Engtex

ENGTEX GROUP BERHAD
Company No. : 200101000937(536693-X)

Engineered for Sustainable Progress

Sustainability Report 2025

What's Inside

ABOUT ENGTEX

Introduction

Engtex Group Berhad ("Engtex or the Group") is a company listed on the Main Market of Bursa Malaysia Securities Berhad, with diversified footprint spanning manufacturing, trading, and distribution of steel pipes, valves, fittings, building and construction materials. With strong market presence and extensive distribution networks across Malaysia, the Group supports a wide range of industrial, commercial, and municipal customers.

As a Group that supports essential sectors such as water infrastructure, construction, and industrial supply chains, Engtex recognises the responsibility that comes with our operations. We remain committed to responsible business practices, sound governance, and sustainable growth. Sustainability is increasingly embedded into how we manage operational efficiency, product quality, environmental performance, and long-term stakeholder value creation, while contributing positively to the communities and environments in which we operate.

At Engtex, we believe sustainability is not only about compliance, it is about resilience, competitiveness, and future-proofing our business. Through transparency, accountability, and continuous innovation, we strive to strengthen our sustainability performance and build a more sustainable and inclusive future together with our stakeholders.

Our Products

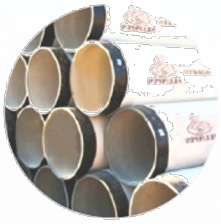
Engtex provides a comprehensive range of products and solutions across the water infrastructure, construction, industrial, and commercial sectors, supporting the development of essential infrastructure. Our portfolio includes steel pipes, valves, fittings, plumbing systems, water-related infrastructure components, and building and construction materials, supplied through both our manufacturing operations and established distribution network across Malaysia, supporting essential infrastructure development and operational needs while meeting relevant regulatory and quality standards.

Ductile Iron ("DI") Pipe

DI pipe with internal cement mortar lining, external metallic zinc coating, and bitumen finishing with spigot and socket Tyton push-in joint and EPDM ring. It is certified by the Construction Industry Development Board ("CIDB") Certificate of Standard Compliance ("PPS"). Used for water and sewerage applications.

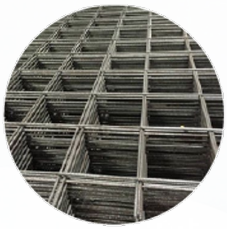
Electric Resistance welded ("ERW") Steel Pipes

ERW steel pipes are manufactured to various international standards for various structural, mechanical and fluid-handling applications. It is available for both black and hot-dipped galvanised types. Suitable for architectural structures and frames, handrails and guardrails, scaffolding, signposts and water transmission pipes.



Mild Steel Concrete-Lined ("MSCL") Pipes and Pipe Fittings

MSCL pipes and pipe fittings with internal cement mortar lining and external bitumen and fibre glass wrap finishing. Used for water transmissions/distribution and sewerage applications. Certain products have been awarded the SIRIM Eco-Label.



Wire Mesh

Welded fabric mesh made of low-carbon wire (cut-to-size, engineered, and standard mesh) used as reinforcement for concrete structures for construction purposes. Certain products have been awarded the SIRIM Eco-Label.

Hot rolled ribbed weldable reinforcement steel or High Tensile Deformed Bar ("HTDB")

A type of steel bar that is normally used as a tension device in reinforced concrete and reinforced masonry structures to strengthen and hold the concrete in compression. The surface of HTDB is patterned or ribbed to form a better bond with concrete. It is accredited in compliance with stringent quality standard MS 146:2014 and certified by CIDB's PPS.

Hydrants, Valves, Manhole Covers and Strainers Steel Pipes

LYE products comprise valves, joints, strainers, hydrants, manhole covers, etc. They are accredited by Moody International Certification Ltd for ISO 9001 Quality Management System and are manufactured under stringent quality control.

ABOUT THIS REPORT

Reporting Boundaries & Scope

The sustainability information contained in this Report covers the performance of the following Engtex's subsidiaries unless otherwise indicated in the text of this Report.

Business Division	Product Type	Companies Covered in this Report
Manufacturing – Pipes Division	MSCL Pipes, ERW Pipes, DI Pipes, and related pipe fittings	- Allpipes Technology Sdn Bhd - Canova Manufacturing Sdn Bhd - Engtex Ductile Iron Pipe Industry Sdn Bhd - Engtex Pipe Industry Sdn Bhd - Engtex Steel Pipe Sdn Bhd
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	Wire mesh, hard drawn wire and steel bars	- East Coast Manufacturing Sdn Bhd - EngLen Manufacturing Sdn Bhd - Engtex Metals Sdn Bhd - Engtex Metals (Utara) Sdn Bhd - Engtex Steel Industries Sdn Bhd
Manufacturing – Others Division	Steel service centre and industrial casting products	- Hachita Enterprise Sdn Bhd - LYE Manufacturing Sdn Bhd
Wholesale and Distribution Division	Pipes, valves and fittings ("PVF"), plumbing materials, construction materials, metal related products, general hardware, hardware products and engineering tools and kitchen equipment	- Benton Corporation Sdn Bhd - East Coast Metals Sdn Bhd - Eng Lian Hup Marketing Sdn Bhd - Eng Lian Hup Trading Sdn Bhd - Engtex Ductile Iron Marketing Sdn Bhd - Engtex Industries Sdn Bhd - Engtex Marketing Sdn Bhd - Engtex Metal Products Sdn Bhd - Engtex Sdn Bhd - LYE Marketing Sdn Bhd - Mega Alliance Builder Supplies Sdn Bhd - Wiki Pratama Sdn Bhd - Variglobal Sdn Bhd

Reporting Period and Cycle

The reporting period of this Report is from 1 January 2025 to 31 December 2025. Our last Sustainability Report 2024 was published in April 2025.

Reporting Frameworks

Engtex adheres to various sustainability reporting framework and guidelines to ensure accuracy, transparency, accountability, and to mitigate any instances of reporting bias/misinformation. These include:

- Bursa Securities Malaysia Berhad (“Bursa Securities”)'s Main Market Listing Requirements on Sustainability Reporting.
- Malaysian Code on Corporate Governance set by the Securities Commission Malaysia (“MCCG”).
- Sustainable and Responsible Investment principles as stipulated by the Securities Commission Malaysia.
- Global Reporting Initiative (“GRI”) Standards.
- Sustainability Accounting Standards Board (“SASB”).
- Value Reporting Foundation.
- Task Force on Climate-related Financial Disclosures (“TCFD”).
- International Sustainability Standards Board ISSB, specifically IFRS S1 General Requirements for Disclosure of Sustainability related Financial Information and IFRS S2 Climate related Disclosures.

In relation to sustainability goals, we are aligned with the recommendations published by the Intergovernmental Panel on Climate Change (“IPCC”) and United Nations Sustainable Development Goals (“UNSDGs”).

Progressive Statements

Our Report contains progressive statements regarding Engtex's objectives, strategies, plans, and future initiatives that are intertwined with Engtex's business, financial, and non-financial performance. These statements encompass terms such as 'expects', 'targets', 'intends', 'anticipates', 'believes', 'estimates', 'may', 'plans', 'projects', 'should', 'would', and 'will'. It is crucial to note that these statements should not be construed as a guarantee of future operating or financial performance as they may entail potential risks or unforeseen consequences for Engtex. Factors that could lead to actual results differing materially from those in the progressive statements include global, national, and regional economic and social conditions.

Assurance

The information and performance data presented in this Report have been verified by our Group Internal Audit Department to enhance accuracy. We are dedicated to enhancing processes for standardising data collected across our operations and implementing robust data collection mechanisms to address challenges associated with Engtex's operations in various locations within Malaysia.

The assurance provided by the Group Internal Audit covered part of this Report and focused on the accuracy, completeness and computation of sustainability data collection during the period from 1 January 2025 to 31 December 2025 (FY2025) for the following sustainability indicators:

- Number of employee and contract employee
- Percentage of employees by gender and age by employee category
- Percentage of directors by gender and age
- Percentage of new hire and turnover rate
- Total electricity consumption
- Number of work-related fatalities
- Lost Time Injury Frequency Rate ("LTIFR")
- Number of training hours by employee category

The audit provided limited assurance that the sustainability data presented in this Report was consistent with internal records as an information source and was not materially misstated. In addition, the audit provided recommendation to Management to improve the sustainability data collection.

The Group did not seek external assurance for this reporting period but is considering third-party verification for future reports. This Report was prepared by the Engtex's Group Management Sustainability Committee ("GMSC") and has been reviewed and approved by the Board of Directors.

Feedback

Engtex always value the feedback and views of all or stakeholders to better understand their needs and concerns. As such, as part of our transparency efforts, we encourage all types of inquiries and questions to be forwarded, and we will try our utmost best to review and provide our replies to the best of our abilities. Kindly submit all feedback to:

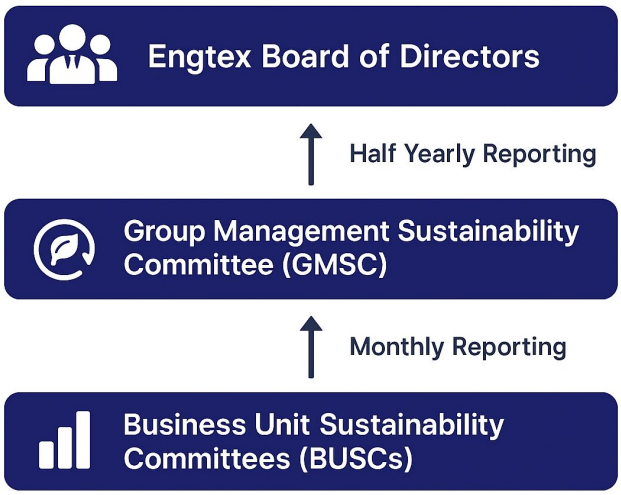
Ms Ng Koi Lin
Chief Sustainability Officer, Engtex
E-mail: koilin@engtex.com.my

SUSTAINABILITY GOVERNANCE

Engtex has established a sustainability governance framework, structure, policies and practices to integrate sustainability principles into our operations, decision making and business strategies. Our Board of Directors maintains oversight on all significant sustainability related matters while the GMSC is entrusted to execute sustainability related strategies and initiatives as well as monitoring performance and progresses. The GMSC is headed by our Chief Sustainability Officer and its members consist of senior management personnel. Respective Business Unit Sustainability Committees ("BUSCs") are formed at the business unit level to undertake their sustainability actions and programmes and report to GMSC regularly.

Our governance framework also encompasses various policies and guidelines aimed at ensuring ethical conduct, transparency and accountability. These includes:

- Board Charter
- Code of Ethics & Conduct
- Sustainability Policy
- Climate Change Policy
- Whistleblowing Policy
- Investor Relations & Communication Policy
- Anti-bribery & Anti-corruption Policy
- Anti-fraud Policy
- Child Labour & Forced Labour Policy
- Diversity & Inclusion Policy
- Succession Planning Policy



Engtex integrates sustainability considerations into its business decisions by embedding environmental, social, and governance factors into its operational planning, risk management, and investment evaluation processes. The Group takes into account regulatory requirements, operational efficiency, product quality, occupational safety, and stakeholder expectations when making strategic and day-to-day decisions. Through Board and management oversight, sustainability is considered alongside financial performance to support responsible growth, manage risks, and enhance long-term value creation for stakeholders.

The Group is also committed to conducting its business with high standards of ethics, integrity, and compliance. The Group upholds ethical behaviour through above-mentioned established policies, procedures, and internal controls that promote transparency, accountability, and responsible decision making across its operations. Compliance with applicable laws, regulations, and industry requirements forms a fundamental part of Engtex's governance framework, supported by ongoing oversight from the Board and management. Through these measures, the Group seeks to maintain stakeholder trust, mitigate risks, and uphold ethical business conduct.

OUR APPROACHES TO SUSTAINABILITY

Our Sustainability Goals

Engtex's sustainability roadmap is anchored by three distinct yet interconnected goals. These pillars represent our commitment to not only mitigating our impact but actively creating value by empowering our people, protecting our planet, and uplifting our standards of operation. By integrating these objectives into our core business strategy, we aim to build an organisation that is resilient, inclusive, and future-ready.

Goal 1: Fostering Education and Gender Equality

Building an Inclusive and Skilled Future

Engtex is dedicated to fostering education and gender equality as part of its social responsibility initiatives. The Group empowers employees through training and development programs, ensuring they thrive in a rapidly evolving industry. Additionally, Engtex supports schools by funding education quality improvements, infrastructure enhancements, and aid for underprivileged students.

Commitment to gender equality is reflected in inclusive hiring practices, leadership development for all genders, and equal career progression opportunities. These efforts are strengthened through continuous stakeholder engagement, promoting fairness and inclusivity across operations.

Goal 2: Transitioning to Low-Carbon Sustainable Manufacturing

Stewardship of Our Environment

Engtex aims to transition to low-carbon sustainable manufacturing by adopting energy-efficient processes and renewable energy to reduce its carbon footprint. Key initiatives include solar energy investments, process optimisation, and sustainable sourcing to minimise environmental impact. The Group also promotes waste reduction and circular economy principles, aligning production with environmental best practices. Through collaboration with suppliers and industry partners, Engtex drives innovation in sustainable manufacturing while meeting regulatory, investor, and customer expectations.

Goal 3: Developing a Safe, Healthy and Dignified Workforce

Prioritising Human Rights and Well-Being

The safety, health, and dignity of our workforce remain a top priority at Engtex. Our comprehensive occupational health and safety programmes include regular risk assessments, safety drills, and proactive hazard reporting to ensure a secure working environment. Furthermore, we uphold human rights principles by implementing policies against child labour and forced labour, discrimination, and workplace harassment. These measures reinforce our commitment to ethical employment practices, ensuring that every employee experiences a respectful and supportive work environment.

By integrating these three goals into our sustainability strategy, Engtex is making significant strides toward a more responsible and resilient business model. We remain committed to continuous improvement, stakeholder collaboration, and transparent reporting. Together, we can create a sustainable future where businesses thrive while upholding their social and environmental responsibilities.

Alignment With United Nations Sustainable Development Goals ("UNSDGs")

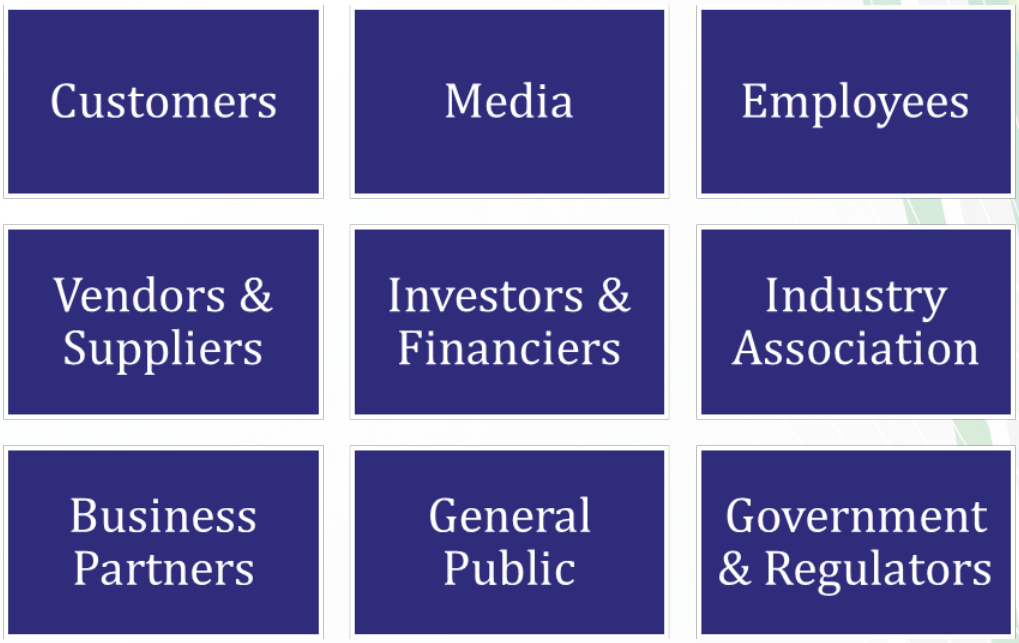
Engtex aligns its business practices with certain selected relevant UNSDGs through its 3 goals.

Goal	UNSDGs	Achievements	Plans
Goal 1: Fostering Education and Gender Equality		• > 35% female directors • > 11,000 training hours in 2025. • Practise equal employment opportunities. • Prohibit sexual harassment at workplace.	• Take in interns to provide training opportunities and work experience for young people.
Goal 2: Transitioning to Low-Carbon Sustainable Manufacturing		• Installed solar panels at 7 locations as transition to green energy. • Increase in waste recycling thereby diverting waste from landfills. • Usage of scrap metals as production raw materials and recycled fuel oil for heating purposes, thereby conserving natural resources, contributing to circular economy, and reducing greenhouse gas emissions. • Adoption of Electric Arc Furnace as a more energy efficient and lower carbon emission method of steel production. • Installed rainwater harvesting facilities to reduce usage of municipal water. • Conducted energy audit, implementation of viable recommendations to improve energy efficiencies.	• Install solar panels in more locations. • Monitor progress in reduction in waste generation and waste diversion from landfill. • Monitor reduction in water usage. • Continuously exploring options to improve in energy efficiencies and optimisation.
Goal 3: Developing a Safe, Healthy, and Dignified Workforce		• Conducted Fire Safety Trainings for employees. • Established Health & Safety Committee to monitor and implement safety protocols encompassing safety procedures and equipment. • Achieved zero work related fatality case in past 3 years.	• Maintain zero work related fatality case. • Monitor and improve in Loss Time Injury Frequency Rate ("LTIFR").

STAKEHOLDER ENGAGEMENT

At Engtex, we recognise that sustainable value creation is a collective endeavour. Our approach to stakeholder engagement is grounded in the belief that understanding the diverse needs and expectations of those we affect and those who affect us, is crucial for long-term resilience. We maintain active, two-way channels of communication with a broad spectrum of stakeholders, ranging from shareholders and employees to local communities and regulatory bodies.

We see engagement not as a one-time effort, but as a continuous conversation. By actively listening to concerns, taking legislative requirements into account, and upholding human rights, we align our business strategies with both market realities and societal expectations. Our engagement framework is structured to ensure that every key stakeholder group has a voice:



Stakeholder Group	Engagement Method	Frequency	Key Concerns	Resolution Strategies
Customers	• Awareness Campaigns • Direct Communication • Promotions • Exhibitions	Continuously	• Product Reliability • Delivery Delays • Pricing • Customer Satisfactions	• Quality Control • Competitive Pricing • Assurance Initiatives • After Sales Service
Media	• Print & Digital Platforms • Press Briefings	Continuously	• Corporate Performance • Public Misconceptions	• Media Engagement • Public Statements • Communication Campaigns
Employees	• Workshops • Training • Performance Review	Continuously	• Job Security • Benefits • Workplace Safety	• Employee Engagement • Safety Initiatives • Training Programmes

Stakeholder Group	Engagement Method	Frequency	Key Concerns	Resolution Strategies
Vendors & Suppliers 	• Performance Assessments • Compliance Training	Continuously	• Regulatory Compliance • Pricing • Cost Effectiveness • Worker Safety	• Safety Audits • Ongoing Communication • Environmental & Safety Policies
Investors & Financiers 	• Reports • Meetings • Financial Briefings	Continuously	• Regulatory Compliance • Financial Sustainability • Risk Management	• Regular Reporting • Strategic Engagements • Diversified Offerings • Corporate Websites
Industry Association 	• Advocacy • Collaboration • Surveys	Continuously	• Material Costs • Regulatory Impacts • Policy Changes	• Procurement Innovations • Industry Collaboration for Favourable Policies
Business Partners 	• Meetings • Contract Discussions • Evaluations	As needed	• Financial Transactions • Contracts • Ethical Practices	• Audits • Digital Procurement • Performance Benchmarking
General Public 	• Public Forums • Outreach Programmes	As needed	• Environmental Impact	• Conservation Efforts • Transparent Reporting
Government & Regulators 	• Compliance Monitoring • Consultations	Continuously	• Customer Protection • Regulatory Adherence	• Regular Compliance Checks • Legal Assessments

MATERIALITY ASSESSMENT

Prioritising Material Issues

At Engtex, we recognise that effective sustainability management requires a focused and structured approach. To create long-term sustainable value, we prioritise ESG matters that are most significant to our business performance, operational continuity, and key stakeholders. Our materiality assessment serves as a core component of this process, providing a clear framework to identify and evaluate the sustainability-related risks and opportunities that influence our resilience, strategic direction, and responsibility as a corporate group.

1. Identification of Material Matters

Engtex periodically conducts a structured materiality assessment to identify sustainability matters that are most relevant to the Group's long-term value creation and stakeholder expectations. The assessment considers both the Group's impacts on the economy, environment and society, as well as ESG-related risks and opportunities affecting business performance. Inputs are obtained through stakeholder engagements, management reviews, regulatory references, industry trends and peer benchmarking. The assessment is guided by the Sustainability Accounting Standards Board ("SASB") Industry Standards.

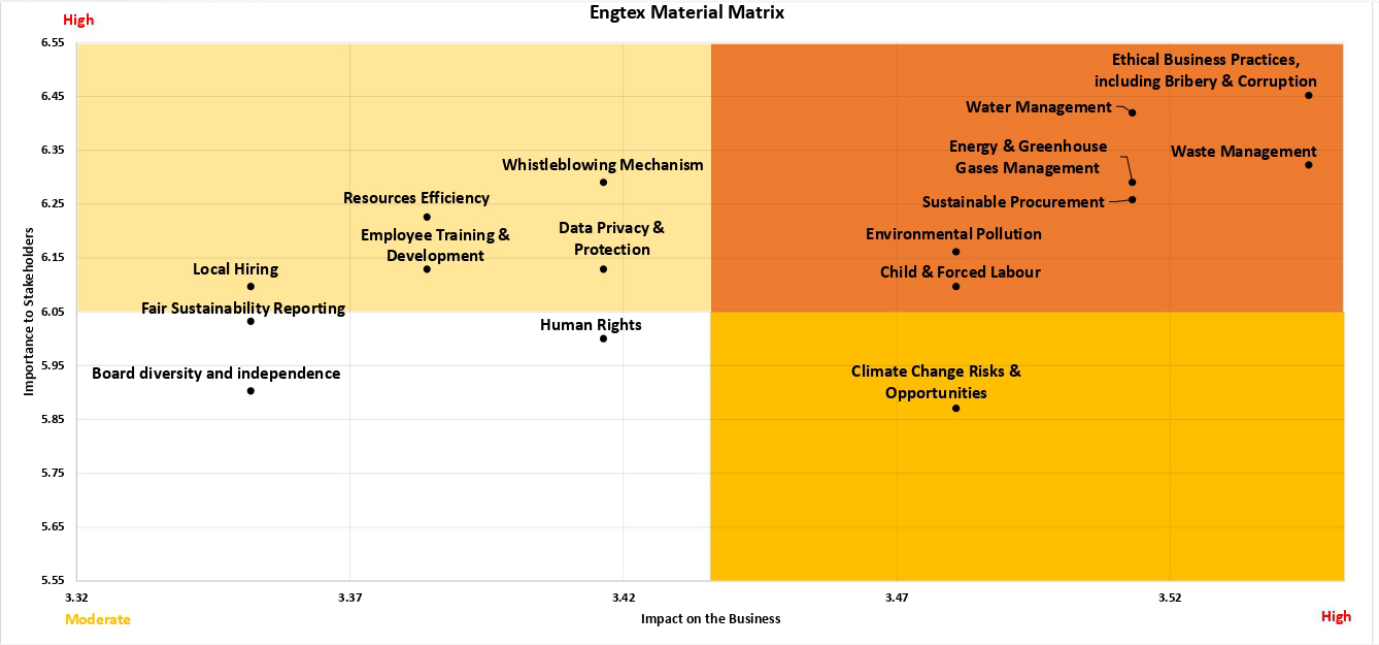
2. Prioritisation

Material matters are prioritised in line with Bursa Securities' Sustainability Reporting Guide, based on their significance to the Group's economic performance, environmental and social impacts, and influence on stakeholder decision-making. The prioritisation incorporates stakeholder feedback, internal risk assessments, regulatory requirements and industry-specific considerations, and is reviewed by the Group Management Sustainability Committee ("GMSC") to ensure alignment with business strategy and risk management priorities.

3. Validation and Reporting

The prioritised material matters form the basis of the Group's sustainability disclosures. The materiality matrix is presented to the Board of Directors for review and endorsement, ensuring appropriate governance oversight and alignment with stakeholder expectations and strategic priorities.

Material Matters



Material Matters	Description	Priority Level
Environmental Factors		
Energy & Greenhouse Gases Management	Initiatives aimed at optimising energy consumption across manufacturing facilities and offices, including the integration of renewable energy sources to reduce carbon intensity and operational costs.	High
Water Management	Responsible stewardship of water resources through efficient withdrawal and consumption practices, alongside the rigorous treatment of wastewater to protect local water bodies and ecosystems.	High
Environmental Pollution	Strategies to monitor, control, and minimise greenhouse gas (“GHG”) emissions and air pollutants arising from production processes to contribute towards climate change mitigation.	High
Waste Management	Implementation of a systematic waste management hierarchy, prioritising reduction, reuse, and recycling to minimise the disposal of industrial by-products and hazardous waste into landfills.	High
Resources Efficiency	Using materials, energy, and water efficiently to reduce waste, lower costs, and minimise environmental impact.	High

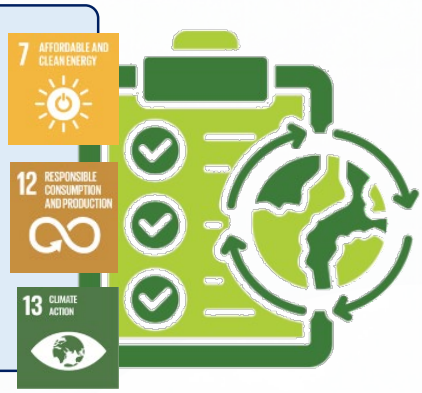
Material Matters	Description	Priority Level
Climate Change Risks & Opportunities	Managing risks from climate change including regulations, extreme weather while exploring opportunities such as energy efficiency and renewable energy.	Moderate
Social Factors		
Local Hiring	Commitment to fair employment practices and the prioritisation of local talent acquisition to support community economic growth and ensure a stable, accessible workforce.	High
Employee Training & Development	Investment in continuous professional development, technical upskilling, and leadership programmes to enhance employee competency and foster long-term career progression.	High
Workplace Health & Safety	Implementation of robust safety management systems to prevent workplace accidents and injuries, fostering a culture of 'Zero Harm' for all employees and contractors.	High
Child & Forced Labour	Absolute prohibition of child labour across all Group operations and the supply chain, enforced through rigorous age verification processes during recruitment.	Moderate
Employee Welfare & Dignity	Zero-tolerance stance against all forms of forced, bonded, or involuntary labour, ensuring that all work is performed voluntarily and without coercion or debt bondage.	High
Human Rights	Upholding the fundamental rights and dignity of every individual, ensuring respectful treatment, decent accommodation standards, and a workplace free from discrimination and harassment.	High
Whistleblowing Mechanism	Providing a safe and confidential channel for employees and stakeholders to report misconduct or unethical behaviour.	High
Governance Factors		
Compliance with Laws & Regulations	Ensuring all operations follow applicable laws, regulations, and industry standards to avoid legal and reputational risks.	High
Ethical Business Practices (including Bribery & Corruption)	Upholding the highest standards of integrity through the strict enforcement of the Anti-bribery and Anti-Corruption Policy to prevent fraud, bribery, and unethical conduct.	High

Material Matters	Description	Priority Level
Data Privacy & Protection	Safeguarding personal and business data from unauthorised access, misuse, or breaches.	High
Board Diversity and Independence	Maintaining a balanced Board with diverse backgrounds and independent members to ensure objective decision-making.	Moderate
Fair Sustainability Reporting	Providing accurate, transparent, and reliable ESG disclosures to stakeholders.	Moderate
Sustainable Procurement	Sourcing materials and services responsibly by considering environmental and social impacts within the supply chain.	Moderate

ENVIRONMENTAL SUSTAINABILITY

Environmental Sustainability Overview

The Group's environmental strategy focuses on reducing GHG emissions, optimising energy and resource efficiency, managing environmental risks, and strengthening operational resilience against climate related impacts. These efforts are aligned with the Group's sustainability Goal 2: Transitioning to Low Carbon Sustainable Manufacturing, and contribute to the UNSDGs, particularly SDG 7 (Affordable and Clean Energy), SDG 12 (Responsible Consumption and Production) and SDG 13 (Climate Action).



Climate Strategy and Risk Management

Engtex integrates climate considerations into its business strategy to enhance resilience, drive efficiency and support long-term value creation. The Group has committed to achieving **Carbon Neutrality greenhouse gas emissions by 2050**, in alignment with Malaysia's National Energy Transition Roadmap ("NETR"). This commitment is supported by initiatives focused on energy efficiency, renewable energy adoption, fuel transition, sustainable manufacturing practices and continuous improvement in emissions data management.

Climate Risks and Opportunities

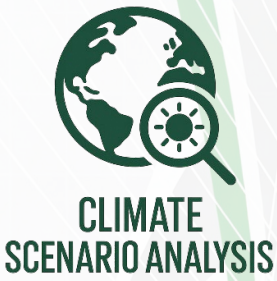
The Group recognises that climate change presents both risks and opportunities. Transition risks may arise from evolving policies, carbon pricing mechanisms, changes in customer preferences, technological advancements and increased stakeholder expectations regarding environmental performance. At the same time, opportunities may emerge through increased demand for lower carbon products, efficiency gains, operational cost savings and enhanced access to green financing.

Physical risks associated with climate change, such as flooding, extreme weather events, sea level rise and prolonged heat stress, may also affect operations, assets and workforce safety. These risks are systematically assessed and managed through the Group's climate risk framework.

Climate Scenario Analysis

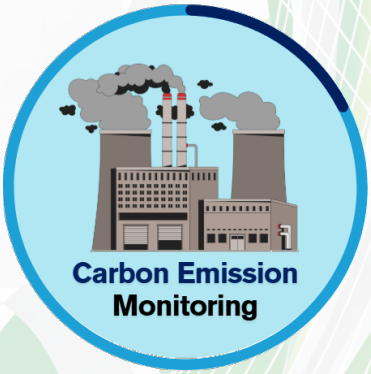
Engtex conducts climate scenario analysis in line with the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") and the requirements of IFRS S2. The Group has assessed both physical and transition risks using scenarios aligned with the Intergovernmental Panel on Climate Change ("IPCC"), including the **SSP5-8.5** pathway.

Physical risk assessments focus on flooding, sea level rise and heat stress, which represent the most relevant climate-related hazards to the Group's operating locations. Financial exposure thresholds, assumptions and recovery scenarios are applied consistently across sites to identify material risks, inform mitigation planning and prioritise resilience-building investments.



Emissions Overview

Engtex measures and manages its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol, covering Scope 1 (direct emissions), Scope 2 (indirect emissions from purchased electricity) and selected Scope 3 emissions where data is available. Emissions performance is monitored across all major divisions to support emissions reduction planning and performance benchmarking.



Scope 1 & 2 Emissions

Scope 1 emissions mainly originate from the combustion of natural gas and recycled fuel oil for process heating in manufacturing operations, as well as petrol and diesel usage from company-owned vehicles and material handling equipment. The Group manages these emissions through improved production planning, minimising rework and material wastage, optimising fuel consumption, implementing regular preventive maintenance, and progressively adopting lower-carbon fuel alternatives.

Snapshot of Scope 1 Sources

Source of Emission:
Natural Gas Combustion
Process:
Annealing of Ductile Iron Pipes

Source of Emission:
Recycle Fuel Oil Combustion
Process:
Hot Rolling of Steel billet into Wire Rod

Scope 2 emissions arise from electricity purchased from grid operators to power the Group's manufacturing facilities and distribution operations. Manufacturing activities account for the majority of electricity consumption. To reduce reliance on grid electricity and lower associated emissions, Engtex has invested in on-site solar photovoltaic ("PV") systems at selected operational sites.

Snapshot of Scope 2 Sources

Source of Emission:
Pipe Casting Machine
Process:
Casting of DI Pipes

Source of Emission:
Electric Furnace
Process:
Preparing Molten Iron

Source of Emission:
Various Industrial Machines
Process:
Spooling, Cutting and Welding of Wire Rods into Wire Mesh

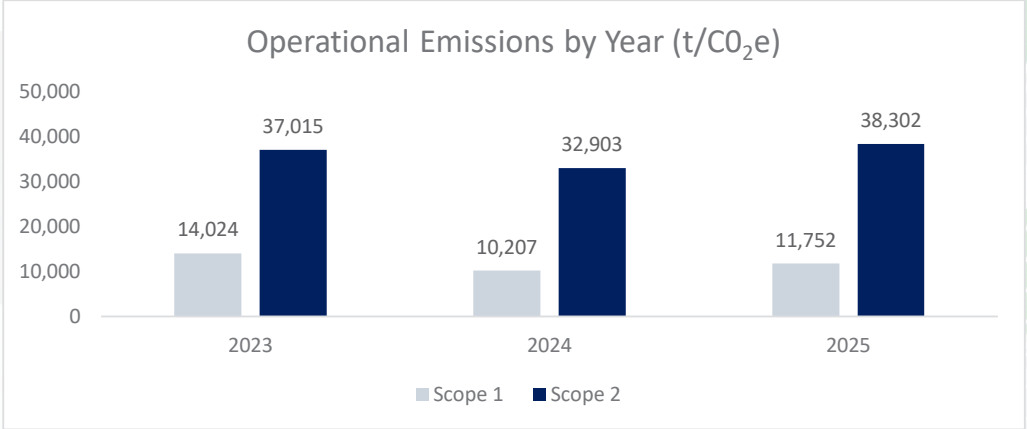
CARBON EMISSION	Scope 1 t/CO2e			Scope 2 t/CO2e		
Financial Year	2025	2024	2023	2025	2024	2023
Manufacturing - Pipes Division	5,445	4,292	5,747	21,968	18,441	20,447
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	5,317	4,815	7,426	14,288	12,163	14,284
Manufacturing - Others Division	83	88	72	1,470	1,478	1,654
Wholesale and Distribution Division	907	1,012	779	576	821	630
Total Operational GHG Emissions	11,752	10,207	14,024	38,302	32,903	37,015

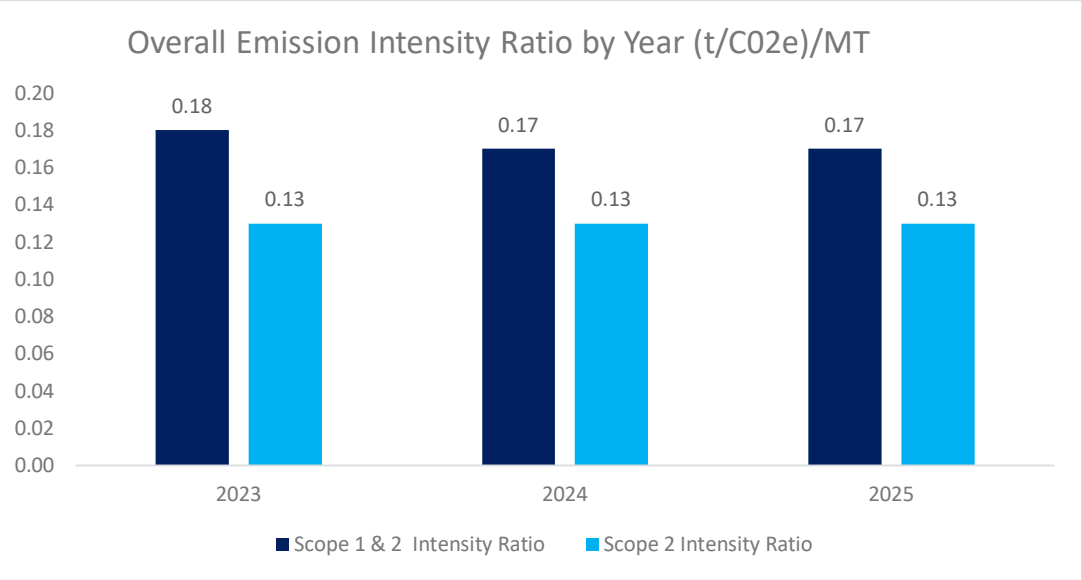
INTENSITY RATIO	Scope 1 & 2 (t/CO2e)/MT			Scope 2 (t/CO2e)/MT		
Financial Year	2025	2024	2023	2025	2024	2023
Manufacturing - Pipes Division	0.28	0.27	0.33	0.22	0.22	0.26
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	0.11	0.12	0.14	0.08	0.08	0.09
Manufacturing - Others Division	0.14	0.09	0.06	0.13	0.08	0.05
Overall Intensity	0.17	0.17	0.18	0.13	0.13	0.13

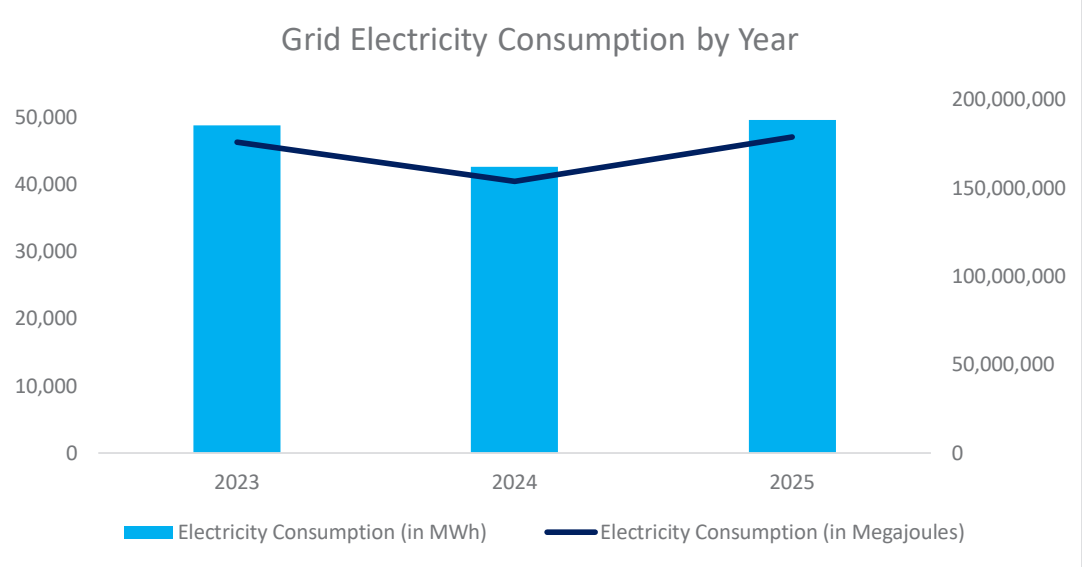
The overall emission intensity for Scope 1 and 2 is maintained between FY2024 and FY2025. Despite solar photovoltaic ("PV") systems were progressively commissioned at various sites during FY2025, their partial-year utilisation did not materially impact on the emission intensity for the year. The full impact of the PV systems on emission intensity ratios is expected to be more evident in subsequent years.

ELECTRICITY COMSUMPTION	Electricity Consumption MWh			Electricity Consumption Megajoules		
Financial Year	2025	2024	2023	2025	2024	2023
Manufacturing - Pipes Division	28,382	23,825	26,975	102,175,200	85,770,000	97,110,000
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	18,627	15,888	18,844	67,057,200	57,196,800	67,838,400
Manufacturing - Others Division	1,899	1,910	2,182	6,836,400	6,876,000	7,855,200
Wholesale and Distribution Division	745	1,061	831	2,682,000	3,819,600	2,991,600
Grand Total	49,653	42,684	48,832	178,750,800	153,662,400	175,795,200

1. *Scope 2 Grid Emission Factors are 0.774 for peninsular Malaysia and 0.525 for East Malaysia. Source: https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b 2.*
2. *The conversion for Megajoule is 1 kwh to 3.6 Megajoules.*
3. *No Carbon Intensity calculation for Wholesale & Distribution Division due to lack of suitable common output or activity level for a wide range of products or activities to derive a meaningful ratio.*



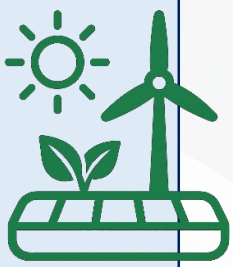




Renewable Energy and Emissions Avoidance

During the reporting year, the Group's on-site solar photovoltaic ("PV") systems generated 2,744,031 kWh of renewable energy. Of this, 2,206,479 kWh was utilised for internal operations, directly reducing grid electricity consumption and the Group's Scope 2 emissions, while the remaining 537,552 kWh was exported to the national grid, contributing to wider emissions avoidance at a system level.

In parallel, off-site solar PV systems installed at third parties' premises via Power Purchase Agreements ("PPA") generated 3,249,642 kWh of renewable electricity in FY2025 (FY2024: 914,794 kWh). Electricity generated from these installations replaced conventional grid electricity consumption at these locations, thereby reducing indirect carbon emissions beyond the Group's own operational boundary.



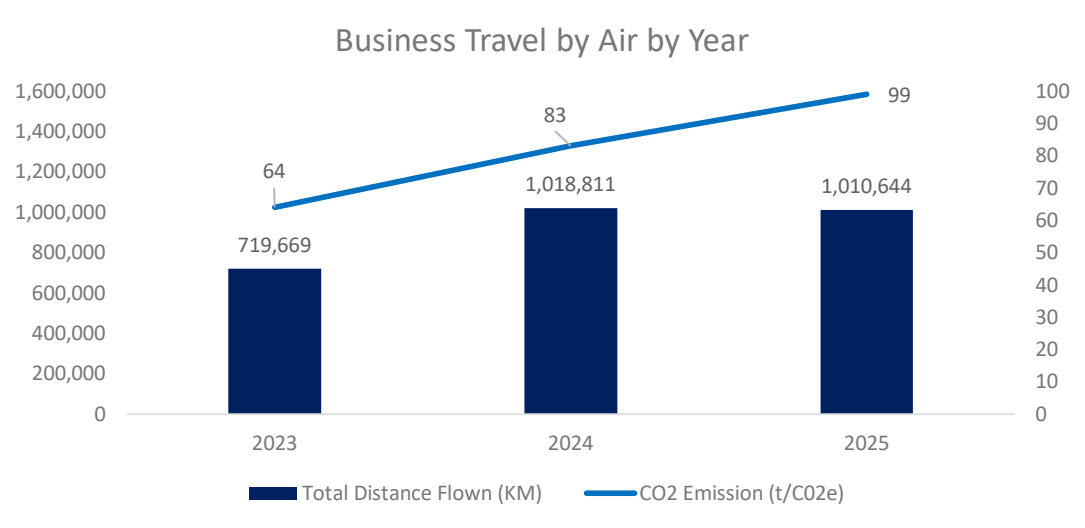
Collectively, electricity generated from both on-site and off-site solar PV systems resulted in an estimated avoidance of approximately 4,639 tonnes of carbon dioxide (t/CO_2) during the year (FY2024: 708 t/CO_2).

These initiatives highlight the Group's integrated approach to expanding renewable energy adoption, lowering Scope 2 emissions, and supporting national decarbonisation efforts.

Engtex's Off-site Solar PV Installations

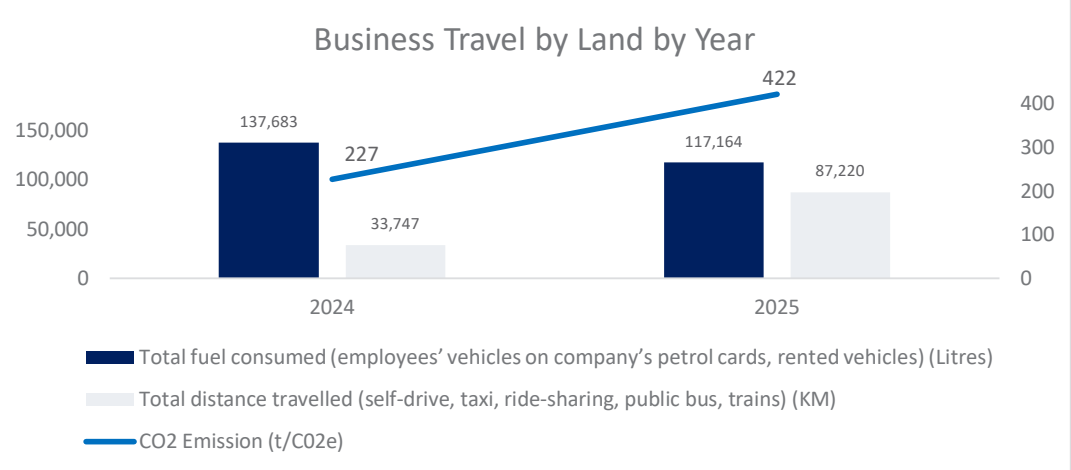
Scope 3 Emissions

Scope 3 emissions comprise indirect value chain emissions not directly controlled by the Group and are currently reported on a limited basis. At this stage, disclosures cover business travel and employee commuting, where data availability and calculation methods are more established. The Group recognises that Scope 3 emissions extend beyond these categories and will progressively expand coverage as data quality, supplier engagement and methodological readiness improve. Efforts to enhance data collection and manage Scope 3 emissions include increased digital meetings, improved expense claim processes and promoting more efficient commuting practices.



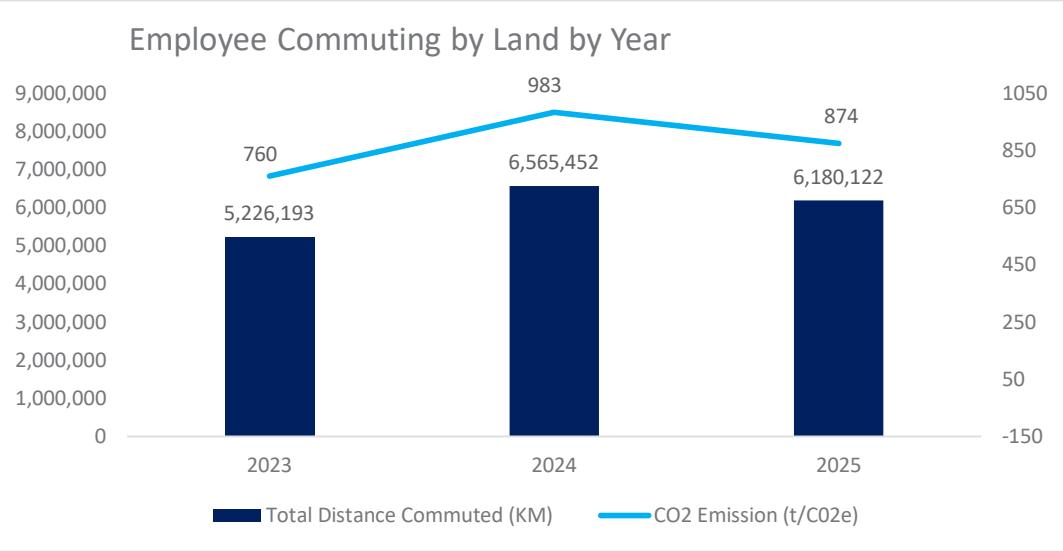
BUSINESS TRAVEL BY AIR	UNIT	2025	2024	2023
Total Distance Flown	**KM**	**1,010,644**	**1,018,811**	**719,669**
CO_2 Emission	**t/CO_2e**	**99**	**83**	**64**

Business travel by air in Engtex consists of domestic and overseas flights related to our commercial and regulatory activities (product certifications) and our migrant workers traveling to and from their respective home countries in connection with employment.



BUSINESS TRAVEL BY LAND	UNIT	2025	2024	2023
Total fuel consumed (employees' vehicles on company's petrol cards, rented vehicles)	Litre	117,164	137,683	N/A
Total distance travelled (self-drive, taxi, ride-sharing, public bus, trains)	KM	87,220	33,747	N/A
CO_2 Emission	t/CO_2e	422	227	N/A

In 2025, total fuel consumption from employees' vehicles and rented vehicles amounted to 117,164 litres, compared with 137,683 litres in 2024. The total distance travelled across all land-based transport modes increased to 87,220 kilometres in 2025, up from 33,747 kilometres in 2024. As a result of travel activities during the year, carbon emissions from business travel by land were recorded at 422 tonnes of CO_2e in 2025, compared with 227 tonnes of CO_2e in 2024.



EMPLOYEES COMMUTING	UNIT	2025	2024	2023
Total Distance Commuted	KM	6,180,122	6,565,452	5,226,193
CO_2 Emission	t/CO_2e	874	983	760

We have collected data on employees commuting to and from work based on their respective working days, modes of commuting, and distance between home and work. Engtex acknowledges the impact of GHG emissions from employee commuting and encourage sustainable commuting options such as carpooling and public transport.

Resource Efficiency

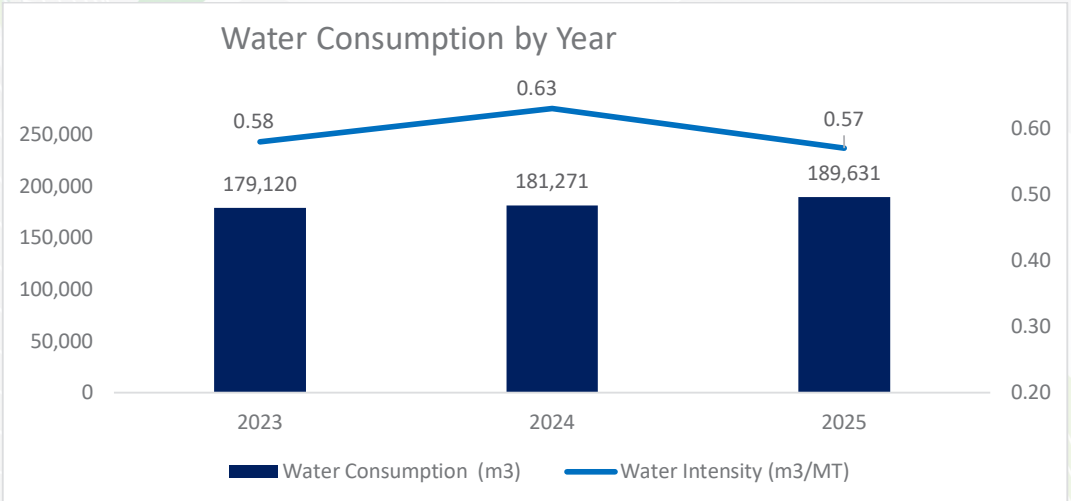
Energy Efficiency and Circular Economy

Engtex emphasises resource efficiency as a key pillar of its environmental strategy. Manufacturing operations incorporate process optimisation, energy-efficient technologies and the use of recycled raw materials, including scrap metals, to reduce resource consumption and emissions. The adoption of Electric Arc Furnace technology and the reuse of scrap materials contribute to circular economy principles and lower lifecycle environmental impact.

Water Management and Effluents

Water is primarily used for manufacturing processes, equipment cleaning, utilities and domestic purposes. The Group sources water mainly from municipal supply and manage consumption through operational controls, preventive maintenance and employee awareness programmes. Rainwater harvesting systems have been installed at selected locations to reduce dependence on treated water.

Wastewater generated from operations is treated prior to discharge in compliance with applicable regulatory requirements. The Group reports no material water-related non-compliance incidents during the reporting year and currently operates in areas assessed as having low water stress.



WATER MANAGEMENT	Water Consumption (m^3)			Water Intensity (m^3/MT)		
Financial Year	2025	2024	2023	2025	2024	2023
Manufacturing - Pipes Division	91,665	86,391	89,763	0.93	1.04	1.12
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	65,115	62,935	57,690	0.36	0.43	0.36
Manufacturing - Others Division	4,689	6,765	9,152	0.67	0.37	0.30
Wholesale and Distribution Division	28,162	25,180	22,515	N/A	N/A	N/A
Overall Water Consumption / Intensity	189,631	181,271	179,120	0.57	0.63	0.58

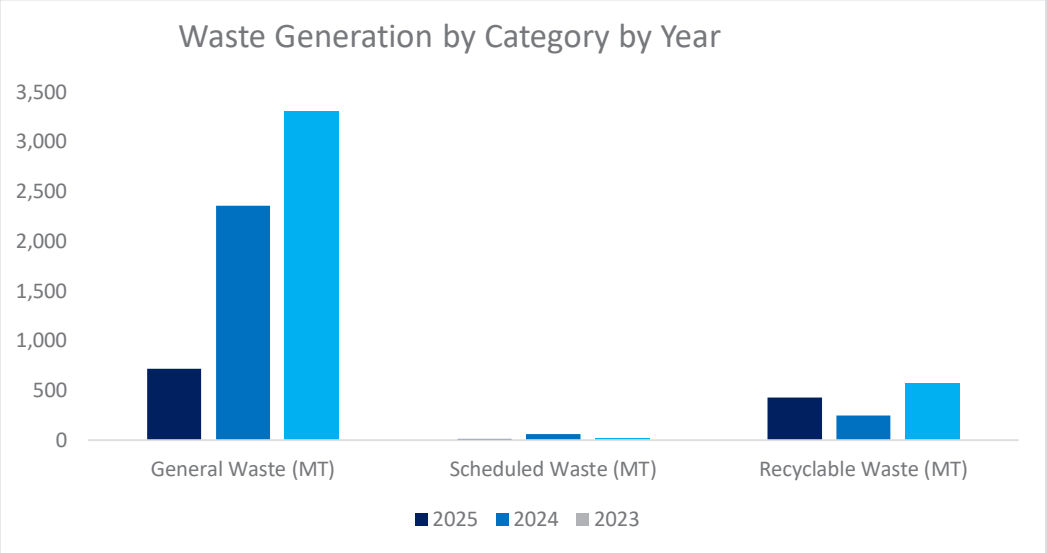
Overall water intensity ratio improved from 0.63 in 2024 to 0.57 in 2025 as a result of optimised water management system and processes.

Waste Management

Engtex manages its waste in accordance with applicable environmental regulations and the waste hierarchy of **reduce, reuse and recycle**. Waste streams include both non-hazardous and hazardous (scheduled) waste. Recyclable materials such as papers, plastic, metals, electronic items are segregated and sent to licensed recyclers, suitable metal scraps are reused as raw materials in production processes, while scheduled waste is handled and disposed of by approved contractors.

In the absence of complete downstream waste treatment data for municipal waste, the Group applies conservative assumptions for reporting purposes. During the year, Engtex's estimated recycling rate improved compared with prior years, reflecting enhanced waste segregation practices and increased recovery of recyclable materials.

For general non-hazardous waste collected by **municipal or local authority contractors**, where downstream treatment data is not available, the Group applies a **conservative reporting assumption** that **82% is disposed of at landfills and 18% is recovered or recycled**, based on prevailing national waste management practices. This assumption is used solely for reporting purposes.



WASTE DATA SUMMARY	Recycled/ Recovery	Landfill	Total		
Financial Year	2025	2025	2025	2024	2023
Waste Category	MT	MT	MT	MT	MT
General Waste	157.4	717.3	874.7	2,355.6	3,309.5
Scheduled Waste	31.7	15.2	46.9	61.9	21.3
Recyclable Waste	238.9	-	238.9	248.5	568.4
Total	428.0	732.5	1,160.5	2,660.0	3,899.2
		Recycling Rate	36.9%	9.3%	14.6%

Physical Climate Risk and Resilience

Flood Risk

Flooding represents the most significant acute physical climate risk to certain operational locations. Engtex has conducted detailed flood risk assessments using forward-looking climate scenarios. Mitigation measures implemented at higher-risk sites include improvements to drainage systems, elevation of sensitive equipment, installation of pumping systems, and enhanced emergency response planning. Continuous monitoring of rainfall and river levels supports early warning and timely activation of business continuity plans.

Sea Level Rise

Sea level rise assessments indicate that the majority of the Group's facilities are located sufficiently inland and at elevations that significantly reduce exposure to coastal inundation risks in the short to medium term. Based on current projections and site characteristics, sea level rise is not assessed to be a material risk to the Group's operations.

Heat Stress

Engtex assesses heat stress risks by integrating regional climate data with climate scenario projections. Potential impacts include increased cooling costs, reduced workforce productivity and health-related risks. Mitigation strategies include engineering controls, work scheduling adjustments, hydration measures, employee training and acclimatisation programmes to safeguard workforce wellbeing.

Environmental Compliance and Certifications

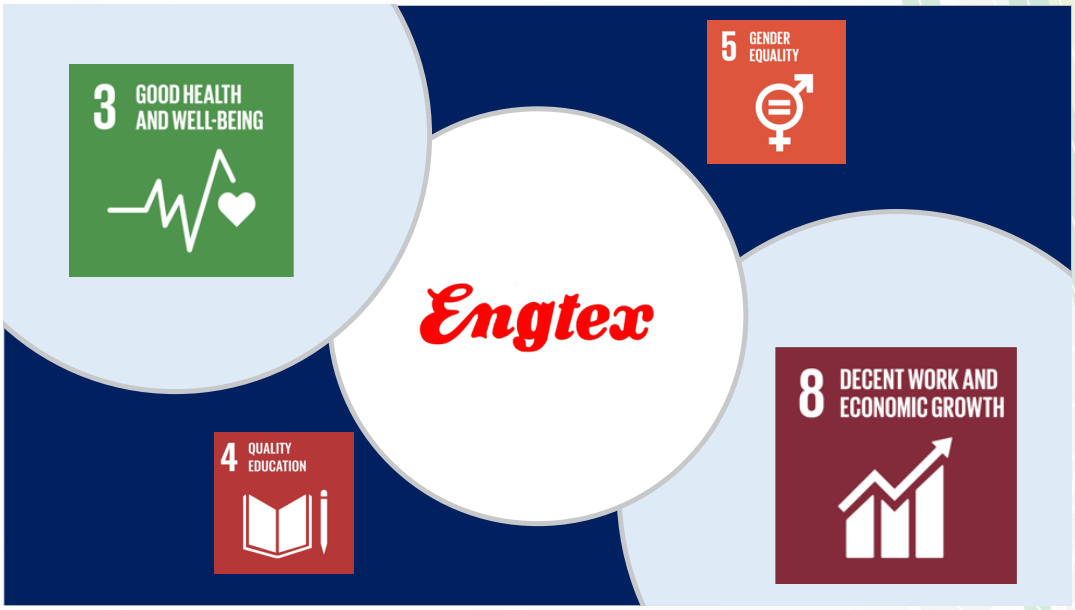
The Group maintains compliance with applicable environmental laws and regulations and has implemented recognised management systems and certifications to strengthen environmental performance. Key certifications obtained across selected operations include **ISO 14001 Environmental Management Systems**, **SIRIM Eco-Label** and **Green Label certifications**, reflecting the Group's commitment to responsible manufacturing and continuous improvement.

SOCIAL SUSTAINABILITY

Social Sustainability Overview

Engtex recognises that its people, communities and business partners are critical to the Group's long-term success. As a labour-intensive industrial and distribution group, Engtex is committed to fostering a safe, inclusive and respectful workplace, upholding human rights, and contributing positively to the communities in which it operates.

The Group's social sustainability approach is guided by Goal 1: Fostering Education and Gender Equality and Goal 3: Developing a Safe, Healthy and Dignified Workforce, and is aligned with relevant UNSDGs, particularly SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education), SDG 5 (Gender Equality), and SDG 8 (Decent Work and Economic Growth).



Workforce Profile and Employment Practices

Engtex employs a diverse workforce across its manufacturing, wholesale and distribution operations. The Group promotes fair employment practices, equal opportunity, and non-discrimination in recruitment, remuneration and career progression, regardless of gender, age, ethnicity or background.

The Group's employment practices are governed by internal policies and procedures, including the **Code of Ethics and Conduct**, Group Human Resources Policy, Diversity and Inclusion Policy, and Compliance with applicable Malaysian labour laws.

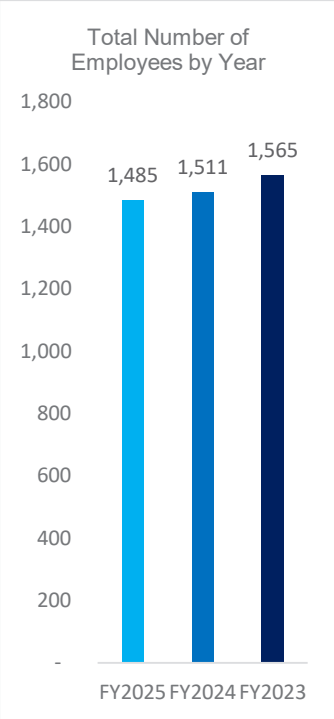
Diversity, Equity and Inclusion

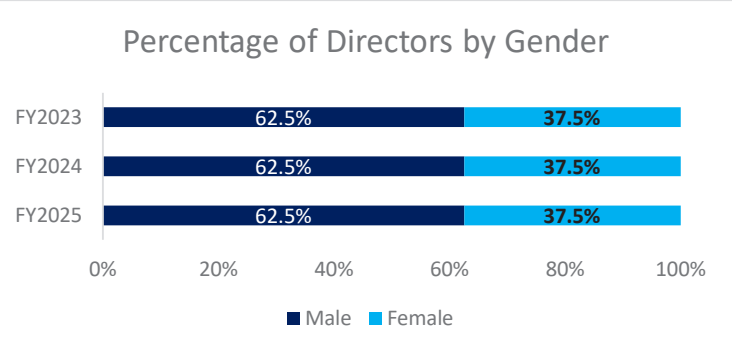
Engtex is committed to fostering a non-discriminatory equal opportunity, inclusive and respectful working environment. Such principles are embedded into hiring practices, leadership development and employee engagement initiatives.

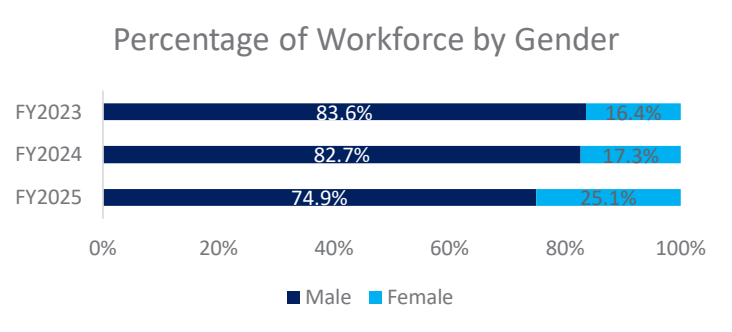
These commitments are reflected in:

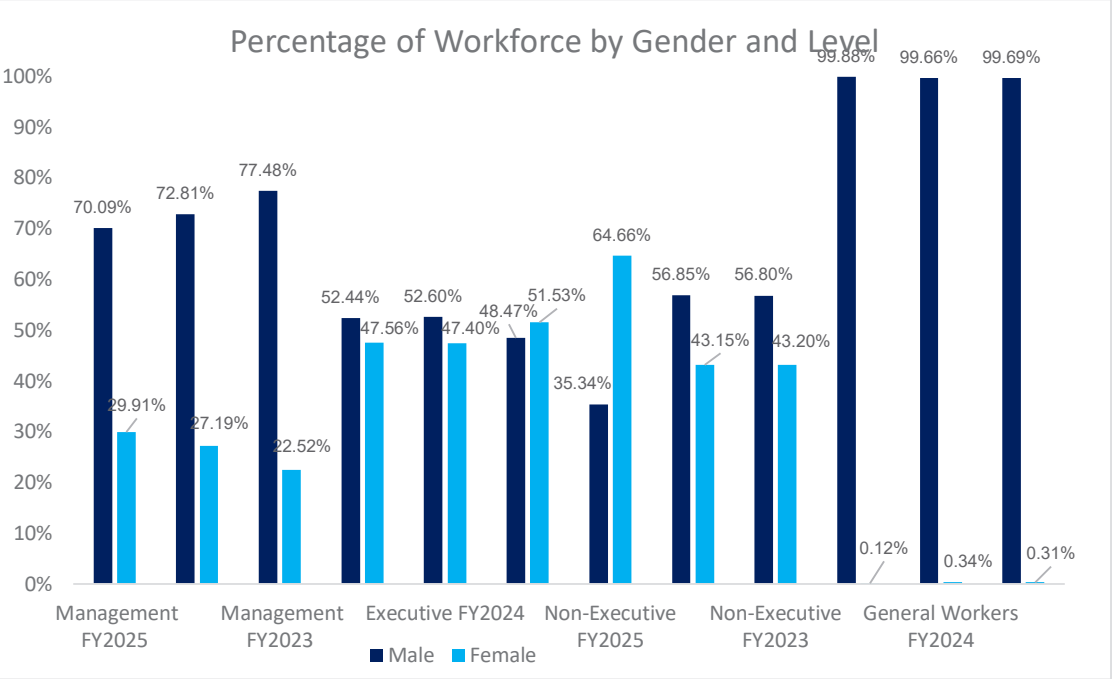
- Inclusive recruitment and promotion practices
- Equal access to training and development opportunities
- Representation of female directors at Board level
- Zero tolerance towards workplace discrimination and harassment

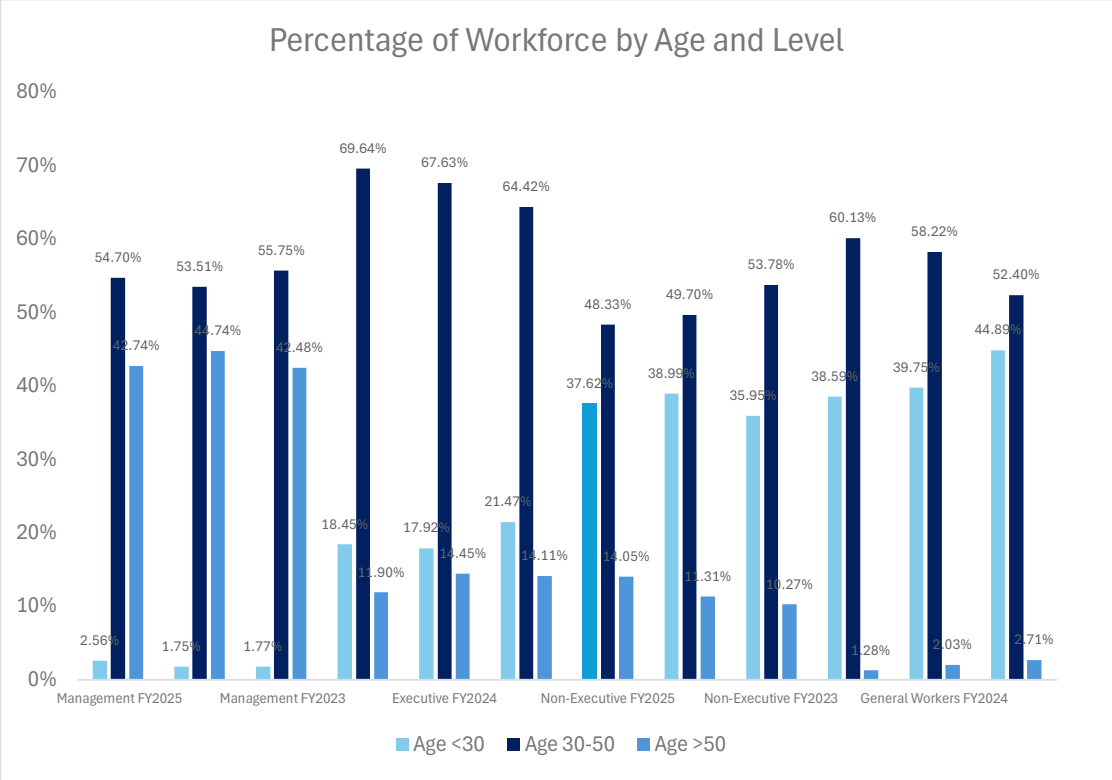
Diversity, Equity and Inclusion

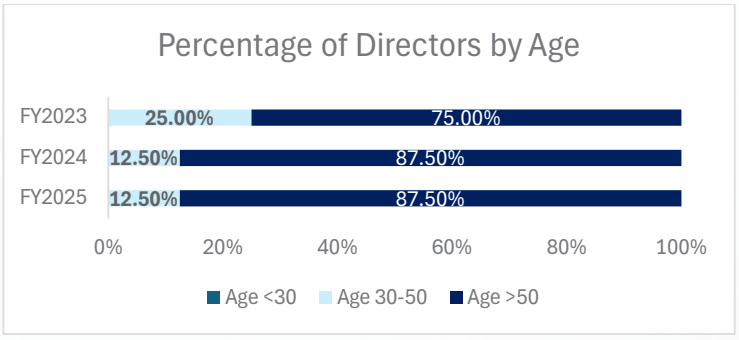


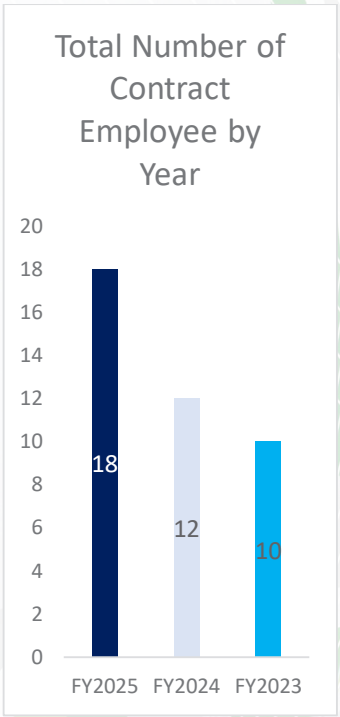


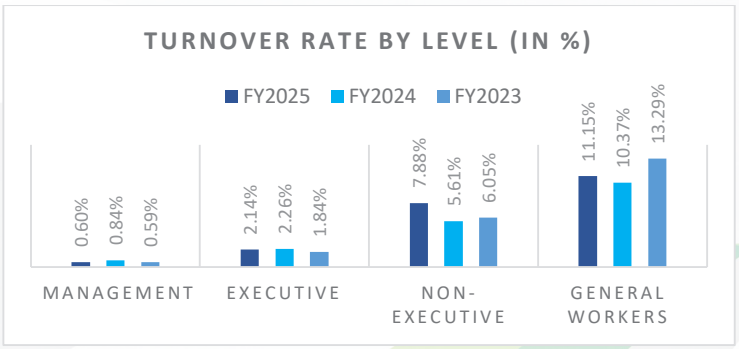


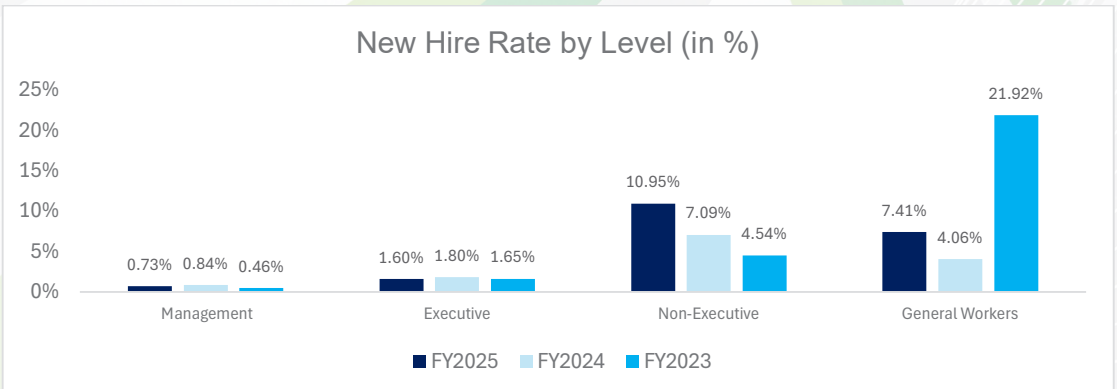



Percentage of Workforce by Age and Level
80%
70%
60%
50%
40%
30%
20%
10%
0%
54.70%
42.74%
2.56%
53.51%
44.74%
1.75%
55.75%
42.48%
1.77%
69.64%
18.45%
11.90%
67.63%
17.92%
14.45%
64.42%
21.47%
14.11%
48.33%
37.62%
14.05%
49.70%
38.99%
11.31%
53.78%
35.95%
10.27%
60.13%
38.59%
1.28%
58.22%
39.75%
2.03%
52.40%
44.89%
2.71%
Management FY2025
Management FY2023
Executive FY2024
Non-Executive FY2025
Non-Executive FY2023
General Workers FY2024
Age <30
Age 30-50
Age >50


Percentage of Directors by Age
FY2023
25.00%
75.00%
FY2024
12.50%
87.50%
FY2025
12.50%
87.50%
0%
20%
40%
60%
80%
100%
Age <30
Age 30-50
Age >50


Total Number of Contract Employee by Year
20
18
16
14
12
10
8
6
4
2
0
18
12
10
FY2025
FY2024
FY2023

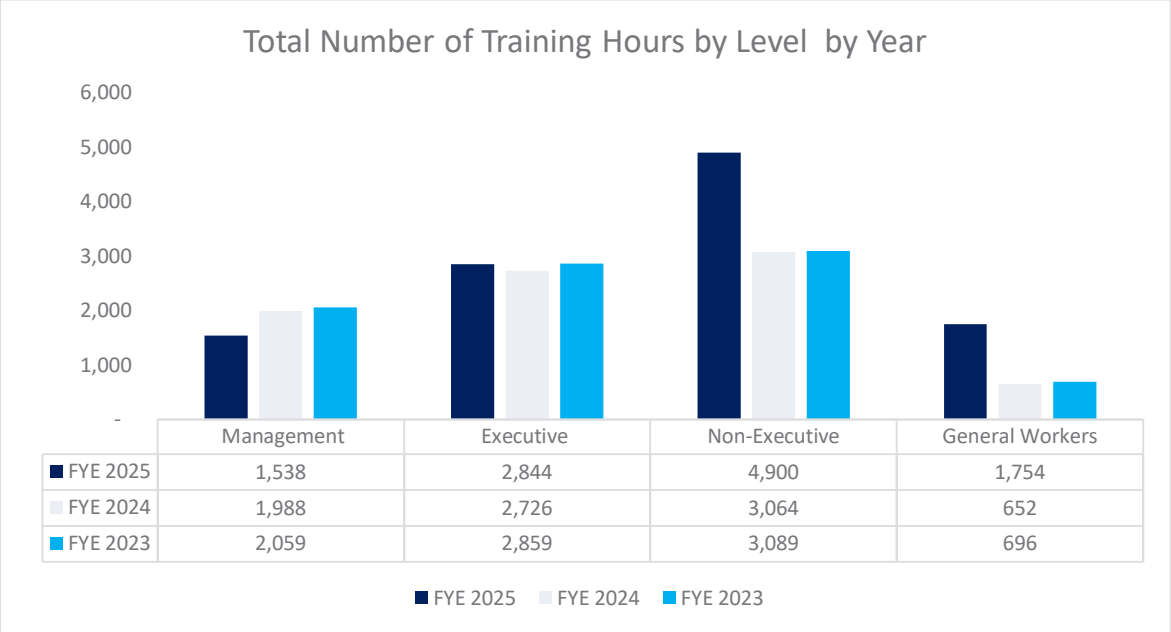

TURNOVER RATE BY LEVEL (IN %)
FY2025
FY2024
FY2023
0.60%
0.84%
0.59%
2.14%
2.26%
1.84%
7.88%
5.61%
6.05%
11.15%
10.37%
13.29%
MANAGEMENT
EXECUTIVE
NON-EXECUTIVE
GENERAL WORKERS


New Hire Rate by Level (in %)
25%
20%
15%
10%
5%
0%
0.73%
0.84%
0.46%
1.60%
1.80%
1.65%
10.95%
7.09%
4.54%
7.41%
4.06%
21.92%
Management
Executive
Non-Executive
General Workers
FY2025
FY2024
FY2023

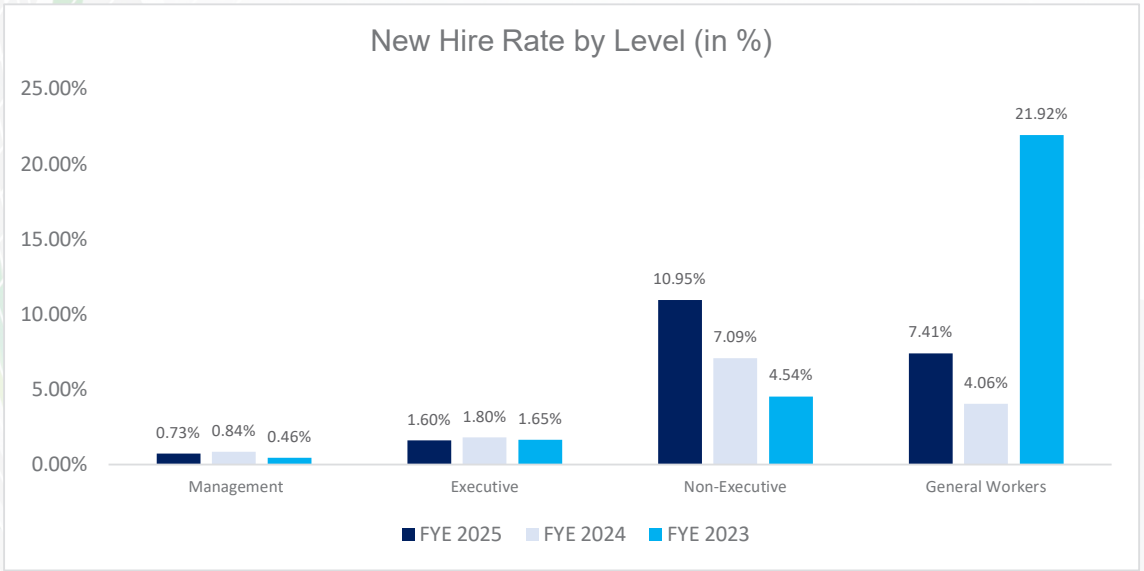
Training, Learning and Talent Development

Engtex invests in continuous learning and capability development to support workforce performance and long-term employability. Training programmes include technical skills, safety training, regulatory compliance, leadership development and awareness programmes.

During the reporting period, employees participated in structured training programmes aimed at enhancing operational competence, safety awareness and professional growth. Internships and on-the-job learning opportunities are also provided to support talent development and future workforce readiness.



	Management	Executive	Non-Executive	General Workers
FYE 2025	1,538	2,844	4,900	1,754
FYE 2024	1,988	2,726	3,064	652
FYE 2023	2,059	2,859	3,089	696



Occupational Health and Safety & Employee Wellbeing

The safety and well-being of employees remain a top priority. Engtex has established Health and Safety Committees across its operations to oversee occupational health and safety ("OHS") matters, supported by designated safety officers and coordinators.

Certain manufacturing facilities have adopted the ISO 45001 Occupational Health and Safety Management System, which provides a structured framework for hazard identification, risk assessment, corrective action and continuous improvement.

Key safety practices and programmes include:
1. Periodic risk assessments and safety audits
2. Emergency response planning and drills
3. Provision and enforcement of appropriate personal protective equipment ("PPE")
4. Regular safety and compliance training

Training conducted during the year covered areas such as:
- Fire Drill Exercise & Chemical Spillage Training
- Physical Hazard (Heat Stress) Training
- Ergonomic Training
- Safety During Maintenance (LOTO System)
- Unsafe Act & Unsafe Conditions
- Basic First Aid & CPR Training
- Introduction to Noise & Hearing Conservation at Workplace Training
- Working at Height
- Authorised Gas Tester and Entry Supervisor for Confined Space
- SOPs on various production processes and sections

The Group reports **zero work-related fatalities** over the past three financial years and continues to monitor Lost Time Injury Frequency Rate ("LTIFR") as a key performance indicator. Preventive measures, employee awareness programmes and continuous monitoring are central to the Group's safety strategy.

Health & Safety Performance	Unit	2025	2024	2023	Target
Work-related fatalities	**No of cases**	**0**	**0**	**0**	**0**
LTIFR	**No. of cases per million of hours worked**	**2.8**	**2.5**	**5.4**	**< 2**

In 2025, the Group's LTIFR increased compared to 2024. This deterioration was driven by a higher number of lost-time injury incidents recorded at two manufacturing operations during the year. Incident investigations identified recurring contributing factors, including **unsafe work practices, inadequate or incomplete standard operating procedures, lapses in SOP compliance, and human-factor-related behaviors**, as well as **unsafe working conditions** involving material handling, machinery operation, and access equipment. These incidents collectively had a material impact on the Group's overall LTIFR performance for the year.

In response, the Group implemented targeted corrective and preventive measures, including the development and revision of SOPs, enhancement of Hazard Identification, Risk Assessment and Risk Control ("HIRARC"), improvement of workplace conditions, and retraining of employees and supervisors. Management also strengthened safety oversight and reinforced accountability at the operational level. The lessons learned from 2025 have been integrated into ongoing Group-wide safety improvement initiatives to support continuous improvement in occupational health and safety performance.

Engtex also recognises that our responsibility to employees extends beyond the workplace. To support the well-being of our workforce, Engtex provides rented housing for employees through external residential properties near our operational sites. These accommodations are not company-owned but are arranged by Engtex to ensure employees have access to safe and comfortable living environments.

Through this arrangement, Engtex aims to provide housing that complies with the requirements of the Workers' Minimum Standards of Housing and Amenities Act 1990 (Act 446). By securing suitable rental housing, the Company helps ensure employees have access to proper facilities and living conditions that support their health, safety, and overall well-being.

This initiative reflects Engtex's commitment to upholding human rights and fair labour practices, while providing a supportive environment where both local and migrant workers can rest and live with dignity.

Community Engagement

Sumbangan Ikhlas Ihya Ramadhan, Masjid Nurul Iman Kampung Ijok

Hari Raya Donations to Kampung Ijok communities

Sports Day with Kampung Ijok communities

Roof Passageway Installation at Sekolah Kebangsaan Ijok

Gotong Royong activity with Kampung Ijok communities

Sports Day with Tadika KEMAS Nurul Iman

Financial Year	Donations (RM)	Beneficiaries
FY 2023	246,157	Approximately 1,000 individuals
FY 2024	93,500	20 organisations
FY 2025	667,473	12 organisations

Engtex remains committed to supporting the well-being of the communities in which it operates through various community engagement initiatives. During the year, the Group organised and participated in blood donation drives to support local healthcare institutions and contribute to maintaining an adequate blood supply for patients in need.

Employees were encouraged to voluntarily participate in the initiative, reflecting the Group's culture of compassion and social responsibility. Through these efforts, Engtex aims to promote community solidarity, raise awareness on the importance of blood donation, and contribute positively to public health.

This initiative demonstrates Engtex's commitment to giving back to society while fostering a spirit of volunteerism among employees.

Our Impact on Local Economy

Engtex plays a vital role in supporting the local economy through its business operations, job creation, and partnerships with local suppliers and service providers. As a key player in the distribution and manufacturing industry, the company contributes to economic growth by generating employment opportunities across various skill levels and providing stable livelihoods for its workforce.

By prioritising local hiring, Engtex strengthens the economic resilience of communities and ensures that its success is shared with the people it serves.

Key Highlights of Economic Value Generated & Distributed

Strong Revenue Generation

Total revenue:

RM1.45 billion in 2025

(RM1.46 billion in 2024)

Main driver:

Sales of goods RM1.42 billion

(RM1.44 billion in 2024)

Financial investment income:

RM13.88 million

Indicating stable investment returns

(RM13.67 million in 2024)

Significant Contributions to the Local Economy

Suppliers and contractors:

RM1.30 billion spent

Supporting local businesses and industries

(RM1.34 billion in 2024)

Employee salaries & benefits: RM93.20 million, ensuring job creation and economic stability

(RM85.66 million in 2024)

Government taxes: RM14.13 million contributing to public infrastructure and services

(RM10.52 million in 2024)

Reduced Economic Value Retained

Retained revenue dropped to:

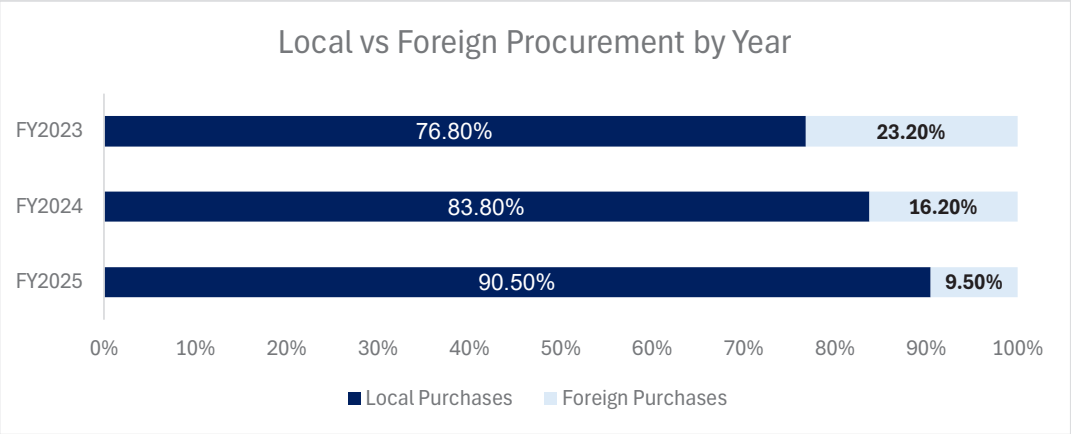
RM5.41 million in 2025

(RM13.19 million in 2024)

	Stakeholders	FY 2025 (RM '000)	FY 2024 (RM '000)	FY 2023 (RM '000)
Direct Revenue Generated				
Sales of Goods		1,415,314	1,440,337	1,450,614
Financial Investment		13,880	13,667	12,151
Other Operating Income		16,006	3,452	4,677
Net Sales plus Revenues from Financial Investments and Sales of Goods		1,445,200	1,457,456	1,467,442
Economic Value Distributed				
Operating Cost	Suppliers and Contractors	(1,296,288)	(1,341,363)	(1,349,465)
Salaries and Benefits	Employees	(93,197)	(85,657)	(84,483)
Payments to Providers of Capital	Shareholders and Investors	(36,175)	(6,726)	(6,989)
Taxes	Government authorities	(14,127)	(10,523)	(7,071)
Economic Value Distributed		(1,439,787)	(1,444,269)	(1,448,008)
Economic Value Retained		5,413	13,187	19,434

Local Procurement

Our Group's business strategy incorporates a fundamental commitment to the local economy, which serves as a critical buffer against global supply chain volatility and geopolitical risk. This is demonstrated by the consistent prioritisation of domestic suppliers for raw materials products and services. In 2025, the percentage of spending allocated to local suppliers reached 90.49% of total procurement by value.



Financial Year	Local Purchases (RM'000)	Foreign Purchases (RM'000)	Total Procurement (RM'000)	Percentage of Local Purchase
FY2023	**1,330,808**	**401,971**	**1,732,779**	**76.8%**
FY2024	**1,319,300**	**255,895**	**1,575,195**	**83.8%**
FY2025	**1,407,938**	**148,018**	**1,555,956**	**90.5%**

The increase in local procurement to 90.5% in FY 2025 reinforces the strategic choice to localise the supply chain, strengthening economic resilience and insulating operations from external transition risks associated with policy, market disruptions, and technology shifts in international sourcing. This high level of local sourcing links strong local economic performance directly to operational stability and climate resilience. Furthermore, our Group distributed RM1.3 billion to suppliers and contractors in 2025.

GOVERNANCE SUSTAINABILITY

Ethical Business Conduct

Maintaining high standards of integrity and ethical behaviours and business practices is fundamental to long-term success and fostering trusts and confidence from stakeholders in Engtex. This section of the Report outlines key areas of ethical governance, including ethical behaviours, anti-bribery and anti-corruption, whistleblowing channel, and data protection and privacy.

While high standards of ethical behaviours are guided by its Code of Ethics and Conduct, Engtex has various policies in place such as the Anti-Bribery & Anti-Corruption (“ABAC”) Policy, Whistleblowing Policy, relevant provisions in the Group Human Resources Policy and Group IT Policy, all of which constituting the governance framework of the organisation to promote ethical business practices and behaviours. Employees at all levels are expected to act honestly and professionally, and to comply with applicable policies and procedures when carrying out their duties.

Anti-Bribery and Anti-Corruption

Engtex has implemented an ABAC Policy and supporting framework to uphold ethical business conduct and ensure compliance with applicable laws, including the Malaysian Anti-Corruption Commission Act 2009. The ABAC framework establishes the Group's zero-tolerance stance against bribery and corruption and sets out clear expectations, roles, and responsibilities for directors, employees, and relevant business associates. It provides guidance on identifying, preventing, and managing bribery and corruption risks, including the offering or acceptance of improper benefits, facilitation payments, and conflicts of interest.

As part of its governance and risk management approach, Engtex emphasises awareness and capacity-building through appropriate training and induction programmes on ABAC principles. Employees are introduced to the ABAC policy during induction and are provided with periodic training to reinforce understanding of ethical responsibilities, applicable legal requirements, and acceptable business practices. Where relevant, business associates are also communicated on Engtex's ABAC expectations to promote alignment with the Group's ethical standards when conducting business on its behalf. In year 2025, Engtex conducted a comprehensive ABAC workshop for employees, while the latest ABAC training for Business Associates was in year 2024.

From a governance perspective, the provision of ABAC training and induction serves to embed a strong culture of integrity and accountability across the organisation and its value chain. It supports the effective implementation of the ABAC framework by ensuring that individuals understand their obligations, are able to recognise potential corruption risks, and are aware of reporting channels for suspected misconduct. Collectively, these measures strengthen internal controls, enhance regulatory compliance, protect Engtex's reputation, and reinforce the Board's oversight of ethical conduct, thereby supporting sustainable and responsible business operations.

Engtex is pleased to report zero case of bribery and corruption case in the past 3 financial years. In year 2025, Allpipes Technology Sdn Bhd has been certified to MS ISO 37001 Anti-Bribery Management System ("ABMS").

Engtex has **ZERO** case of bribery and corruption

Whistleblowing

Engtex has established a Whistleblowing Policy to promote ethical conduct, transparency, and accountability across the Group. The policy provides a structured and confidential platform for employees and relevant stakeholders, including business associates, to report genuine concerns on suspected misconduct, unethical behaviour, or breaches of laws and Group policies. Safeguards are in place to protect whistleblowers from retaliation when reports are made in good faith, and all disclosures are assessed and addressed objectively through established procedures. From a governance perspective, the whistleblowing framework supports effective oversight, strengthens internal controls, and enhances the Group's ability to identify and manage governance and compliance risks, thereby reinforcing stakeholder trust and long-term sustainability.

We encourage all stakeholders to report such matters in good faith through the designated reporting channels:

Letter	Email
Chairman of the Audit Committee Lot 36, Jalan BRP 9/2B, Putra Industrial Park, Bukit Rahman Putra, 47000 Sungai Buloh	whistleblower@engtex.com.my

Forced Labour and Child Labour

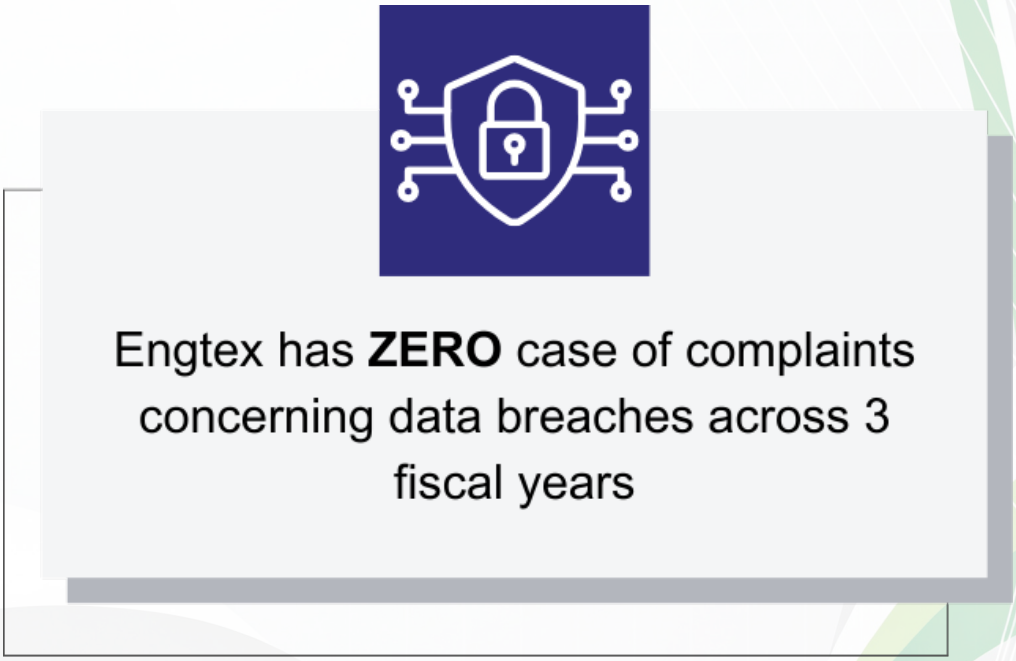
Engtex is committed to upholding human rights by ensuring fair and ethical treatment of employees, business partners, and stakeholders. In compliance with Malaysian labour laws, including the E**mployment Act 1955**, Engtex prohibits forced labour, child labour, and workplace discrimination while promoting safe and fair working conditions, fostering an inclusive and respectful work environment.

Data Privacy

Engtex places strong emphasis on the responsible management and protection of personal and confidential information entrusted to us by employees, customers, suppliers, and business partners. Our data privacy practices are guided by applicable laws and regulatory requirements, including the Personal Data Protection Act ("PDPA") 2010, and are supported by internal policies governing the lawful, ethical, and secure handling of data across the Group.

In supporting our operations, Engtex utilises a combination of on-premise systems and external cloud-based services, to facilitate collaboration, productivity, and information management. Appropriate due diligence is conducted when engaging third-party and cloud service providers to ensure compliance with data protection standards and confidentiality obligations. Access to data hosted on cloud platforms is restricted to authorised users on a need-to-know basis, with contractual and administrative safeguards in place where applicable.

To mitigate risks related to data breaches and cybersecurity threats, Engtex has implemented technical and organisational security measures such as access controls, authentication requirements, system monitoring, and regular data backups across both internal systems and cloud environments. Employees are periodically reminded of responsible data handling practices and to be mindful of phishing attempts or other threats. During the past 3 reporting years, there were No material data privacy breaches recorded, and Engtex continues to enhance its data protection framework as part of its commitment to good governance and sustainable business practices.



Risk Management and Internal Controls

Engtex adopts a structured approach to risk management to identify, assess, and mitigate key risks, including governance and compliance risks, that may affect business objectives. Internal controls and monitoring mechanisms are implemented to support effective risk management and operational resilience.

Manufacturing, Product & Governance Certifications

Company	Certification	No.	Product/Models
Engtex Metals Sdn Bhd	SIRIM ECO-LABEL License  Certified Since **13 November 2024**	1	**COLD WORKED STEEL WIRE FOR REINFORCEMENT OF CONCRETE PRODUCTS - RIBBED; PRODUCED AS COIL AND DELIVERED DECOILED** GRADE 500 NOMINAL SIZE (mm) = 5, 6, 7, 8, 9, 10, 11, 12
		2	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - STANDARD FABRIC: SQUARE MESH** GRADE B500A SIZE: A63, A98, A142, A193, A252, A318, A393, A475, A565, A664
		3	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - STANDARD FABRIC: STRUCTURAL MESH** GRADE B500A SIZE: B196, B283, B385, B503, B636, B785, B950, B1131, B1328
		4	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - STANDARD FABRIC: WRAPPING MESH** GRADE B500A SIZE: D126, D196, D283, D385, D503, D636, D785, D950, D1131, D1328
		5	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - STANDARD FABRIC: SQUARE MESH** GRADE B500B SIZE: A252, A393, A565
		6	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - STANDARD FABRIC: STRUCTURAL MESH** GRADE B500B SIZE: B503, B785, B1131, B1328
		7	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - STANDARD FABRIC: WRAPPING MESH** GRADE B500B SIZE: D503, D785, D1131
		8	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - PURPOSE-MADE FABRIC: SM5.3** GRADE B500A SIZE: LONGITUDINAL PITCH (mm) = 228.6; TRANSVERSE PITCH (mm) = 253.0
		9	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE- PURPOSE-MADE FABRIC** GRADE B500A SIZE: LONGITUDINAL PITCH (mm) = 100 - 200; TRANSVERSE PITCH (mm) = 100 - 200
		10	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE - PURPOSE-MADE FABRIC** GRADE B500B SIZE: LONGITUDINAL PITCH (mm) = 100 - 200; TRANSVERSE PITCH (mm) = 100 - 300
		11	**COLD WORKED RIBBED WELDABLE REINFORCING STEEL - PRODUCED AND DELIVERED AS COIL** GRADE B500A SIZE: NOMINAL SIZE (mm)= 4, 5, 5.3, 6, 6.5, 7, 7.5, 8, 9, 10, 11, 12, 13

Company	Certification	No.	Product/Models
Engtex Metals Sdn Bhd	Green Label Certification (ISO 14024 Type I ECO-Labels) MyHIJAU • MARK Issue Date on **22 November 2024**	1	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE** STANDARD FABRIC: SQUARE MESH (GRADE B500A / B)
		2	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE** STANDARD FABRIC: STRUCTURAL MESH (GRADE B500A / B)
		3	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE** STANDARD FABRIC: WRAPPING MESH (GRADE B500A / B)
		4	**WELDED STEEL FABRIC FOR THE REINFORCEMENT OF CONCRETE**: PURPOSE-MADE FABRIC SM5.3 (GRADE B500A)
		5	**COLD WORKED STEEL WIRE FOR REINFORCEMENT OF CONCRETE PRODUCTS** HARD DRAWN WIRE (GRADE 500)
		6	**COLD WORKED STEEL WIRE FOR REINFORCEMENT OF CONCRETE PRODUCTS** STEEL BAR (GRADE 500)
		7	**COLD WORKED STEEL WIRE RIBBED WELDABLE REINFORCING STEEL** HARD DRAWN WIRE (GRADE B500A)
		8	**COLD WORKED STEEL WIRE RIBBED WELDABLE REINFORCING STEEL** STEEL BAR (GRADE B500A)
Engtex Ductile Iron Pipe Industry Sdn Bhd	SIRIM ECO-LABEL License SIRIM ECO-LABEL *'Recyclable and Low Hazardous Pipes'* Certified Since **8 January 2025**	1	**DUCTILE IRON PIPES CLASS** 20 NOMINAL SIZE (DN):1100,1200
		2	**DUCTILE IRON PIPES** CLASS 25 NOMINAL SIZE (DN):700,800,900,1000, 1100,1200
		3	**DUCTILE IRON PIPES** CLASS 30 NOMINAL SIZE (DN) :350,400,450,500, 600,700,800, 900,1000, 1100,1200
		4	**DUCTILE IRON PIPES** CLASS 40 NOMINAL SIZE (DN):80,100,150,200,250,300, 350,400,450,500,600,700,800,900,1000, 1100,1200
		5	**DUCTILE IRON PIPES** CLASS 50 NOMINAL SIZE (DN): 80,100,150,200,250, 300,350,400,450,500,600,700,800,900,1000, 1100,1200
		6	**DUCTILE IRON PIPES** CLASS 64 NOMINAL SIZE (DN):80,100,150,200, 250,300,350,400,450,500,600,700,800
		7	**DUCTILE IRON PIPES** CLASS 100 NOMINAL SIZE (DN):80,100,150,200, 250,300,350,400,450,500,600

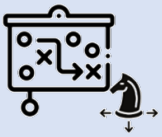
Company	Certification	No.	Product/Models
		8	**DUCTILE IRON PIPES** CLASS K9 NOMINAL SIZE (DN):80,100,150,200,250, 300,350,400,450,500,600,700,800,900,1000, 1100,1200
Engtex Ductile Iron Pipe Industry Sdn Bhd	SIRIM ECO-LABEL License SIRIM ECO-LABEL *'Recyclable and Low Hazardous Pipes'* Certified Since **8 January 2025**	9	**DUCTILE IRON PIPES** CLASS 40 NOMINAL SIZE (DN): 80,100,150,200, 250,300,350,400
		10	**DUCTILE IRON PIPES** CLASS Pressure Pipes NOMINAL SIZE (DN):80,100, 150,200,250,300,350,400,450,500,600,700,800,900,1000, 1100,1200
		11	**DUCTILE IRON PIPES** CLASS C20 NOMINAL SIZE (DN): 700,800,900,1000, 1100,1200
		12	**DUCTILE IRON PIPES** CLASS C25 NOMINAL SIZE (DN): 350,400,450,500,600,700, 800,900,1000, 1100,1200
		13	**DUCTILE IRON PIPES** CLASS C30 NOMINAL SIZE (DN): 300,350,400,450,500,600, 700,800,900,1000, 1100,1200
		14	**DUCTILE IRON PIPES** CLASS C40 NOMINAL SIZE (DN): 80,100,150,200,250,300,350, 400,450,500,600,700,800,900,1000, 1100,1200
		15	**DUCTILE IRON PIPES** CLASS C50 NOMINAL SIZE (DN): 80,100,150,200,250,300, 350,400,450,500,600,700,800,900,1000, 1100
		16	**DUCTILE IRON PIPES** CLASS C64 NOMINAL SIZE (DN): 80,100,150,200,250,300,350, 400,450,500,600,700,800,900
		17	**DUCTILE IRON PIPES** CLASS C100 NOMINAL SIZE (DN): 80,100,150,200,250,300, 350,400,450,500,600,700
Allpipes Technology Sdn Bhd	Green Label Certification (ISO 14024 Type I ECO-Labels) MyHIJAU • MARK Issue Date on **22 November 2024**	1	**ELECTRIC WELDED (EW) STEEL PIPES FOR WATER AND SEWAGE STEEL PIPE**; STEEL NAME: L275, EXTERNAL COATING: BITUMEN, INTERNAL LINING: CONCRETE
		2	**SUBMERGED ARC WELDED (SAW) STEEL PIPES FOR WATER AND SEWAGE STEEL PIPE**; STEEL NAME: L275, EXTERNAL COATING: BITUMEN, INTERNAL LINING: CONCRETE
		3	**SUBMERGED ARC WELDED (SAW) STEEL FITTINGS FOR WATER AND SEWAGE GUSSETED BEND, TEE**; STEEL NAME: L275, EXTERNAL COATING: BITUMEN, INTERNAL LINING: CONCRETE
		4	**ELECTRIC WELDED (EW) STEEL PIPES FOR WATER AND SEWAGE GUSSETED BEND, TEE**; STEEL NAME: L275, EXTERNAL COATING: BITUMEN, INTERNAL LINING: CONCRETE
Engtex Ductile Iron Pipe Industry Sdn Bhd	Certified with ISO 14001:2015 (21 June 2024 – 17 June 2027)		**STANDARD FOR MANAGING ENVIRONMENTAL RESPONSIBILITIES AND IMPROVING ENVIRONMENTAL PERFORMANCE.**

Company	Certification	No.	Product/Models
Engtex Ductile Iron Pipe Industry Sdn Bhd	Certified with ISO 45001:2018 (21 June 2024 – 17 June 2027)		**OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS STANDARD.**
Allpipes Technology Sdn Bhd	Certified with ISO 37001 (23 June 2025 – 22 June 2026)		**ANTI-BRIBERY MANAGEMENT SYSTEM STANDARD**

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD")

Engtex aligns with the TCFD, IFRS S1 and S2 involving the implementation of its framework across 4 main pillars (Governance, Strategy, Risk Management and Metrics & Targets):

Key Area	Engtex's Approach
Governing Climate-related Risks and Strategy 	Engtex complies with the requirements of Bursa's Main Market Listing Requirements and Malaysian Code on Corporate Governance ("MCCG"). Our governance structure incorporated the following practices as required by the MCCG: • Practice 4.1: The Board of Directors maintain overall oversight of the sustainability strategies and initiatives and via the GMSC headed by the Chief Sustainability Officer implement these strategies throughout the organisation. The GMSC ensures sustainability considerations are embedded into every level of the organisation in order to achieve goals and targets. • Practice 4.2: The GMSC regularly communicate its sustainability strategies, objectives and targets to stakeholders via direct engagements, surveys, sharing updates, and publishing annual sustainability reports. • Practice 4.3: The members of the GMSC regularly attend sustainability related seminars and trainings a keep abreast of new development on regulatory requirements, ESG related methodologies, risks and opportunities and advise the Board of Directors accordingly.
	• Practice 4.4: Engtex has incorporated the ability to address ESG related matters as criteria for performance evaluation of its business units and the management teams. • Practice 4.5: The Board of Directors has designated Ms Ng Koi Lin who is an Executive Directors and Chief Sustainability Officer to head the GMSC to manage the sustainability function of Engtex.

Key Area	Engtex's Approach
Strategy 	• Decarbonisation plan to reduce its impact on climate and strives to achieve carbon neutral by year 2050. Please refer to the "Decarbonisation Roadmap". • Regularly review the impacts of climate change on its operations and its employees. • Explore, plan and implement mitigating and adaptive measures against these impacts. • Working with industry associations and governmental agencies to improve resilience against climate change.
Risk Management 	• Our GMSC has conducted a climate-related risk assessment on our significant business locations with reference to several scenarios prescribed by the IPCC (AR6) and Shared Scenario Pathway ("SSP"), particularly SSP5 – 8.5. Please refer to the "Transition and Physical Risk Section"

Metrics and Targets

For the purposes of reducing our impact on climate change, our present focus is mainly on Scope 1 and Scope 2 emission due to the comprehensive data collected as shown in the table below: -

Division	FY2023* (tCO_2e)	FY2024 (tCO_2e)	FY2025 (tCO_2e)	FY2030# (Target) (tCO_2e)
Manufacturing - Pipes Division	26,194	22,733	27,413	19,646
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	21,710	16,978	19,605	16,283
Manufacturing - Others Division	1,726	1,566	1,553	1,295
Wholesale and Distribution Division	1,409	1,833	1,483	1,057

Metrics and Targets

Emission Intensity Target:

Division	FY2023* (t/CO2e/ MT)	FY2024 (t/CO2e/ MT)	FY2025 (t/CO2e/ MT)	FY2030# (Target) (t/CO2e/ MT)
Manufacturing - Pipes Division	0.33	0.27	0.28	0.25
Manufacturing - Wire Mesh, Hard Drawn Wire and Steel Bars Division	0.14	0.12	0.11	0.11
Manufacturing - Others Division	0.06	0.09	0.14	0.05

** Selected as base year.*
 # Target 25% reduction by FY 2030

Physical And Transition Risks

Engtex recognises that climate change poses significant challenges that can affect its operations, financial stability, and long-term sustainability. These challenges can be categorised into **physical risks** and **transition risks**:

	Risk Type	Potential Financial Risks	Potential Financial Opportunities
TRANSITION RISKS	**Policy & Legal** (increasing requirements on climate-related reporting, carbon footprint/lifecycle of products, resources efficiency; carbon pricing mechanism)	• Compliance and reporting expenses • Carbon tax on certain operations with high energy consumption. • Decrease in demand for products with high carbon footprint.	Increase demand for products with lower carbon footprint or with green labels.
	Technology (transition to lower emission)	• Capital expenditure on low emission technology. • Training expenses on employee training on new technology. • Asset impairment on retiring assets.	• Increase demand for products with lower carbon footprint or with green labels. • Improve reputation. • Use of more efficient transportation.
	Market (demand for low emission products, increase of raw material and energy prices)	• Decrease in demand for products with high carbon footprint. • Increase in production costs.	• Increase demand for products with lower carbon footprint or with green labels. • Improve reputation.
	Reputation (increase scrutiny on emission by stakeholders)	• Decrease in demand for products with high carbon footprint. • Higher borrowing costs.	• Increase demand for products with lower carbon footprint or with green labels. • Lower borrowing costs.

Task Force on Climate-related Financial Disclosures ("TCFD")

Engtex's TCFD at a Glance Using SSP5 RCP8.5

Division	Acute Flood			Chronic Sea Level Rise			Chronic Heat Stress		
Manufacturing Pipes Division	S	M	L	S	M	L	S	M	L
Manufacturing Wire Mesh Division	S	M	L	S	M	L	S	M	L
Manufacturing Others Division	S	M	L	S	M	L	S	M	L

S: Short-term (2021 - 2040) **M**: Medium-term (2041-2060) **L**: Long-term (2061-2100)

High Significant Medium Low

Engtex defines the materiality of climate-related risks using an annualized exposure threshold of RM250,000 per site. This benchmark identifies impacts that exceed routine operational fluctuations and aligns with our climate modelling assumption of a one-week productivity disruption. Specifically, this figure represents a significant financial risk regarding potential inventory loss, damage to Plant and Machinery ("P&M"), and productivity declines. While risks falling below this threshold are monitored at an operational level, they are not classified as material under IFRS S1 and S2.

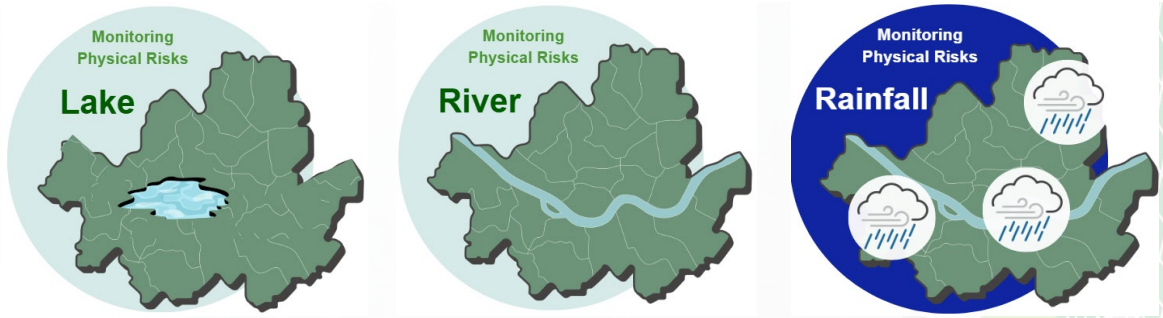
Segment	Number of entities	Aggregate Annualised Exposure Threshold to classify as "High Risk"
Pipe Division	7	RM7,000,000
Wire & Mesh Division	7	RM7,000,000
Other Manufacturing Division	2	RM2,000,000

Risk Banding	Annualised Financial Exposure (RM Per Site)	Operational Impact Definition	Materiality Status
Low	< RM50,000	Minimal disruption, <10% P&M damage.	Not material
Moderate	RM50,000 – RM250,000	Localised disruption, P&M damaged between 10%-30%.	Not material but monitored
Significant	RM250,000 – RM1,000,000	Localised disruption, P&M damaged between 30%-70%.	Material
High	> RM1,000,000	Localised disruption, P&M damaged between 70%-100%.	Material (priority)

Acute Physical Risk Disclosure: Flood Analysis

Climate Scenario Analysis and Impact

Flood Risks Identified:



Flood Risk Assessment with Scenario Analysis and Mitigation Programme

The Group has completed a climate related physical risk assessment in line with the recommendations of the Task Force on Climate related Financial Disclosures and with the requirements of IFRS S2. The assessment focuses on flooding, as this is the climate hazard with the greatest potential to affect the locations where we operate. To ensure that the analysis reflects likely future conditions, the assessment uses the SSP5 RCP8.5 climate scenario.

This scenario presents a world with a high level of greenhouse gas emissions and therefore expects heavier and more frequent rainfall. A flood that was once viewed as a 1 in 100 year event may occur as often as 1 in 20 years. This would increase the chance of drains overflowing, cause water to remain on factory grounds for longer periods, and lead to more regular disruption of access roads during storms.

To understand the potential impact of these changes, each facility is assessed using a simple scoring method. The score is based on the historical number of flood incidents recorded over the last 10 years, the site distance from the coast, and the level of damage that could occur if similar events happen in the future. When these two factors are combined, they produce a Resultant Risk Score between 0 and 16. This score is then used to estimate the percentage of plant and machinery that may be damaged at each site. The assessment also applies several standard assumptions. The depth of floodwater is assumed to be approximately 1.5 feet. Inventory damage is assumed to be 5% because only consumables and sensitive items are expected to be affected, and these are usually stored on higher shelving. A period of one week is used as the estimated time required for recovery after a flood. Since flood frequency is measured over a 10-year period, the total expected cost of a flood at each site is divided by estimated frequency to give a consistent annual estimate.

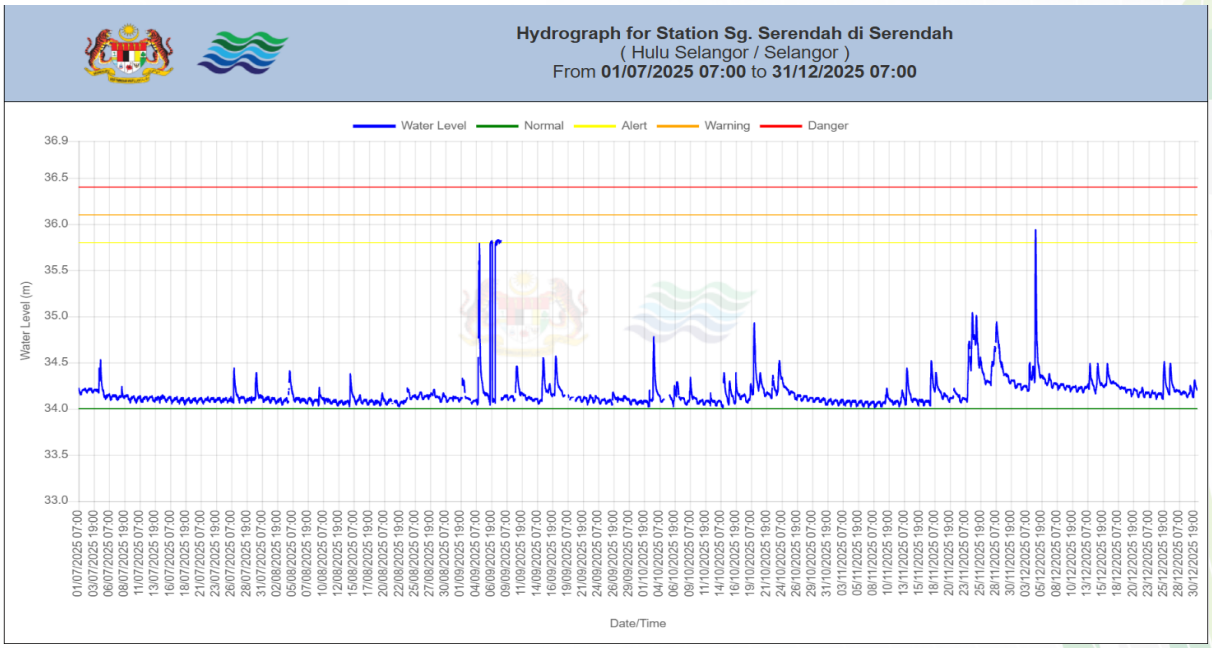
Based on the above assumptions and models, the annual expected cost is the sum of three components, namely (1) Plant and Machinery damaged, (2) Inventories Damaged and (3) Employees' Productivity Loss.

Mitigation and Monitoring Strategy

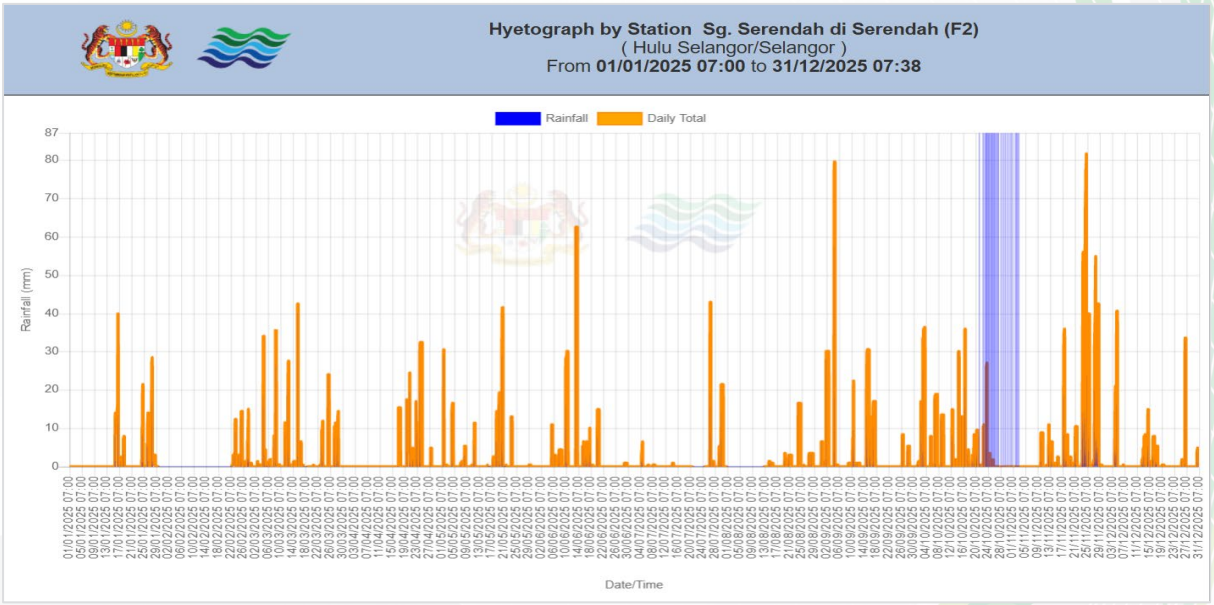
As the results from the assessment, Engtex undertook various measures to improve its resilience against and ability to mitigate such flood risk. At high-risk locations in Ijok, such efforts include strengthening drainage, lifting sensitive equipment above the expected flood depth, directing water away from key operational areas, and installing additional pumping systems and sand bags. At the moderate-risk locations, the emphasis is on improving internal drainage, sealing floors to reduce water ingress, lifting electrical panels where required, and ensuring that vulnerable inventory is stored at appropriate heights. The low-risk locations will continue to be monitored so that any change in local and surrounding conditions can be identified promptly.

Across all facilities, these physical improvements are supported by updated emergency response plans and by a review of insurance coverage to ensure that it reflects the estimated climate related costs. By combining forward looking climate scenarios with a consistent assessment method and targeted site level actions, the Group is working to maintain operational continuity and protect its assets from the increasing likelihood of flood related disruption.

Engtex also prioritizes a two-pronged monitoring strategy to manage operational resilience against these identified risks. For immediate pluvial risk, the company monitors rainfall intensity at localized stations to assess flash flood potential within the industrial footprint. Simultaneously, regional fluvial risk is managed by tracking water levels at the primary basin monitoring stations, which serve as an indicator for widespread flood conditions affecting supply chains and local infrastructure. This comprehensive early warning system integrates localised flash flood triggers with regional river status, enabling the proactive activation of business continuity and emergency response plans. This practice is then replicated across the 16 aforementioned facilities. Below is a sample of the monitoring reports which are being integrated into our mitigation strategy:



Source: Department Of Irrigation And Drainage Malaysia , https://publicinfobanjir.water.gov.my/hujan/?lang=en

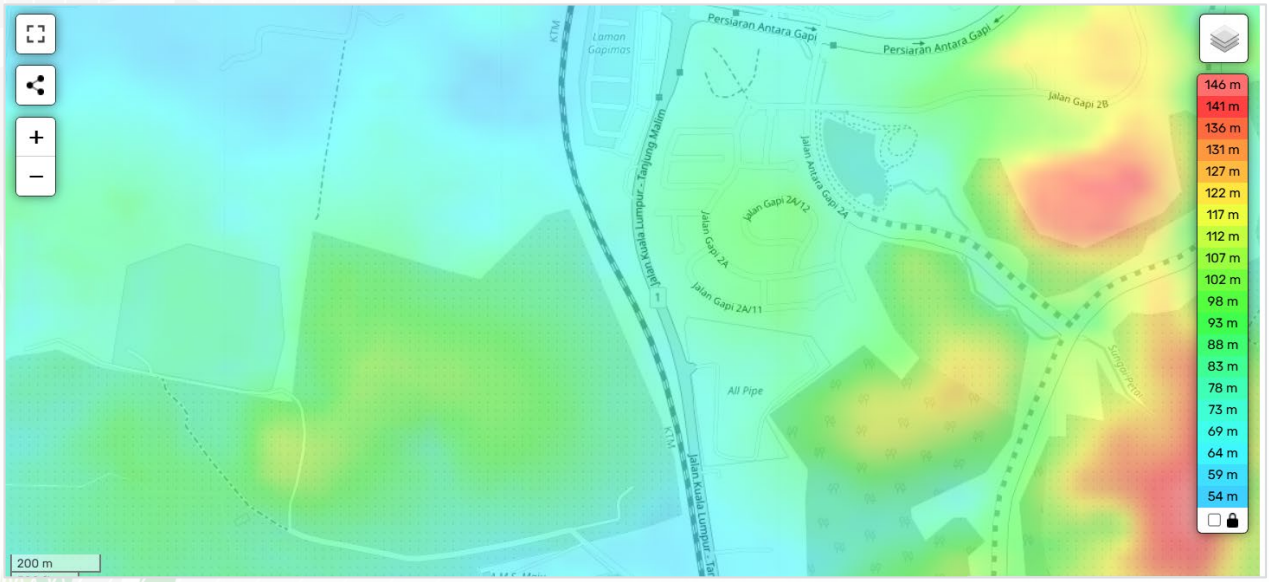


Source : Department Of Irrigation And Drainage Malaysia, https://publicinfobanjir.water.gov.my/hujan/data-hujan/?state=NSN&lang=en

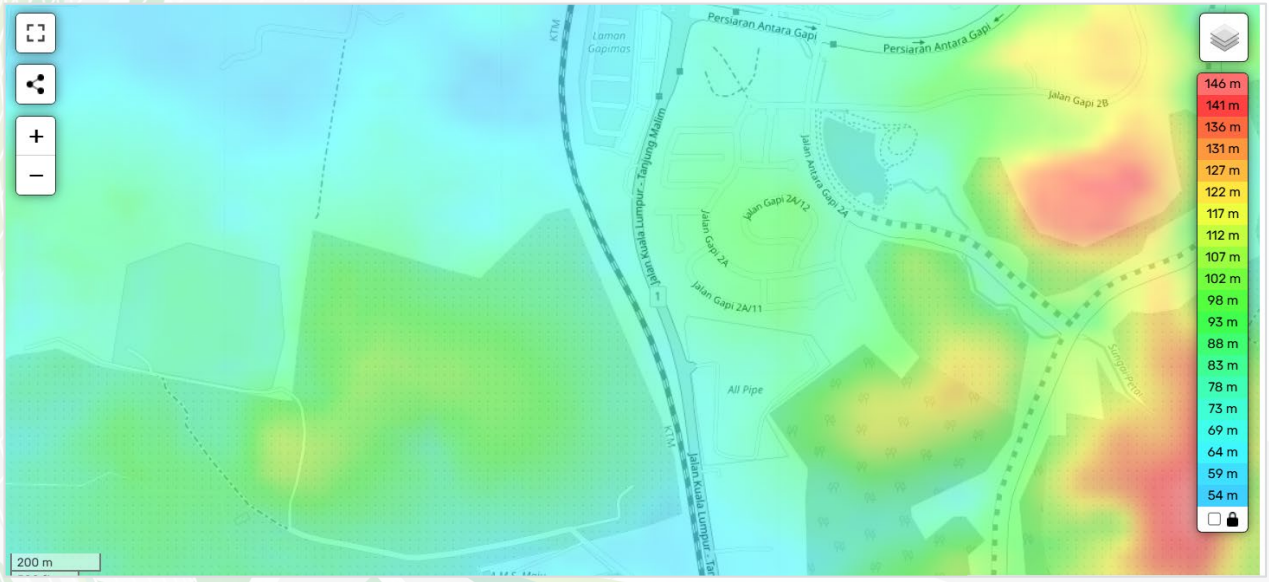
Note : Convective rain more than 60 mm in 2 to 4 hours duration (typical) may cause flash floods. However, monsoon rains are typically of long duration with intermittent heavy bursts and the intensity can occasionally exceed several hundred mm in 24 hours (Source: Department of Irrigation and Drainage of Malaysia).

Topographical Vulnerability Assessment of Facility

Land Elevation Above Current Sea Level (Example)
60 m – 85 m



Source: Elevation data can be viewed on topographic-map.com which uses TessaDEM as the data source.



Source: Elevation data can be viewed on topographic-map.com which uses TessaDEM as the data source

Chronic Physical Risk Disclosure: Sea Level Rise Analysis

The Group has carried out an assessment of climate related physical risk linked to rising sea level, consistent with the expectations of the TCFD and the requirements of IFRS S2. This assessment examines the possibility of coastal inundation under storm surge conditions, the effects of king tides, coastal erosion, and the potential for saltwater intrusion, all of which may become more frequent as climate conditions change.

To ensure that our assessment reflects forward looking risks, it draws upon projections that indicate that sea levels around Peninsular Malaysia could rise by approximately 0.37 to 0.83 metres by the year 2100. Rising sea level can increase the reach of storm tides and heighten the effects of coastal flooding, especially in areas with low lying ground or where facilities are located within several kilometres of the shoreline.

In the context of our risk assessment pertaining to rising sea level, Engtex took the approach that in respect of sites which are more than 5KM away from coast and their land elevation are more than 5m, their risk exposure to rising sea level as negligible. For other sites, Engtex assessed the frequency of occurrence at 1 incident in 10 years and the annualised financial impacts follows the model used for Flood above.

The results of this analysis show that the majority of our facilities are not materially exposed to sea level rise in the short term. Only facilities meeting the elevation and proximity criteria register any level of risk, and even in such cases, the estimated annual impacts are assessed to be low.

Engtex also considers any decision to relocate any plant to be premature at this stage. Existing projections do not indicate material risk of permanent flooding within the short- to medium-term planning horizon, particularly when combined with engineering and operational adaptation measures already under evaluation. Instead of immediate relocation planning, the Group is prioritising a **phased, evidence-based approach**, focusing on:

- continuous monitoring of updated IPCC and national sea-level projections;
- strengthening site-level flood defences and drainage systems;
- integrating climate-resilience considerations into future capital expenditure; and
- undertaking periodic reviews to reassess long-term viability of the site as new scientific data emerges.

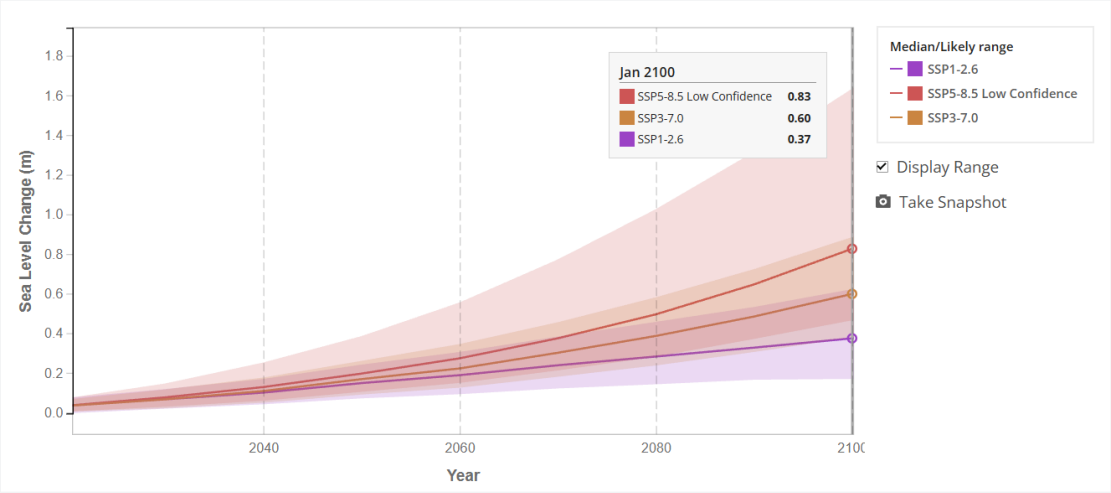
This approach ensures that Engtex remains **prudent, adaptive, and financially responsible**, avoiding premature large-scale investments while maintaining readiness to act should future conditions warrant a more significant intervention.

Geographical Context and Elevation Buffer (Example)

The Allpipes Technology manufacturing facility is located in Serendah, Selangor, approximately **41.94 km inland** from the nearest coastline at the Straits of Malacca. According to the site-specific topographical model, the facility sits at a significant elevation, with ground levels ranging from a minimum of **60 m to 85 m** above sea level.

Sea Level Rise Projections through 2100

To determine the severity of this hazard, the assessment utilises sea level change projections across three primary climate scenarios.



Source: NASA. (2021). IPCC AR6 Sea Level Projection Tool: Port Klang, Malaysia (PSMSL 1591). NASA Sea Level Change Portal. Retrieved from https://sealevel.nasa.gov/ipcc-ar6-sea-level-projection-tool?psmsl_id=1591&data_layer=scenario&info=true.

These projections estimate the median increase in global sea levels by the year 2100 relative to baseline levels.

Scenario	Path Name	Projected Sea Level Rise (by 2100)
Optimistic	SSP1-2.6	**0.37m**
Business as Usual	SSP3-7.0	**0.60m**
Pessimistic	SSP5-8.5	**0.83m**

Even under the most aggressive **Pessimistic (SSP5-8.5)** scenario, the projected increase of 0.83m remains negligible when compared to the facility's lowest elevation point of 54m. The geographical data indicates that the site maintains a vertical safety buffer of over 53 meters against direct coastal inundation.

Chronic Physical Risk Disclosure: Water Stress Analysis

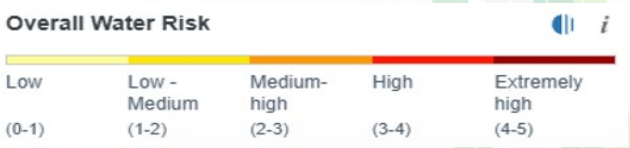
Unlike acute flood risks, water stress is a chronic condition driven by long-term shifts in the balance between water supply and demand. Other than Engtex Ductile Iron Pipe Industry Sdn Bhd, Allpipes Technology Sdn Bhd and Engtex Steel Industry Sdn Bhd (Melaka), our factory operations use a low volume of water, primarily for basic sanitary and housekeeping needs. We do not rely on water-intensive processes, which significantly reduces our exposure to water stress risks. While local water availability may experience periodic fluctuations, our operations have a low dependency on water resources, and therefore the overall operational impact is expected to remain minimal. As a result, we currently assess our water-related risk as low.

Nevertheless, in line with our commitment to continuous improvement and transparent sustainability reporting, we will further evaluate, monitor, and enhance our water-risk disclosures in the upcoming financial reporting periods, with particular attention to the 3 abovementioned operations.

Water Stress Scenarios and Methodology

To do a overall assessment on future vulnerability, Engtex utilizes **Aqueduct 4.0** (World Resources Institute) data, which models the ratio of total water withdrawals to available renewable surface and groundwater supplies.

Source: WRI Aqueduct, accessed on Feb 2026, https://www.wri.org/aqueduct/tools



Impact and Strategic Resilience

While the Aqueduct 4.0 projections remain "Low" across the listed pathways, Engtex recognises that localised factors (such as pollution-driven treatment plant shutdowns or prolonged dry spells) can still cause temporary curtailments. Under the **Pessimistic (SSP5 RCP8.5)** scenario, the increase in global average temperatures may lead to higher evaporation rates in regional catchments, potentially tightening the supply-demand gap.

The financial impact of a shift toward more frequent water scarcity includes potential production downtime if municipal water is prioritised for domestic use. To mitigate this, we will focus on improving operational resilience by conducting rainwater harvesting, implementing closed-loop recirculation cooling systems and other manufacturing processes which involve high water use, as well as monitoring local government water disruption announcements to activate business continuity plans ahead of potential shortages.

Chronic Physical Risk Disclosure: Heat Stress

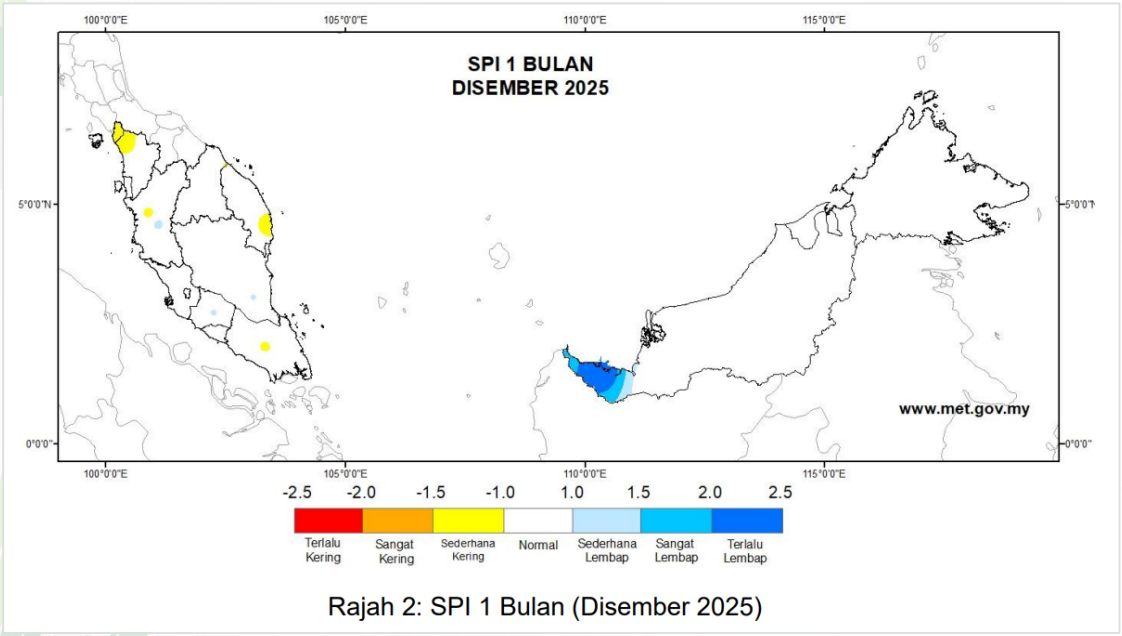
This section details the heat stress projections for the various factories by integrating the baseline data established in the **Jabatan Meteorologi Malaysia (MET Malaysia)** (Malaysian Meteorological Department) reports with the specific global surface air temperature increase ranges for the period 2021–2100.

Climatological Baseline from Official Records

The baseline for this analysis is derived from the **Laporan Pemantauan Kemarau Disember 2025** (Drought Monitoring Report December 2025) and the **Buletin Cuaca Bulanan Januari 2026** (Monthly Weather Bulletin January 2026).

The January 2026 report establishes that the average monthly temperature for low-land areas in Malaysia, ranges between **24.0°C and 28.0°C**. During the second phase of the Northeast Monsoon (Monsun Timur Laut) in early 2026, the country experienced an increase in daily maximum temperatures and a widespread rainfall deficit.

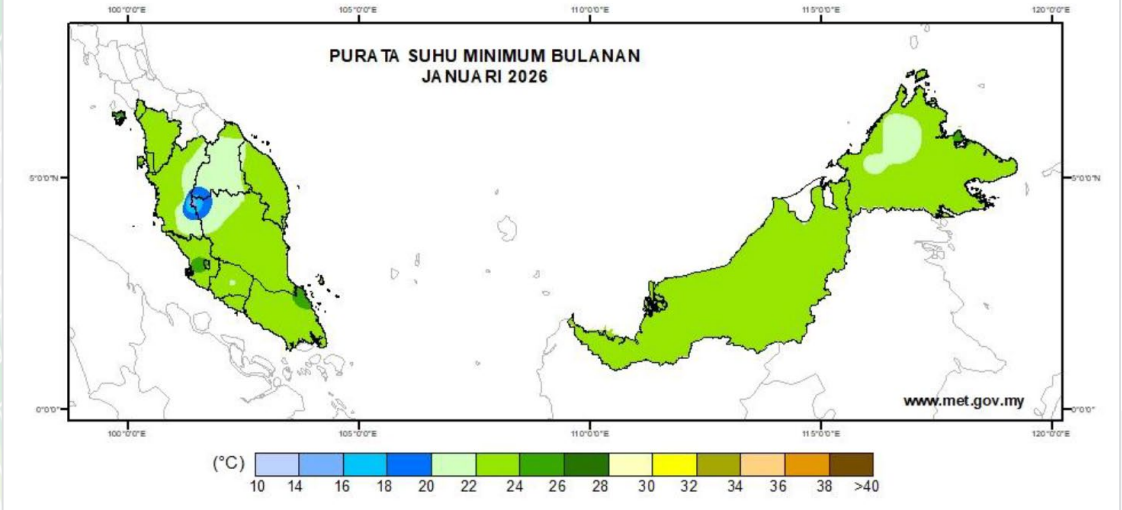
Humidity for each factory is also consideration For example, the station in Subang, which is the nearest major indicator for the Serendah area, recorded a 1-month **Standardised Precipitation Index (SPI)** (Indeks Kerpasan Piawai) of **0.32**, placing it within the "Normal" scale. This suggests that under standard conditions, the region operates within a stable climatological range, though it remains prone to **localised heat stress** (tekanan haba setempat) during periods of low rainfall.



Rajah 2: SPI 1 Bulan (Disember 2025)

Source : Jabatan Meteorologi Malaysia, https://www.met.gov.my/data/climate/kemarau.pdf

Rajah 4: Purata Suhu Maksimum Bulanan (Januari 2026)



Source : Jabatan Meteorologi Malaysia, https://www.met.gov.my/iklim/buletin-cuaca-bulanan/

Projected SSP Heat Stress Pathways (2021–2100)

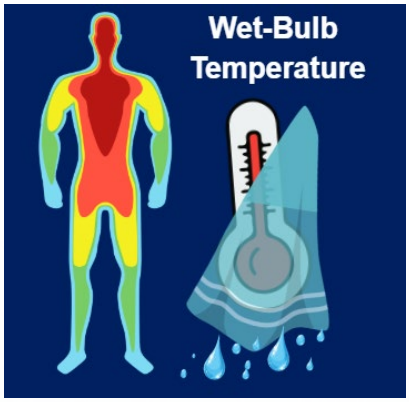
The following pathways are calculated by adding the specific SSP temperature "deltas" for the 2081–2100 period to the established regional baseline of **33.0°C** with a high-end average humidity of **85%**.

The methodology for assessing heat stress has taken consideration that the SSP scenario expects more intense and frequent periods of extreme heat which places significant pressure on cooling infrastructure and workforce health. Similar to the flood assessment each facility is evaluated using a specific scoring approach that reflects its unique vulnerability. For Heat Stress this score is determined by the age of the building and the efficiency of its existing cooling systems because older structures often require more energy to maintain safe internal temperatures.

The expected annual cost associated with heat stress is made up of three distinct parts. The first part is the increased cost of electricity for cooling. Based on data from retail buildings in Kuala Lumpur annual energy used by chillers is projected to rise by 12.7% by the year 2050. Engtex, for the purposes of this reporting, uses approximately RM130 per worker in the air-conditioned environment annually as additional energy costs.

The second component is the cost of lost productivity arising from general increase in temperature and more frequent incidents of extreme heat. In this context, Engtex estimated a loss of 10% drop in productivity in the short term measured in terms of salaries and wages assumes attributed to the physical toll on staff this is explained by the wet bulb methodology, which also takes into consideration the humidity of each region for heat stress on human bodies. The third component is the additional cost of medical benefits provided to employees estimated at 24% of current level of medical expenses.

Understanding Wet-Bulb Temperature: A General Guide



Wet-Bulb Temperature is a specific measurement used to determine how effectively the environment allows for cooling through evaporation. Standard air temperature is known as **Dry-Bulb Temperature**. Wet-bulb temperature, however, is measured by a thermometer wrapped in water-soaked fabric and ventilated. Because water evaporates slower in more humid conditions, our human cool down significantly slower when the air is moist. If the wet-bulb temperature exceeds **35°C (95°F)** for an extended period, people are at extreme risk of **hyperthermia** (heat stroke).

Source: Omni Calculator sp. z o.o.,
https://www.omnicalculator.com/physics/wet-bulb#faqs

By adding these three components together we get a clear picture of the annual financial impact for each site. This allows the organisation to prioritise investments in more efficient cooling technology or building upgrades where the risk is highest. The results show that heat stress risk varies depending on the age and purpose of each building and the assessment provides a clear summary of the potential costs and drivers for each facility.

Scenario	Temp. Delta	Proj. Air Temp	Proj. Wet-Bulb (at 85% RH)	Risk Assessment
Current Baseline	+0°C	33.0°C	**30.7°C**	High Caution
Optimistic (SSP1-2.6)	+2.4°C	35.4°C	**33.0°C**	Extreme Caution
Business as Usual (SSP3-7.0)	+4.6°C	37.6°C	**35.1°C**	**Danger (Threshold)**
Pessimistic (SSP5-8.5)	+5.7°C	38.7°C	**36.2°C**	**Extreme Danger**

Mitigation and Monitoring Strategy

To effectively manage heat-related risks and ensure the safety of our workforce, Engtex has established a comprehensive mitigating strategy categorised into five key focus areas.

1. Engineering Controls and Immediate Mitigation

The primary defence against heat stress involves physical modifications to the work environment. In indoor spaces, we prioritise increasing natural ventilation and airflow to lower ambient temperatures. This is supplemented by the installation of industrial cooling fans, evaporative coolers, and localised air conditioning units. For outdoor operations, the provision of permanent or temporary shade structures is essential, ensuring that workers have access to designated cooling and rest areas in alignment with international safety guidance.

2. Administrative Controls for Short Term Impact

Operational adjustments play a vital role in reducing heat exposure during peak periods. We actively limit the duration of tasks performed in hot environments by extending rest breaks in climate-controlled areas. Furthermore, heavy manual labor is rescheduled to the cooler parts of the day, such as early mornings or late evenings. During forecasted heatwaves, we activate formal heat alert programs to heighten site-wide awareness.

3. Hydration and Personal Protection

Maintaining hydration is a critical daily requirement. We ensure that cool, potable water is readily available near all workstations, with active encouragement for employees to drink small amounts frequently. Regarding workwear, we promote the use of light, breathable clothing while ensuring that required Personal Protective Equipment is selected and worn in a manner that does not unnecessarily trap body heat.

4. Training and Health Monitoring

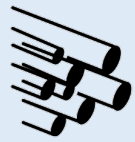
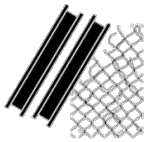
Rapid implementation of safety protocols is achieved through continuous education. All team members receive training to recognise the early symptoms of heat illness and understand basic first aid procedures. To ensure real-time safety, we utilize a buddy system where colleagues monitor one another for signs of distress. Employees are also taught self-monitoring techniques, such as checking for dizziness or physical cramping, to manage their own well-being effectively.

5. Acclimatisation Programmes

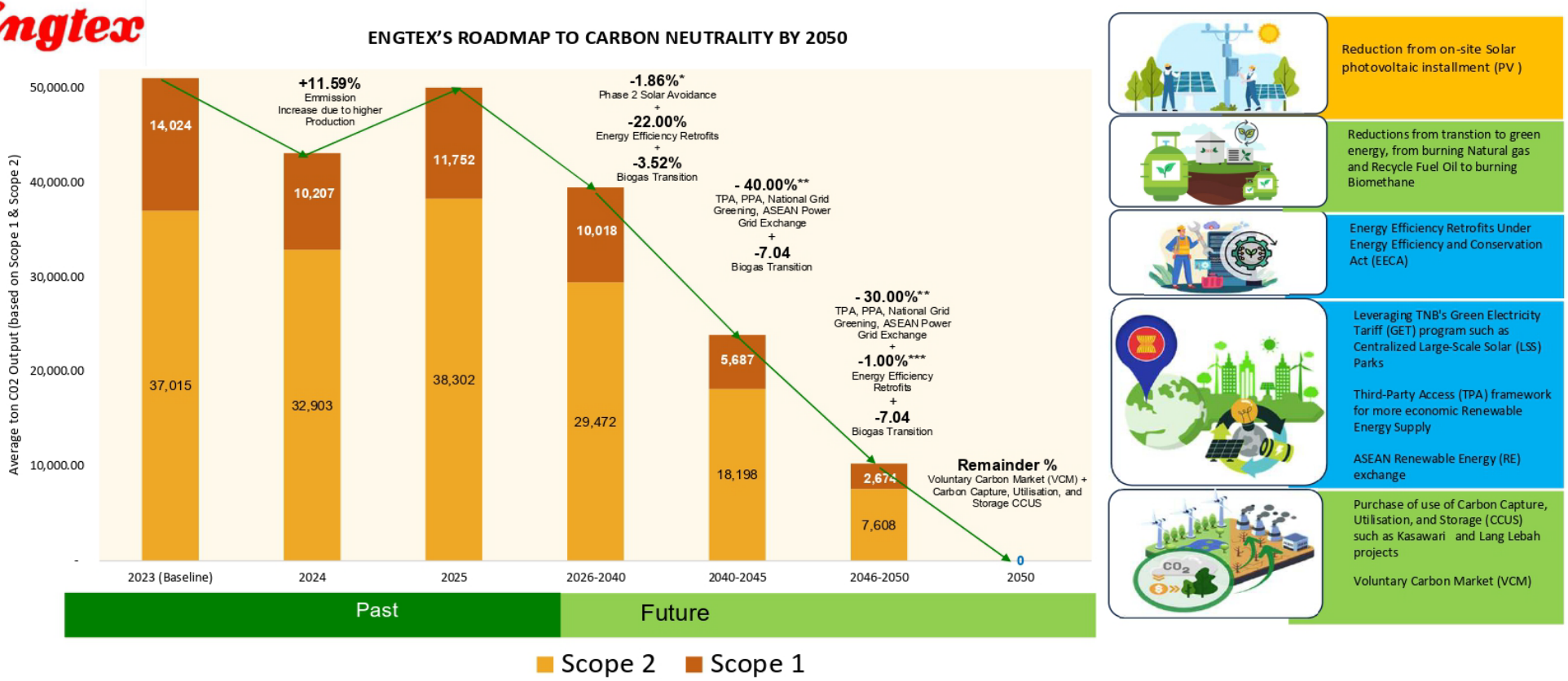
Gradual adjustment to heat is a vital intervention for both new hires and those returning from extended leave. We implement a structured acclimatisation process where heat exposure is increased incrementally over a period of seven to fourteen days. Because a lack of acclimatisation is a primary risk factor for serious health incidents, this transition period is strictly enforced to allow the body to adapt safely to the working climate.

Engtex Carbon Reduction Initiatives and Climate Change

The table below outlines the current and future carbon reduction initiatives across different divisions and departments within Engtex:

Division	Department	Present Initiatives	Mid-Term and Long-Term Initiatives
Pipes 	Production	• Implementing energy-efficient technologies in manufacturing processes. • Conducting regular energy audits to identify potential improvements. • Increasing the use of recycled materials in production. • Promoting waste segregation and recycling to divert wastes from landfill. • Installed rainwater harvesting system to reduce usage of treated water. • Installing solar panels to reduce usage of electricity generated using non-renewable fuel.	• Implementing circular economy principles to minimise waste and maximise resource efficiency • Promoting a reduction in carbon emission for Scope 2
Wire Mesh, Hard Drawn Wire and Steel Bars 	Production	• Investigating sustainable energy options to power production facilities. • Enhancing transportation networks to minimise logistics-related emissions. • Allocating resources to innovation and research for eco-friendly manufacturing techniques. • Promoting waste segregation and recycling to divert wastes from landfill. • Installed rainwater harvesting system to reduce usage of treated water. • Installing solar panels to reduce usage of electricity generated using non-renewable fuel.	• Establishing goals to lower carbon intensity per production unit over the next ten years. • Identifying potential carbon offset initiatives to balance unavoidable emissions.
Wholesale and Distribution 	Supply Chain	• Collaborating with logistics partners to enhance transportation efficiency and minimise the carbon footprint. • Promoting waste segregation and recycling to divert wastes from landfill. • Converting to energy-saving lighting system in office. • Installing solar panels to reduce usage of electricity generated using non-renewable fuel.	Allocating resources to community-driven carbon reduction initiatives to support wider emission-cutting efforts.

Overall, Engtex is actively pursuing carbon reduction strategies across its divisions, recognising the importance of sustainability and environmental stewardship. By implementing these initiatives, Engtex aims to mitigate its carbon footprint, contribute to broader emission reduction efforts, and ultimately work towards achieving carbon neutrality by 2050.



Note on Phase 2 Solar Calculation Methodology (*) This calculation reflects on-site solar energy projected to be generated for the FY2026 based of FY2025's output.

Note on Calculation Methodology (**) This calculation reflects electricity consumption from the National Grid, after accounting for savings from on-site solar power generation and energy efficiency initiatives.

Note on 2050 Efficiency Target (***) This figure represents the final 1% energy efficiency improvement needed to meet the national target of 23% for the industrial sector by 2050. It is calculated by netting off the 22% efficiency already achieved by 2040.

ENGTEX'S ROADMAP TO CARBON NEUTRALITY BY 2050

Engtex has developed a four phase decarbonisation roadmap to achieve carbon neutrality by 2050 for its Scope 1 and Scope 2 emissions. This roadmap is aligned with Malaysia's National Energy Transition Roadmap and reflects the Company's intention to reduce its operational carbon footprint in a structured and practical manner. Based on the 2025 emissions profile, Engtex's operational emissions stand at 11,752 t/CO_2e under Scope 1 and 38,302 t/CO_2e under Scope 2, resulting in a total baseline of 50,054 t/CO_2e. As emissions from purchased electricity account for the larger share of the Company's footprint, the roadmap places strong emphasis on reducing Scope 2 emissions, while also setting out a long-term transition away from natural gas and recycled fuel oil to address Scope 1 emissions.

Following the installation of on-site solar photovoltaic systems, Engtex expects to achieve an additional 1.86% reduction in electricity related emissions from 2025 onwards. While this contribution represents a relatively small proportion of overall electricity consumption, it provides an early reduction and supports the broader transition set out in this roadmap. The overall approach prioritises emissions reduction through operational improvements, cleaner electricity and lower carbon fuels, followed by the neutralisation of residual emissions in 2050 to achieve carbon neutrality.

Phase 1 from 2026 to 2040

The first phase focuses on improving energy efficiency and initiating the transition to lower carbon fuels. In preparation for compliance with the forthcoming Energy Efficiency and Conservation Act, Engtex will conduct energy audits across its operations to identify inefficiencies and opportunities for improvement. With support from Malaysia's public Energy Service Company platform, the Group plans to implement energy efficiency retrofits through energy performance contracting arrangements, allowing improvements to be made without significant upfront capital expenditure.

During this phase, Engtex aims to reduce overall energy consumption by 22%. Together with the additional 1.86% contribution from on-site solar generation, these initiatives are expected to reduce Scope 2 emissions from 38,302 t/CO_2e to 29,472 t/CO_2e by 2040.

At the same time, Engtex will begin addressing its Scope 1 emissions, which largely arise from the use of natural gas in ductile iron pipe annealing and recycled fuel oil in steel billet hot rolling. The Company plans to explore the use of biomethane as a lower carbon alternative fuel, supported by Malaysia's Biomass Clustering initiative and potential partnerships with Waste to Energy operators. Biomethane can be used as a direct substitute for natural gas with minimal modification to existing equipment. Engtex targets an initial 20% substitution of natural gas and recycled fuel oil with biomethane by 2040. As a result, Scope 1 emissions are projected to decline from 11,752 t/CO_2e to 10,018 t/CO_2e. By the end of Phase 1, total emissions are expected to fall to 39,490 t/CO_2e.

Phase 2 from 2040 to 2045

The second phase focuses on scaling up access to cleaner electricity and accelerating the transition to lower carbon fuels. By this stage, Malaysia's renewable energy market is expected to be more mature, allowing Engtex to access a wider range of renewable electricity options. The Company plans to pursue opportunities such as direct power purchase agreements under the Third Party Access framework, participation in the Green Electricity Tariff, and potential access to regional renewable electricity through the ASEAN Power Grid.

These measures are expected to further reduce emissions associated with purchased electricity, lowering Scope 2 emissions to 18,196 t/CO_2e by 2045. In parallel, Engtex plans to increase biomethane substitution to 60% as supply reliability and commercial viability improve. This transition is projected to

Phase 3 from 2046 to 2050

The third phase represents the final stage of direct emissions reduction before the target year. During this period, Engtex plans to deepen its participation in renewable electricity programmes as Malaysia continues to transition towards a greener national grid. This may include participation in the Corporate Green Power Programme, virtual power purchase agreements, Large Scale Solar projects and Hybrid Hydro Floating Solar developments.

Engtex will also implement the final round of energy efficiency improvements during this phase, bringing total energy savings achieved under the roadmap to 23%, in line with national industrial efficiency ambitions. These combined actions are expected to reduce Scope 2 emissions further to 7,327 t/CO_2e by 2050.

On the fuel side, Engtex aims to complete its transition to 100% biomethane use for the targeted natural gas and recycled fuel oil applications. This is expected to reduce Scope 1 emissions to 2,674 t/CO_2e. By the end of Phase 3, remaining operational emissions are projected to stand at 10,001 t/CO_2e, comprising 7,327 t/CO_2e under Scope 2 and 2,674 t/CO_2e under Scope 1.

Phase 4 in 2050

The final phase focuses on neutralising the residual emissions that remain after all planned decarbonisation measures have been implemented. At this stage, Engtex expects that a limited amount of emissions will remain from its operations. These residual emissions, totalling 10,001 t/CO_2e, will be neutralised in order to achieve carbon neutrality for Scope 1 and Scope 2 emissions.

Engtex plans to address these residual emissions through a combination of high integrity carbon credits and Carbon Capture, Utilisation and Storage solutions, subject to commercial availability and technical suitability at the time. Carbon credits may be sourced through credible platforms such as the Bursa Carbon Exchange and will be required to meet recognised quality criteria, including independent certification, appropriate vintage and permanent retirement in official registries. Where feasible, Engtex may also seek to utilise Malaysia's developing Carbon Capture, Utilisation and Storage infrastructure as part of its neutralisation strategy. Through this final step, Engtex aims to achieve carbon neutrality by 2050 while demonstrating a clear and credible pathway for reducing its operational emissions over time.

Underlying Assumptions, Limitations and External Dependencies

This roadmap is based on assumptions regarding the continued development of Malaysia's energy and climate policy landscape. These include the introduction of a national carbon pricing mechanism, the implementation of the Energy Efficiency and Conservation Act, ongoing expansion of large scale renewable energy, further electricity market liberalisation through the Third Party Access framework, increased regional renewable energy integration through the ASEAN Power Grid, and continued progress in bioenergy and Carbon Capture, Utilisation and Storage development.

The roadmap is based on a fixed 2025 emissions baseline and assumes that Engtex's overall level of activity remains broadly stable over time. It does not account for material increases in emissions that could arise from future expansion, acquisitions or significant changes in production levels. In addition, successful delivery of the roadmap depends on external factors beyond the Company's direct control, including national grid modernisation, renewable energy project timelines, the implementation of Third-Party Access, the maturity of biomethane supply chains and the commercial viability of Carbon Capture, Utilisation and Storage services.

Despite these uncertainties, the roadmap provides Engtex with a clear and practical pathway to reduce emissions and achieve carbon neutrality by 2050. It reflects a balanced approach that prioritises direct emissions reduction, while recognising the need to neutralise residual emissions at the final stage of the transition, and positions Engtex as a responsible participant in Malaysia's move towards a lower carbon economy.

Biofuel Selection and Calculation

Based on the Malaysia's National Energy Transition Roadmap (“NETR”), 3 types of biofuels are most likely to be generated from these clusters that is biomethane, biodiesel (Methyl Ester) (“ME”), and biodiesel Hydrotreated Vegetable Oil (“HVO”). While all 3 are important to Malaysia's NETR, biomethane emerges as the most likely and strategically critical solution for the specific industrial needs of Engtex. Its priority is not based on total volume alone, but on its unique role in solving a problem that the other two fuels cannot address.

The Direct Link to NETR's "Biomass Clustering"

Biomethane is the primary intended product of the "Biomass Clustering" with the Malaysia’s NETR flagship program being a dedicated, supply-side intervention designed to solve Malaysia's biomass waste problem (especially from palm oil mills) by turning it into a stable energy source. The government's plan to fund and de-risk these new centralized operators is explicitly designed to create a large-scale, reliable supply of biogas/biomethane for industrial anchor customers. Therefore, companies that seek a long-term offtake agreement is aligning perfectly with the primary, stated goal of this new national strategy.

The "Problem-Solution Fit" for Heavy Industry

This new supply of biomethane directly solves the demand side of the equation for heavy manufacturing. The core challenge for steel industries is typically not transportation fuel; it's the massive consumption of natural gas and fuel oil for high-heat processes (like annealing and hot rolling). Biodiesel ME and HVO are diesel replacements, making them unsuitable for these applications. Biomethane, on the other hand, is a "drop-in" substitute for natural gas. It can be used in the exact same furnaces and burners with minimal modification, making it the most seamless and practical pathway to decarbonize these massive Scope 1 emissions.

This also can be said for recycled fuel oil (“RFO”), which is a heavy, "dirty" fuel. Burning it releases significant pollutants like sulfur oxides (SOx) and particulate matter. Switching to biomethane (which is 99% pure methane, just like natural gas) almost completely eliminates these pollutants, which is a major win for both the environment and regulatory compliance.

Biodiesel ME is the backbone of the existing B20/B30 transport mandate, a policy focused on blending with diesel for road vehicles. Biodiesel HVO is a premium "renewable diesel" aimed at logistics or, more strategically under the NETR, as a lucrative export product and a feedstock for Sustainable Aviation Fuel (SAF). Neither of these is designed to replace natural gas in an industrial plant.

In conclusion, biomethane is the only fuel that sits at the perfect intersection of the specific policy (Biomass Clustering) and the specific industrial problem (natural gas consumption).

The emission factor for Natural gas: 55.82 kg CO2e per GJ
The emission factor for Biomethane: 0.10625 kg CO2e per GJ

The full switch to Biomethane would result into 99.81% less emissions.

The emission factor for Recycled fuel oil (Waste oil): 3.12 kg CO2e per kg
The emission factor for Biomethane: 0.00521 kg CO2e per kg
The full to Biomethane switch would result into 99.83% less emissions.

Source: Emission Factors are derived from Defra (Department for Environment, Food & Rural Affairs) - Greenhouse gas reporting: conversion factors 2024. (This data is now published by the Department for Energy Security and Net Zero (“DESNZ”), which continues the work previously managed by Defra).

Note:
The UK government (DESNZ/Defra) emission factors for natural gas are provided in two main ways: Gross Calorific Value (Gross CV): This is the most common factor used for UK reporting. the emission for Natural Gas (Gross CV) is approximately 0.183 kg CO2e/kWh, which equals 50.8 kg CO2e per GJ. Net Calorific Value (Net CV): Based on the 2024 factors, the emission for Natural Gas (Net CV) is approximately 0.20095 kg CO2e/kWh.

Converted at 277.778kWh/GJ (Fixed conversion factor for turning 1 Gigajoule ("GJ") into kilowatt-hours (kWh)) equates to 55.82 kg CO2e/GJ

Future Scenario Derived Based on Malaysia's NETR (Section: Energy Transition Levers and Key Initiatives, Bioenergy, Facilitate biomass clustering (BI-3), Improve solid waste management policies (BI-5), page 28, 40 & 41)

APPENDIX: BURSA MALAYSIA CSI REPORT

The sustainability-related metrics and targets disclosed below are extracted from Bursa Malaysia's Centralised Sustainability Intelligence (CSI) Platform, in accordance with the prescribed reporting format, and are presented without modification. Quantitative targets have not been inserted at this stage as the Group is in the process of reviewing baseline data and strengthening internal data governance. Targets will be progressively developed and disclosed in future reporting periods.

Engtex Group

BMLR Transition Period

Date & Time: 2026-04-17T15:29:23

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-bribery and anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage (%)	100	—	Internal
Anti-bribery and anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage (%)	100	—	Internal
Anti-bribery and anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical Staff	Percentage (%)	100	—	Internal
Anti-bribery and anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - General Workers	Percentage (%)	100	—	Internal
Anti-bribery and anti-corruption	Percentage of operations assessed for corruption related risks	Percentage (%)	100	—	Internal
Anti-bribery and anti-corruption	Confirmed incidents of corruption and action taken	Number	0	—	Internal
Community/Society	Total amount invested in the community where the target beneficiaries are external to Engtex	MYR	667473	—	Internal
Community/Society	Total number of beneficiaries of the investment in communities	Number	12	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Management Under 30	Percentage (%)	2.6	—	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Employment/Diversity	Percentage of employees by age group for each employee category - Management Between 30-50	Percentage (%)	54.7	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Management Above 50	Percentage (%)	42.7	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Executive Under 30	Percentage (%)	18.5	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Executive Between 30-50	Percentage (%)	69.6	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Executive Above 50	Percentage (%)	11.9	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Non-executive Under 30	Percentage (%)	37.6	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Non-executive Between 30-50	Percentage (%)	48.3	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - Non-executive Above 50	Percentage (%)	14.1	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - General Workers Under 30	Percentage (%)	38.6	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - General Workers Between 30-50	Percentage (%)	60.1	—	Internal
Employment/Diversity	Percentage of employees by age group for each employee category - General Workers Above 50	Percentage (%)	1.3	—	Internal

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Employment/Diversity	Percentage of employees by gender for each employee category - Management Male	Percentage (%)	70.1	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - Management Female	Percentage (%)	29.9	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - Executive Male	Percentage (%)	52.4	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - Executive Female	Percentage (%)	47.6	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - Non-executive Male	Percentage (%)	35.3	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - Non-executive Female	Percentage (%)	64.7	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - General Workers Male	Percentage (%)	99.9	—	Internal
Employment/Diversity	Percentage of employees by gender for each employee category - General Workers Female	Percentage (%)	0.1	—	Internal
Board/Diversity	Percentage of directors by gender - Male	Percentage (%)	62.5	—	Internal
Board/Diversity	Percentage of directors by gender - Female	Percentage (%)	37.5	—	Internal
Board/Diversity	Percentage of directors by age group - Under 30	Percentage (%)	0	—	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Board/Diversity	Percentage of directors by age group - Between 30-50	Percentage (%)	12.5	—	Internal
Board/Diversity	Percentage of directors by age group - Above 50	Percentage (%)	87.5	—	Internal
Energy Management	Total energy consumption	Megajoules	178750800	—	Internal
Health and Safety	Number of work-related fatalities	Number	0	—	Internal
Health and Safety	Lost time incident rate ("LTIR")	Rate (Number of lost time injuries per 1,000,000 hours worked)	2.8	—	Internal
Health and Safety	Employees trained on health and safety	Number	785	—	Internal
Labour practices and standards - Talent Development	Total hours of training by employee category - Management	Hours	1538	—	Internal
Labour practices and standards - Talent Development	Total hours of training by employee category - Executive	Hours	2844	—	Internal
Labour practices and standards - Talent Development	Total hours of training by employee category - Non-executive	Hours	4900	—	Internal
Labour practices and standards - Talent Development	Total hours of training by employee category - General Workers	Hours	1754	—	Internal
Labour practices and standards -Contractor/Temporary Staff	Percentage of employees that are contractors or temporary staff	Percentage (%)	1.2	—	Internal
Labour practices and standards - Employee Turnover	Total number of employee turnover by employee category - Management	Number	9	—	Internal
Labour practices and standards - Employee Turnover	Total number of employee turnover by employee category - Executive	Number	32	—	Internal

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Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Labour practices and standards - Employee Turnover	Total number of employee turnover by employee category - Non-executive	Number	118	—	Internal
Labour practices and standards - Employee Turnover	Total number of employee turnover by employee category - General Workers	Number	167	—	Internal
Labour practices and standards - Human Rights	Number of substantiated complaints concerning human rights violations	Number	0	—	Internal
Supply chain management	Proportion of spending on local suppliers	Percentage (%)	90.5	—	Internal
Data Privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	Internal
Water management	Total volume of water used	Megalitres	189.6	—	Internal
Waste management	Total Waste Generated	Metric Tonnes	1160.5	—	Internal
Waste management	Total waste diverted from disposal	Metric Tonnes	428.0	—	Internal
Waste management	Total waste directed to disposal	Metric Tonnes	732.5	—	Internal
Emission management	Scope 1 emissions in tonnes of CO2e	Metric Tonnes	11752.0	—	Internal
Emission management	Scope 2 emissions in tonnes of CO2e	Metric Tonnes	38302.0	—	Internal
Emission management	Scope 3 emissions in tonnes of CO2e (for the categories of business travel and employee commuting)	Metric Tonnes	1395.0	—	Internal

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