assertions

1.0 INTRODUCTION

MY CO2 Certification Sdn. Bhd. (MYCT) is committed to conduct a first-party limited assurance verification of the greenhouse gas (GHG) emissions inventory for LMS Compliance Ltd. (LMS), covering the period from 1st Jan 2025 to 31st Dec 2025. LMS serves as a holding company for the entire group’s business.

The verification is carried out in accordance with ISO 14064-3 specification, which provides guidelines for the validation and verification of greenhouse gas statements. MYCT upholds an independent and impartial approach, ensuring that its verification remains free from undue influence that could compromise objectivity.

2.0 ROLES & RESPONSIBILITY

LMS management, as the RESPONSIBLE PARTY, is accountable for the organization’s GHG information system, including the development and maintenance of records and reporting procedures in accordance with that system. This responsible encompass the calculation and determination of GHG emission data and the reporting GHG emissions.

MYCT, as the validation and verification body (VVB), is responsible for assessing the accuracy, completeness, and conformance of the reported data to ISO 14064-1: 2018 standards. It also issues a first-party verification opinion on LMS’s GHG statement in accordance with ISO 14064-1:2018 for the reporting period. The verification is conducted based on the agreed scope, objective, and criteria established between LMS and MYCT on 12/01/2026.

3.0 LEVEL OF ASSURANCE

Limited.

4.0 SCOPE

The objective of the verification was to conduct an impartial and unbiased assessment of the data presented in the “*MYGHG Emission Inventory Report Ver2 Y2025*”. The organizational boundary is defined based on the operational control approach, covering activities at the following locations:

MY CO2 SDN. BHD.

MY CO2 CERTIFICATION SDN. BHD.

MY CO2 (PG) SDN. BHD.

– 16, Lengkok Kikik 1, Taman Inderawasih, 13600 Perai, Penang, Malaysia.

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MY CO2 (KL) SDN. BHD. – 40, 46, 48 & 50, Jalan Sepadu B25/B, 40400 Shah Alam, Selangor, Malaysia.

MY CO2 (JB) SDN. BHD. – 15, Jalan Molek 1/8, Taman Molek, 81100 Johor Bahru, Johor, Malaysia.

PRISMATIC TECHNOLOGIES SDN. BHD. – 19, Jalan Green Hall,10200 George Town, Pulau Pinang, Malaysia.

- The organization boundary is established following operational control approach
- Location/boundary of the activities: detail boundary information as per “Introduction”.
- Physical infrastructure, activities, technologies and processes:
 - **Provision of testing and assessment services**
 - **Provision of certification, validation/verification services**
 - **Trading of laboratory equipment and**
 - **Distribution of conformity**
- GHG sources, sinks and reservoirs included: GHG sources as presented in the GHG inventory report of the RESPONSIBLE PARTY.
- Type of GHG included: CO₂, CH₄, N₂O, HFCs, PFCs and SF₆.
- Time period: 1st Jan 2025 to 31st Dec 2025

5.0 OBJECTIVES OF VERIFICATION

The objectives of the verification are as follows:

- i) To determine the accuracy of the information reported in GHG documentation for reporting period between 1st Jan 2025 to 31st Dec 2025;
- ii) To assess the completeness of the coverage of reporting for Category 1, 2, 3 ,4, 5 &6;
- iii) To determine whether the methodology used to calculate the emissions is correct and all assumptions chosen are appropriate, reasonable and/or accurate;
- iv) To verify and check for conformity of the reported GHG statement of the company with criteria ISO14064-1 (2018).

6.0 CONFIDENTIALITY

The verification team members of MYCT have committed to not reveal any confidential information shared by LMS during the verification procedure, which includes details mentioned in this verification report, to any external party without LMS’s consent, unless legal obligations dictate otherwise. In cases where legal requirements necessitate disclosure, LMS will be notified about the disclosed information.

7.0 MATERIALITY

The GHG emissions declared are not more than 5% error and do not trigger a materiality threshold of omissions and misrepresentations that can be quantified.

8.0 METHODOLOGY

MYCT’s verification process consisted of the following phases:

- i) Off-site documents review of activity data sources and the calculation of GHG emissions provided by LMS;
- ii) Verification audit planning;
- iii) On-site visit including interviews with relevant personnel
- iv) Preparation and issuance of verification audit findings (if any);
- v) Resolution of outstanding issues (if any); and
- vi) Issuance of final verification report.

Duration of Verification

The verification of the GHG documentation was carried out in 26 Mar 2026 to 07 Apr 2026 with details as follows:

Off-site document review	:	26-30 Mar 2026
On-site verification	:	31 Mar 2026
Issuance of findings	:	31 Mar 2026
Reply from LMS to the findings	:	02 Apr 2026
Preparation draft report version 00	:	03 Apr 2026
Preparation final report	:	07 Apr 2026

The following list of the documents were reviewed during the verification:

- i) MYGHG Emission Inventory Report Ver2 Y2025
- ii) GHG spread sheet 2025 V7.71
- iii) UK government GHG conversion factor for the Company reporting 2024
- iv) The global warming potential (GWP) are taken from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) over a 100-year time horizon, in line with the UK Government GHG Conversion Factors for the Company Reporting 2024 justification.
- v) IPCC Guidelines for National Greenhouse Gas Inventories;
- vi) WRI GHG Protocol.

9.0 REPORT ON FINDINGS

LMS applies an **operational control** approach to boundary-setting, assigning all emissions from activities it controls including those undertaken by contractors. GHG emissions inventory covers all direct emission (category 1), significant indirect emission category 2, 3, 4, 5 and category 6 which is assume as non-significant and not quantified.

Emissions category	GHG scope	GHG sources	GHGs types
Direct emission	Category 1	<ul style="list-style-type: none"> • Stationary combustion fuel emissions (e.g. Liquefied petroleum gas (LPG), petrol consumption for genset). • Fugitive emissions from refrigerant leakage of air conditioning systems in office and laboratory • Industrial gases emissions • Passenger and delivery vehicle emissions 	CO2, CH4, N2O, & other appropriate GHG group
Indirect emissions from imported energy	Category 2	Electricity consumption used by the laboratory and office operation	CO2, CH4, N2O
Indirect emissions from transportation	Category 3	<ul style="list-style-type: none"> • Upstream transportation and distribution • Business travel includes business air, land and sea transportation for business purpose. • Hotel accommodation: Emissions associated with employee overnight stays during business travel. • Employee commuting: Emissions resulting from daily travel between employees' residences and the workplace 	CO2, CH4, N2O
Indirect emissions from products used by an organization	Category 4	<ul style="list-style-type: none"> • Well to tank (WTT) for fuel-related emissions. • Well to tank (WTT) for passenger and delivery • Electricity generation, transmission and distribution losses. • Well to tank (WTT) for business travel (land, air and sea) emission • Well to tank (WTT) for upstream transportation and distribution • Chemicals and glassware purchased • Waste disposal • Water supply and wastewater treatment. 	CO2, CH4, N2O

Emissions category	GHG scope	GHG sources	GHGs types
Indirect emissions associated with the use of products from the organization	Category 5	<ul style="list-style-type: none"> • End of life • Investment 	CO2, CH4, N2O
Indirect emissions from other sources	Category 6	Be determined as non-significant indirect emissions and not quantified	NA

It has also been verified that there were neither GHG sinks nor reservoirs included within the LMS's operational boundaries. LMS justified this exclusion by stating "Their business activities do not involve natural or artificial carbon sinks, such as forests or carbon capture and storage technologies, that would contribute to the removal of GHGs from the atmosphere. Therefore, no GHG sinks or removals have been documented in our GHG inventory report." LMS provided a comprehensive explanation for the exclusion of GHG sources, sink and removal based on consideration of relevance, materiality and consistency with the quantification approach. Additionally, it was confirmed that there were no emissions from the use of biomass in any of LMS facility. Hence, these emissions were omitted from the GHG inventory and documentation.

9.1 BASE YEAR

The base year is the specific year chosen as a reference point for measuring and comparing greenhouse gas (GHG) emissions over time. As this is the second verification, the reporting year 2024, which was established during the initial verification, has been maintained as the base year in accordance with ISO 14064-1 requirements. This base year serves as the benchmark for tracking emission performance, setting reduction targets, and evaluating progress over time. The base year (year 2024) GHG emissions summary is as below:

Category	Total Emissions (tCO2e)
Category 1: Direct GHG emissions and removal	120.480
Category 2: Indirect GHG emissions from imported energy	476.309
Category 3: Indirect GHG emissions from transportation	717.909
Category 4: Indirect GHG emissions from products used by an organization	213.613
Category 5: Indirect GHG emissions associated with the use of products from the organization	5.709
Category 6: Indirect GHG emissions from other sources	-

9.2 METHODOLOGY, GHG DATA AND EMISSION FACTORS

The intent of this section was to verify the accuracy and the appropriateness of the methodologies selection, GHG activity data involved in the GHG computation, starting from the identification of GHG sources, the data collection and compilation system and the selection of the emission factors.

With reference to the associated GHG emissions reported in the organization report, the primary methodology used to collect and calculate emissions data was by multiplying the GHG activity data by appropriate GHG emission factors and the GWP.

It can be confirmed that the methodologies applied in the quantification of GHGs were found to be appropriate and in accordance with the published information.

9.2.1 GHG activity data

Based on the data verification, it has been verified that these data have been measured and monitored accordingly for GHG computation input:

Activity data	Unit	Source of data
Petrol for Genset	Litre	Purchase records
LPG usage for lab testing	tonne	Purchase records
Industrial gases	m ³	Purchase records
Refrigerant gases refill	kg	Maintenance records
Electricity	kWh	Monthly bills by utility provider (TNB)
Quantity of waste and the type of treatment	tonne	Invoice from waste collector.
Distance based, Vehicle/km	km	Data on employee commuting patterns (including mode of transport, distance travelled, and hotel stays) and petrol claims for business travel were collected
Chemicals and glass-ware purchased	GBP	Invoice

9.2.1.1 Global Warming Potential

The emission factors follow the UK Government’s GHG Conversion Factors for Company Reporting 2024, and the Global Warming Potential (GWP) is aligned with the IPCC’s 5th Assessment Report (AR5), as referenced in the relevant documents.

9.2.2 Emission factors and other parameters

As for the emission factors, it can be confirmed that credible sources were used. The following sources were referred to:

Emission factors	Reference/Source
Fuel (diesel, petrol and LPG)	UK government GHG conversion factor for company reporting 2024
Electricity (grid)	Grid emission factor in Malaysia year 2022
Chemicals and glassware purchased	UK government GHG conversion factor for company reporting 2024

9.3 CALCULATION OF GHG EMISSIONS AND REMOVALS

The final GHGs emission from the identified sources were summarized as follows:

Emission category	GHG scope	Emission values (tCO2e) per annum
Direct GHG emission- stationary combustion fuel	Category 1	4.573
Direct GHG emission- industrial gases	Category 1	0.363
Direct GHG emission- refrigerant gases	Category 1	12.663
Direct GHG emission- passenger vehicles	Category 1	61.112
Direct GHG emission- delivery vehicles	Category 1	13.858
Indirect GHG emission from imported energy	Category 2	496.503
Indirect GHG emission from upstream transportation and distribution	Category 3	376.546
Indirect GHG emission from business travel (land, air and sea)	Category 3	69.968
Indirect GHG emission from business travel (hotel stay)	Category 3	29.131
Indirect GHG emission from employee commuting	Category 3	93.805
Indirect GHG emission from water and waste water treatment	Category 4	3.358
Indirect GHG emission from waste generated	Category 4	0.015
Electricity transmission and distribution losses	Category 4	7.595
Indirect GHG emission from WTT	Category 4	130.394
Chemical and glassware purchased	Category 4	50.217
Indirect emissions associated with the use of products from the organization	Category 5	9.095
Total Emission (tCO2e per annum)		1359.196

9.4 EMISSIONS AVOIDANCE AND REDUCTION INITIATIVES

Initiative	Description	Related GHG scope	Emission avoidance (tCO ₂ e) per annum)
Solar energy use	Avoids coal-based electricity generation	Category 2	40.275
Digitalization of workflow	Reduces paper consumption	Category 4	5.483
Use of electric vehicles (EVs)	Replaces fossil fuel-dependent transportation	Category 3	0.425
Total avoided emissions (tCO ₂ e) per annum			46.183

10.0 MANAGEMENT SYSTEM AND QUALITY ASSURANCE

From the assessment carried out by the verification team, it was found that the overall approach used to calculate the GHG emissions were technically sound as it was traceable to known standard and reference. All findings noted during the verification process have been duly corrected.

10.1 Non-conformity request & observation report

No	Category (Material/Non-material/obs)	Requirement & Clause	Findings	Responses from clients	Comments by team leader verifier
1	Non-material	ISO 14064-1 Clause 4.0	For Category 1 (Stationary Combustion – Fuels), the RON 95 fuel emissions were calculated using a fixed conversion factor of 2.56. The reason for using this fixed value instead of the annual average conversion factor was not provided. Clarification is required to ensure consistency with ISO 14064-1 requirements for data quality and emission calculation transparency.	As the exact volume (litres) could not be traced, we propose using the most recent conversion factor available to calculate the emissions.	The verifier acknowledges the client's use of the latest conversion factor due to untraceable fuel volume. This approach is considered reasonable, provided it is consistently applied and properly documented for transparency and auditability
2	Observation	ISO 14064-1 Clause 4.0	It was noted that the GHG emissions for the reporting period 1 st January 2025 to 31 st December 2025 were calculated using the UK 2024 emission factors. The client is requested to provide justification for the use of the 2024 factors for the 2025 reporting period.	To maintain consistency with the base year 2024, the UK 2024 emission factors were applied for the 2025 reporting period.	The verifier acknowledges that the UK 2024 emission factors were applied for the 2025 reporting period to maintain consistency with the base year 2024. This approach is considered reasonable, provided it is documented and applied consistently. For future reporting periods, the client is advised to use the latest available emission factors to ensure accuracy and alignment with current standards.
3	Observation	ISO 14064-1 Clause 4.0	The grid emission factor used for electricity is not the latest version. Please confirm the version applied and provide justification for its selection in line with ISO 14064-1 requirements.	To maintain consistency with the base year 2024, grid emission factor year 2022 were applied. Will update latest emission factor in upcoming year.	The verifier acknowledges that the 2022 data will remain unchanged and notes that the client plans to apply the latest emission factors in upcoming reporting periods. This approach is acceptable, provided that the updated factors are documented and consistently applied in future calculations.

Following are the areas for improvement which need to be taken into consideration in the future reporting;

1. The emission factor and other default value need to be current and region specific at the time of quantification.
2. Determine whether the total emissions are in line with industry standards, regulatory requirements, or voluntary commitments. This could involve comparing emissions per unit of output, emissions intensity, or absolute emissions levels against relevant benchmarks.
3. Regular reviews the GHG reduction initiatives to assess their effectiveness. This can involve setting clear metrics or KPIs to measure progress and impact. Develop separate documentation to monitor progress, records data, and generates reports on the initiatives. This includes outlining the objectives, methods, expected outcomes, timelines, and responsible parties for each initiative.

11.0 VERIFICATION OPINION CONCLUSION

MYCT conducted a first-party limited assurance verification of the LMS Greenhouse Gas Inventory Emission Report for the Year 2025, along with relevant supporting documents detailing the GHG emissions calculations. This verification was carried out in accordance with the requirements of ISO 14064-3:2019.

The LMS management is responsible for the preparation, reporting, and maintenance of records related to GHG emissions, ensuring compliance with ISO 14064-1:2018. This includes the development of reporting procedures, calculation methodologies, and the determination of emissions reductions.

The GHG emissions trend for 2025 shows an overall decrease in total emissions compared to 2024. Key observations include:

Category	2024 (tCO ₂ e)	2025 (tCO ₂ e)	Changes (%)
Category 1: Direct GHG emissions and removal	120.480	92.568	-23
Category 2: Indirect GHG emissions from imported energy	476.309	496.503	+4
Category 3: Indirect GHG emissions from transportation	717.909	569.450	-20
Category 4: Indirect GHG emissions from products used by an organization	213.613	191.579	-10
Category 5: Indirect GHG emissions associated with the use of products from the organization	5.709	9.095	+59
Total GHG emission	1543.021	1359.196	-11

The total GHG emissions decreased from 1,543.021 tCO₂e in 2024 to 1,359.196 tCO₂e in 2025, representing an overall reduction of 11%. This reduction indicates an overall improvement in emission management, despite increases observed in certain indirect emission categories.

The reduction in Category 1 emissions is attributed to decreased fuel consumption from petrol gensets, where certain projects utilized electricity supply from client premises instead of on-site generator operation. In addition, the decrease is consistent with reduced operation of delivery vehicles due to maintenance issues and limited driver availability during the reporting period.

The 20% reduction in Category 3 emissions is primarily attributed to decreased business travel by land and reduced employee commuting. This decline likely resulted from more efficient travel planning, increased use of virtual meetings, flexible work arrangements, and initiatives to encourage alternative or shared commuting methods, which collectively lowered transport-related emissions

The 59% increase in Category 5 emissions is primarily due to recent investments that expanded product availability and market reach. This growth led to higher use-phase emissions.

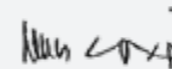
LMS is recommended strengthen its GHG management practices by implementing ongoing initiatives aimed at reducing emissions.

As the validation and verification body (VVB), MYCT’s role is to assess the accuracy, completeness, and conformance of the reported GHG data and to issue a verification opinion on LMS’s GHG statement for the reporting period from 1st Jan 2025 to 31st Dec 2025. ***In our opinion, dated 2026-04-07, MY CO2 CERTIFICATION found no evidence to indicate that the data and information in LMS Compliance Ltd’s statement were not fairly stated except the omission of the Category 6 emissions with less than 5% material threshold***

With reference to the verified emission of this report that, it can conclude that GHG emissions for the period from 1st Jan 2025 to 31st Dec 2025 as verified by MYCT to a **limited level of assurance** consistent with the agreed verification scope, objectives and criteria were summarized as follows:

Category	Emission values (tCO ₂ -equ) per annum
Total direct emission (Category 1)	92.568
Total energy indirect emission (Category 2)	496.503
Total indirect emissions from transportation (Category 3)	569.450
Total GHG emissions from products used by organization (Category 4)	191.579
Indirect emissions associated with the use of products from the organization (Category 5)	9.095
Total GHG emissions for year 2025	1359.195

Prepared by:



CHONG MOI ME
 Verification team leader, MYCT Penang
 Date: 07/04/2026

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IFRS SDS Industry-Based Guide (Volume 47-Chemicals)


Industry-based Guidance on Implementing Climate-related Disclosures (Volume 47 – Chemicals) Metrics, where the sustainability disclosure metrics, aligned with the IFRS SDS Industry-Based Guidance on Implementing Climate-Related Disclosure (Volume 47 – Chemicals), are outlined below for the five buildings within the Group’s corporate office, commercial office, and retail portfolio covered under this Report’s scope.


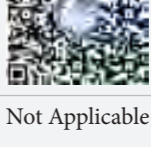

	ACCOUNTING METRICS	CATEGORY	UNIT OF MEASURE	CODE	RESPONSES / PAGE NUMBER
Greenhouse Gas Emissions	Gross global Scope 1 emissions, Percentage covered under emissions-limiting regulations	Quantitative	Metric tons tonnes CO ₂ e Percentage (%)	RT-CH-110a.1	61 - 69
Greenhouse Gas Emissions	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	N/A	RT-CH-110a.2	61 - 70
Energy Management	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	RT-CH-130a.1	(1) 2309.3172 GJ (2) 92.4% (3) 7.6% (4) 0%
Water Management	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Cubic metres (m ³), Percentage (%)	RT-CH-140a.1	(1) 0 m ³ (2) 9,910 m ³ (3) Not applicable
Water Management	Number of incidents of non-compliance associated with water quality permits, standards and regulations	Quantitative	Number	RT-CH-140a.2	Zero
Water Management	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	RT-CH-140a.3	43
Product Design for Use-phase Efficiency	Revenue from products designed for use-phase resource efficiency	Quantitative	Presentation currency	RT-CH-410a.1	RM33,634,251
	ACTIVITY METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSES
	Production by reportable segment	Quantitative	Cubic metres (m ³) or metric tons (t)	RT-CH-000.A	Not applicable

GRI Index

The GRI functions as a comprehensive standard for sustainability reporting, guiding report content and indicators, and is acknowledged worldwide as the most extensively used standard for such reporting. This Report has been meticulously crafted in accordance with the latest GRI Universal Standards 2021 and references our 2024 Sustainability Report and GRI Content Index.

GRI STANDARD		DISCLOSURE	PAGE NUMBER
GRI 2: General Disclosures 2021	2-1	Organisational details	3
	2-2	Entities included in the organisation’s sustainability reporting	3
	2-3	Reporting period, frequency and contact point	3 to 5
	2-4	Restatements of information	6
	2-5	External assurance	Not applicable
	2-6	Activities, value chain and other business relationships	4
	2-7	Employees	26, 26, 75 - 81
	2-8	Workers who are not employees	Not applicable
	2-9	Governance structure and composition	19 - 23
	2-10	Nomination and selection of the highest governance body	20
	2-11	Chair of the highest governance body	20 - 21
	2-12	Role of the highest governance body in overseeing the management of impacts	20
	2-13	Delegation of responsibility for managing impacts	21
	2-14	Role of the highest governance body in sustainability reporting	20
	2-15	Conflicts of interest	Principles 1 of the Corporate Governance Report in the Company’s AR for FY25. 
	2-16	Communication of critical concerns	25 - 27
	2-17	The collective knowledge of the highest governance body	19
	2-18	Evaluation of the performance of the highest governance body	19
	2-19	Remuneration policies	Principles 6, 7 and 8 of the Corporate Governance Report in the Company’s AR for FY25. 
	2-20	The process to determine the remuneration	
	2-21	Annual total compensation ratio	
	2-22	Statement on Sustainable Development Strategy	8
	2-23	Policy commitments	3
	2-24	Embedding policy commitments	8

GRI STANDARD		DISCLOSURE	PAGE NUMBER
	2-25	Processes to remediate negative impacts	26 - 27
	2-26	Mechanisms for seeking advice and raising concerns	26 - 27
	2-28	Membership associations	30
	2-29	Approach to Stakeholder Engagement	25 - 27
	2-30	Collective bargaining agreements	Not applicable
GRI 3: Material Topics 2021	3-1	The process of determining material topics	33
	3-2	List of material topics	35
	3-3	Management of material topics	35 - 37
GRI 202: Market Presence 2016	201-1	Ratios of standard entry-level wage by gender compared to the local minimum wage	Minimum salary RM1,500
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	42 - 56
	203-2	Significant indirect economic impacts	42 - 56
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	>90%
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	62 - 66
	302-4	Reduction of energy consumption	62 - 66
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	66
	303-2	Management of water discharge-related impacts	66
	303-3	Water withdrawal	Not applicable
	303-4	Water discharge	66
	303-5	Water consumption	66
GRI 304: Biodiversity 2016	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
	304-2	Significant impacts of activities, products and services on biodiversity	Not applicable
	304-3	Habitats protected or restored.	Not applicable
7GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	65
	305-2	Energy indirect (Scope 2) GHG emissions	64
	305-3	Other indirect (Scope 3) GHG emissions	64
	305-4	GHG emissions intensity	68
	305-5	Reduction of GHG emissions	70
GRI 305: Emissions 2016	306-1	Waste generation and significant waste-related impacts	66
	306-2	Management of significant waste-related impacts	67
	306-3	Waste generated	66
	306-5	Waste directed to a disposal	67
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	26
	308-2	Negative environmental impacts in the supply chain and actions taken	82 - 83
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	79
		Benefits provided to full-time employees that are not provided to temporary or part-time employees	79

GRI STANDARD		DISCLOSURE	PAGE NUMBER
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	81
	403-2	Hazard identification, risk assessment, and incident investigation	81
	403-4	Worker participation, consultation, and communication on occupational health and safety	81
	403-5	Worker training on occupational health and safety	81
	403-9	Work-related injuries	81
	403-10	Recordable work-related ill health cases	81
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	79
	404-2	Programs for upgrading employee skills and transition assistance programs	Not applicable
GRI 405-1 Diversity of governance bodies and employees	405-1	Diversity of governance bodies and employees	79, 86
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Not Applicable
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	Not Applicable
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labour	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving the rights of Indigenous peoples	Not Applicable
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	29
	413-2	Operations with significant actual and potential negative impacts on local communities	29
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	
	414-2	Negative social impacts in the supply chain and actions taken	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Not Applicable
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not Applicable

SGX Core ESG Metrics

PILLAR	TOPIC	METRIC	UNIT	FRAMEWORK ALIGNMENT	PAGE NUMBER
Environment	Greenhouse Gas Emissions	Absolute emissions by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO2e	GRI 305-1, GRI 305-2, GRI 305-3, TCFD, SASB 110, WEF core metrics	(a) 68 (b) 62 - 64 (c) 65
		Emission intensities by: (a) Total; (b) Scope 1, Scope 2; and (c) Scope 3, if appropriate	tCO2e / organisation-specific metrics	GRI 305-4, TCFD, SASB 110	(a) 68 (b) 62 - 64 (c) 65
	Energy Consumption	Total energy consumption	kWhs or GJ	GRI 302-1, TCFD, SASB 130	64
		Energy consumption intensity	kWhs or GJ/ organisation-specific metrics	GRI 302-3, TCFD	64
	Water Consumption	Total water consumption	ML or m ³	GRI 303-5, SASB 140, TCFD, WEF core metrics	66
		Water consumption intensity	ML or m ³ / organization specific metrics	TCFD, SASB IF-RE-140a.1	Not applicable
	Waste Generation	Total waste generated	tonnes	GRI 306-3, SASB 150, TCFD, WEF expanded metrics	66
Social	Gender Diversity	Current employees by gender	Percentage (%)	GRI 405-1, SASB 330, WEF core metrics	79
		New hires and turnover by gender	Percentage (%)	GRI 401-1, WEF core metrics	79
	Age-Based Diversity	Current employees by age Groups	Percentage (%)	GRI 405-1, WEF core metrics	79
		New hires and turnover by age Groups	Percentage (%)	GRI 401-1, WEF core metrics	79
	Employment	Total turnover	Number and Percentage (%)	GRI 401-1, SASB 310, WEF core metrics	79
		Total number of employees	Number	GRI 2-7	79
	Development & Training	Average training hours per employee	Hours/No. of employees	GRI 404-1, WEF core metrics	79
		Average training hours per employee by gender metrics	Hours/No. of employees	GRI 404-1, WEF core metrics	79
	Occupational Health & Safety	Fatalities (Singapore), SASB 320	Number of cases	GRI 403-9, WEF core metrics, MOM (Singapore), SASB 320	81
		High-consequence injuries	Number of cases	GRI 403-9, WEF core metrics, MOM (Singapore)	81 Please refer to total recordable incident rate
		Recordable injuries	Number of cases	GRI 403-9, WEF core metrics, MOM (Singapore), SASB 320	81
Recordable work-related ill health cases		Number of cases	GRI 403-10, WEF expanded metrics, MOM (Singapore)	81	

PILLAR	TOPIC	METRIC	UNIT	FRAMEWORK ALIGNMENT	PAGE NUMBER
Governance	Board Composition	Board independence	Percentage (%)	GRI 2-9, WEF core metrics	86
		Women on the Board	Percentage (%)	GRI 2-9, GRI 405-1, WEF core metrics	86
	Management Diversity	Women in the management team	Percentage (%)	GRI 2-9, GRI 405-1, WEF core metrics, SASB 330	75
	Ethical Behavior	Anti-corruption disclosures	Discussion and number of standards	GRI 205-1, GRI 205-2 and GRI 205-3	
		Anti-corruption training for employees	Number and Percentage (%)	GRI 205-2, WEF core metrics	>90% of total employees in FY2025 have undergone this training
	Certifications	List of relevant certifications	List	Commonly reported metric by SGX issuers	ISO17025 ISO17021 ISO17029 AA1000SE
	Alignment with Frameworks	Alignment with frameworks and disclosure practices	GRI/ TCFD/ SASB/ SDGs/ others	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	IFRS S1 S2/ GRI/ UN SDGs
	Assurance	Assurance of sustainability report	Internal/ External/None	GRI 2-5, SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6; SGX-ST Listing Rules (Catalist) 711A and 711B, Practice Note 7F	Internal (First Party)

This sustainability report has been reviewed by the Company's sponsor, RHT Capital Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this sustainability report, including the correctness of any of the statements or opinions made or reports contained in this sustainability report.

The contact person for the Sponsor is Mr. Mah How Soon at 36 Robinson Road, #10-06, City House, Singapore 068877, Email: sponsor@rhtgoc.com.

Abbreviation

AAS	Atomic Absorption Spectroscopy
APS	Announced Pledges Scenario
AC	Audit Committee
AIoT	Artificial Intelligence of Things
AMS	Amoeba management system
BCP	Business Continuity Planning
CBAM	Carbon Boarder Adjusted Mechanism
CEO	Chief Executive Officer
COA	Certificate of Analysis
CSAT	Customer Satisfaction Index
FY	Financial Year
GHG	Green House Gas
GRI	Global Reporting Initiative
IEA	Internation Agency
IFRS	International Financial Reporting Standard
LMS	LMS Compliance Ltd
MFRS	Malaysian Financial Reporting Standards
NC	Nomination Committee
NPS	Net Promoter Score
NZE	Net Zero Emissions
OHS	Occupation Health and Safety
PCF	Product Carbon Footprint
PPE	Personal Protection Equipment
R&D	Research & Development
RC	Remuneration Committee
SASB	Sustainability Accounting Standard Board
SBI	Sustainable Building Intelligence of Things
SBTI	Science-Based Target Initiative
SDC	Sustainable Development Committee
STEP	Stated Policies Scenario
SDS	Sustainability Development Scenario
SR	Sustainability Report
TBT	Technical Barrier of Trade
TCFD	Taskforce on Climate-Related Financial Disclosure
UN	United Nations
UPS	Uninterrupted Power Supply
VVB	Verification and Validation Body



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201301043397 (1073219-T)

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MY CO2 (KL) SDN. BHD.

201501029820 (1155142-M)

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