

SUSTAINABILITY STATEMENT

Lion Posim Berhad (“Company”) is pleased to present its Sustainability Statement which provides an overview its Economic, Environmental and Social (“EES”) impacts for financial year ended 31 December 2024 (“FY2024”).

The Company is primarily engaged in investment holding, and through its subsidiaries, Posim Marketing Sdn Bhd (“PMSB”), Posim Petroleum Marketing Sdn Bhd (“PPMSB”), and Lion Petroleum Products Sdn Bhd (“LPPSB”); it is involved in the trading and distribution of building materials and steel products, and petroleum-based products and automotive components.

BASIS OF SCOPE

This Sustainability Statement covers the Company’s operations in the trading and distribution of building materials and steel products by PMSB, and petroleum-based products and automotive components by PPMSB and LPPSB.

REPORTING FRAMEWORK AND STANDARDS

We have taken steps to incorporate standard disclosures in accordance to the Global Reporting Initiative (“GRI”) Standards and Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“Listing Requirements”) with reference to its Sustainability Reporting Guidelines. The standard disclosures are also aligned with the United Nations Sustainable Development Goals (“UNSDGs”).

The Company is working to adopt the recommendations of the IFRS Sustainability Disclosures Standards and the National Sustainability Reporting Framework (“NSRF”), and will continue to improve its disclosures to align with best practice reporting standards.

AVAILABILITY AND FEEDBACK

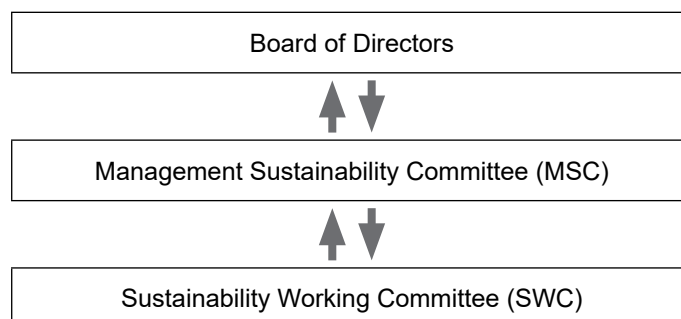
The Sustainability Statement is available on the Company’s website at www.lion.com/lionpsim and Lion Group’s website at www.lion.com.my as part of the Company’s FY2024 Annual Report. We welcome our stakeholders to share their feedback regarding this Statement and the topics discussed.

APPROACH TO SUSTAINABILITY

Our sustainability approach is guided by Lion Group’s mission “We are committed to make Lion Group a caring organisation and be recognised for excellence in quality, growth and profitability”, of which the Company is a member.

We have adopted a holistic sustainability approach across our business operations and functions. The strategic direction is guided by the Board of Directors, with the Head of Company/Business taking on the executive role for effective and efficient implementation, and driven via collaboration amongst various Departments and Business Units across the Company.

SUSTAINABILITY STRUCTURE



The Board of Directors has oversight of the Group's strategic direction on sustainability.

The MSC is chaired by Head of Company/Business, and assists the Board with strategic direction of sustainability matters. The MSC is responsible for steering, coordinating and ensuring the effective and efficient implementation of the sustainability framework.

The SWC comprises members from middle management across our operations and is responsible for the day-to-day implementation of the sustainability strategies and plans.

GOVERNANCE

The Company complies with all relevant corporate governance laws and regulations and follows best practices. By upholding high standards of corporate governance, we aim to ensure long-term success, competitiveness, and sustainability. Details can be found in our Corporate Governance Overview Statement and Statement on Risk Management and Internal Control on pages 12 to 29 of this Annual Report.

STAKEHOLDERS ENGAGEMENT

Engaging with stakeholders is crucial to understanding their expectations. We value their feedback, assessments, and insights as essential to shaping our sustainability strategies and initiatives. Through regular formal and informal engagements, we continuously refine our approach. These interactions help us identify key issues, uncover opportunities, and manage risks, enabling us to respond effectively to stakeholder needs.

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Employees	<ul style="list-style-type: none"> Health, safety and well-being Learning and development Respect and recognition Job satisfaction Pay and benefits 	<p>Ongoing</p> <ul style="list-style-type: none"> Meetings Training programmes Internal newsletter New employee induction Programme Sports & Recreation Club – “Kelab Sukan Rekreasi dan Kebajikan Posim” Staff gatherings and other engagement channels <p>Quarterly</p> <ul style="list-style-type: none"> Internal newsletter <p>Annually</p> <ul style="list-style-type: none"> Performance appraisals 	<ul style="list-style-type: none"> Training and upskilling opportunities for professional and personal development Merit-based evaluation and career growth pathways Health and well-being initiatives focused on promoting a balanced work-life lifestyle

STAKEHOLDERS ENGAGEMENT (continued)

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Customers	<ul style="list-style-type: none"> Convenience and experience Service and product quality Timely product delivery 	Ongoing <ul style="list-style-type: none"> Face-to-face interaction through sales and service channels Communication through Marketing Department, Customer Service Department and Corporate Communications Department Feedback through website, e-mail, social media platform Sales, promotions, road shows and related events 	<ul style="list-style-type: none"> Offer comprehensive range of products that meet customers' requirements Visits to customers' sites to better understand their needs and challenges Organise annual appreciation and New Year celebration to foster healthy cooperation
Suppliers/Vendors	<ul style="list-style-type: none"> Long term partnership Financial resilience Sustainable business growth Experienced management team 	Ongoing <ul style="list-style-type: none"> Liaison with suppliers before sourcing and engaging with contract managers Meetings, business alliance events/ meetings Vendor service/support channel 	<ul style="list-style-type: none"> Compliance with relevant policies and procedures Transparent business relationship Reliable and trustworthy products and services Feedback from users and application performance
Shareholders and Investors	<ul style="list-style-type: none"> Good governance Sustainable business growth Disclosure and transparency 	As Needed <ul style="list-style-type: none"> Circulars One-on-one meetings Quarterly <ul style="list-style-type: none"> Financial reports and announcements Annually <ul style="list-style-type: none"> Annual General Meeting Annual Report 	<ul style="list-style-type: none"> Timely updates on the Company's announcements Uphold good governance practices across the business operations and supply chain
Regulatory Agencies and Statutory Bodies	<ul style="list-style-type: none"> Regulatory compliance Safety and security 	Ongoing <ul style="list-style-type: none"> Consultative and statutory reporting As Needed <ul style="list-style-type: none"> Participation in meetings, visits and events 	<ul style="list-style-type: none"> Full compliance with regulatory requirements Adoption of practices outlined in the Malaysian Code on Corporate Governance Support government initiatives




STAKEHOLDERS ENGAGEMENT (continued)

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Local Communities	<ul style="list-style-type: none"> Responsible corporate citizen Support for social causes Creation of job opportunities 	Ongoing <ul style="list-style-type: none"> Activities and sponsorships organised by the Company and Lion-Parkson Foundation As Needed <ul style="list-style-type: none"> Job vacancies advertisement 	<ul style="list-style-type: none"> Support community initiatives/programmes through contributions and other forms of assistance
Media	<ul style="list-style-type: none"> Response to media enquiries and requests for interviews Long term engagement 	As Needed <ul style="list-style-type: none"> Media releases and interviews Advertisements 	<ul style="list-style-type: none"> Transparency in communications Timely and accurate information on corporate, industry, and business developments
Industry Associations	<ul style="list-style-type: none"> Support for mutual interests 	As Needed <ul style="list-style-type: none"> Meetings and events 	<ul style="list-style-type: none"> Participate in meetings/discussions and/or events

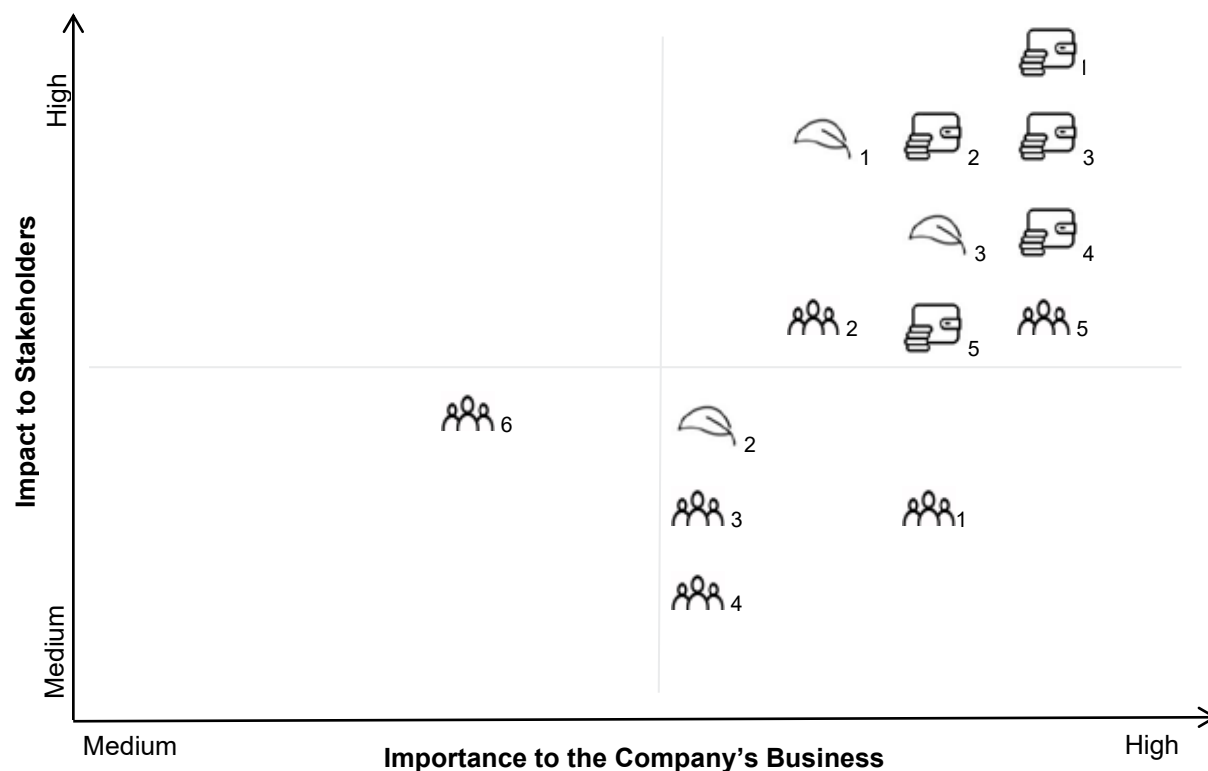
MATERIAL MATTERS

Our materiality matters are validated by our various divisions, combined into a consolidated matrix of issues relating to the activities of the Company. In identifying matters material to the Company, we were guided by GRI and the Listing Requirements.

The Company conducts its materiality assessment every three years and undertakes an annual review of the identified material matters. This process ensures that the Company remains aligned with the evolving expectations of stakeholders, regulatory requirements, and industry trends, while maintaining a proactive approach to sustainability and corporate responsibility.



 Economic	 Environmental	 Social
<ol style="list-style-type: none"> Economic Performance Products Quality & Safety Cyber Security/Data Protection Anti-Corruption Supply Chain Management 	<ol style="list-style-type: none"> Energy Efficiency Water & Waste Management Chemical Management 	<ol style="list-style-type: none"> Employee Well-being Health & Safety Capacity Building Diversity & Equal Opportunities Labour Practices & Standards Community Relations/CSR

MATERIALITY MATRIX










CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGs”)

We are committed to supporting the UNSDGs and the following outlines our efforts during the year under review:

UNSDGs	Description	Our Approach
	Goal 1: No Poverty End poverty in all its forms anywhere	<ul style="list-style-type: none"> Provide financial aid for medical treatment to the most vulnerable segments of society Collaborate with other bodies and Non-Governmental Organisations to extend our reach and ensure help is targeted to those most in need
	Goal 3: Good Health and Well-being Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> Prioritise health and safety in our business operations by adopting rigid safety standards and systems, provide continuous safety training to protect our employees, sub-contractors and the general public Promote healthy lifestyles and work-life balance by organising programmes that focus on our employees' physical and mental well-being Regular review on workplace practices & environment aspects by Health & Safety Committee

CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGS”) (continued)

UNSDGs	Description	Our Approach
 <p>4 QUALITY EDUCATION</p>	<p>Goal 4: Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> • Provide scholarships to undergraduates pursuing their first degree locally • Promote employee development programme and upskilling action plan
 <p>5 GENDER EQUALITY</p>	<p>Goal 5: Gender Equality Ensure full participation in leadership and decision-making</p>	<ul style="list-style-type: none"> • Acknowledge women’s contribution in the industry and committed to promoting the advancement of women • Ensure women’s effective representation and equal opportunities for leadership at all levels of decision-making across business activities
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Goal 8: Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<ul style="list-style-type: none"> • Provide competitive remuneration packages to our employees, and training opportunities for career growth and development • Promote a safe and secure working environment for all workers, including contractors and foreign labour • Stand firm against any form of forced labour, modern slavery and child labour • Regular discussions on employees’ performance and action plans
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>Goal 12: Responsible Production and Consumption Substantially reduce waste generation</p>	<ul style="list-style-type: none"> • Encourage 3R (reduce, reuse, recycle) activities to reduce waste generation • Adhere to ISO standards of operation to ensure efficient use of resources
 <p>13 CLIMATE ACTION</p>	<p>Goal 13: Climate Action Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> • Compliance with all applicable statutory and regulatory requirements
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Goal 16: Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> • Support fair and equitable workplace • Ensure a strong ethics and compliance culture • Zero tolerance towards bribery and corruption, as articulated in our Anti-Bribery and Corruption Policy • Whistleblower Policy
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<p>Goal 17: Partnership for the Goals Encourage and promote effective partnerships, building on the experience and resourcing strategies of partnerships</p>	<ul style="list-style-type: none"> • Collaborate with regulators, industry players and community development programme partners • Collaborate with employees of all levels to promote and achieve common goals that benefit everyone

KEY SUSTAINABILITY MATTERS

ECONOMIC

Ensuring economic sustainability remains a key priority for achieving long-term business success. Our commitment lies in upholding ethical and responsible marketplace practices through transparent business conduct, operating our business with integrity, and a commitment to excellence. These principles not only enhance our competitiveness but also foster long-term relationships with our stakeholders.

- **Economic Performance**

The Company's financial performance is vital for ensuring the sustainability of our business. We are dedicated to creating meaningful employment opportunities and supporting economic development. Through the jobs generated within our operations and related industries, along with the taxes we contribute, we play a vital role in driving positive and significant impacts on the broader economy.

RM'000	2023	2024
Revenue	755,137	753,085
Profit after tax	13,552	10,799
Net profit attributed to owners of the Company	13,553	10,799

Note : Further information on Economic Performance can be found in the 5 Years Group Financial Highlights on page 41 and Financial Statements section of the 2024 Annual Report.

- **Products Quality & Safety**

Delivering quality is essential to maintaining credibility and earning customer trust, especially in the highly competitive building materials and lubricants industries. We are dedicated to providing products that meet the highest regulatory, safety, health, and quality standards while ensuring our suppliers align with the same philosophy.

Our robust quality management system oversees every stage, from planning and development to production and after-sales service, ensuring full compliance with all stipulated standards. With ISO 9001:2015 certification, our lubricant factory exemplifies our commitment to excellence. Our lubricant products meet engine oil quality standards required by American Petroleum Institute, Japanese Automotive Standards Organisation and European Automobile Manufacturers Association.

- **Cyber Security/Data Protection**

We are committed to maintaining the confidentiality and security of customers' and stakeholders' information in compliance with the Personal Data Protection Act 2010. Information regarding our vendors, suppliers, and customers is handled with strict privacy and confidentiality at all times.

We actively educate our employees on data protection and privacy through knowledge-sharing initiatives, including brief learning emails and articles in our corporate newsletter. These cover essential topics such as information security fundamentals, online scams, cyber espionage, malware, and ransomware. Our primary goal is to raise awareness about the importance of protecting sensitive information, thereby reducing potential threats and security breaches that could impact the organisation.

During this reporting period, there were no substantiated complaints of breaches in customer privacy or loss of customer data. We will continue to protect our customers' data privacy across all operations.

	2023	2024
Substantiated Complaints Concerning Breaches In Customer Privacy Or Data Loss	ZERO	ZERO

• Anti-Corruption

The Company is committed to promoting a culture of integrity through awareness campaigns and regular communications. We require all employees to comply with our Anti-Bribery and Corruption Policy ("ABC Policy"), ensuring that our business is conducted ethically, responsibly, and transparently. Directors and employees are also required to complete an annual e-declaration on Conflict of Interest and acknowledge their understanding of the ABC Policy to confirm compliance.

We encourage all stakeholders to report any suspected wrongdoings which may involve or concern our directors, management, employees, or actions that could affect our performance, relations with other stakeholders, assets, or reputation. Whistleblowers will be assured of confidentiality, with their identity protected unless disclosure is required by law.

Corruption-related Training

All executive employees successfully completed the required training in FY2024, while 98.64% of non-executive employees did the same. Our goal remains to ensure 100% participation in training across the organisation. Additionally, employees are mandated to complete an annual e-declaration on Conflict of Interest and acknowledge their understanding of the ABC Policy to demonstrate compliance.

Operations Assessed for Corruption-related Risks

In FY2024, we conducted corruption risk assessments across all our operations, with 100% of them undergoing the evaluation.

Corruption Incidents

As of 31 December 2024, we recorded zero incidents of corruption across our business operations.

Percentage (%)	2023	2024
Corruption Related Training		
- Executive	100	100
- Non-Executive	93.29	98.64
Operations Assessed for Corruption-related Risks	100	100
Corruption Incidents	ZERO	ZERO

• Supply Chain Management

Our procurement department is dedicated to ensuring responsible procurement practices, reinforced by the requirement for all active registered vendors to periodically acknowledge their commitment to our Vendor Code of Conduct. Vendor qualifications and credentials are thoroughly vetted before being added to our list of approved suppliers. From the supplier selection process onward, we incorporate sustainability considerations, such as fair labour practices and safety requirements.

To maintain transparency and accountability, we conduct audits and continuously improve our procurement processes and policies, including reassessment of procurement contracts. We also prioritise sourcing products and services locally whenever feasible, recognising its advantages such as cost efficiency, timely delivery, lower carbon emissions, and support for the local economy.

Local Suppliers

In FY2024, our procurement expenditure on local suppliers saw a slight increase, reflecting our continued commitment to supporting local economies. This rise underscores our dedication to sustainable practices and reinforces our ongoing effort to make responsible purchasing decisions. As we assess and optimise our sourcing strategies, we aim to strengthen our partnerships with local suppliers, fostering both economic and environmental benefits for the communities we serve.

	2023	2024
Spending on Local Suppliers (%)	95.40	96.34

• Customer Satisfaction

Customer support and loyalty are crucial to the success of our business. Therefore, we prioritise putting customers at the heart of everything we do, striving to deliver high-quality products and services. To ensure our employees provide exceptional service, we include product knowledge and service skills training as part of our regular training programmes. We also place great importance on customer engagement through appreciation dinners and gatherings to express our gratitude for their continued support. Additionally, we maintain various feedback channels, including customer satisfaction surveys, to gather insights and continuously improve our business.

ENVIRONMENTAL

The Company remains steadfast in its commitment to sustainable development and seeks to operate in a way that minimises environmental harm. We advocate the 3R actions of Reduce, Reuse and Recycle at our workplace, and adopt preventative measures to conserve the environment and reduce pollution. We seek to uphold environmental concerns with emphasis on application of new technologies and industry best practices that are environmentally friendly, optimise the use of resources and promote energy efficiency, and we are committed in taking proactive measures to preserve the environment for future generations whilst meeting the needs of our stakeholders.

Climate Action and Environmental Goals

Aligned with the Malaysian Government's commitment to addressing climate change and achieving Net Zero greenhouse gas (GHG) emissions by 2050, the Company has set an interim target, and will revise these targets in accordance with the relevant standard.

	Area	Target	Plan
1	GHG Emissions	Achieve a reduction in GHG emissions intensity and total emissions annually.	<ul style="list-style-type: none"> Partner with suppliers/vendors to reduce emissions in transportation. Improve fleet efficiencies, and optimise route.
2	Energy Consumption	Decrease energy consumption to improve operational efficiency annually.	<ul style="list-style-type: none"> Implement smart energy management systems to monitor and optimise energy use. Promote employee energy-saving initiatives.
3	Waste Reduction	Reduce annual waste sent to landfill.	<ul style="list-style-type: none"> Implement circular economy initiatives to reduce packaging waste and promote product packaging reuse. Reduce unnecessary packaging, use better packaging materials, and increase packaging reuse and recycling. Switch to biodegradable or reusable packaging materials. Partnership with local municipalities or recycling organisations to enhance waste diversion efforts. Instill the 3R culture amongst employees to minimise waste.
4	Water Conservation	Lower water consumption to conserve annually.	<ul style="list-style-type: none"> Optimise and evaluate water use system. Promote water saving habits amongst employees.

- **Energy Efficiency**

Electricity is essential for powering our offices and ensuring operational efficiency. With energy conservation at the core of our practices and increased awareness of energy-saving measures, we continue to minimize our environmental impact. As a result, we recorded a reduction in energy consumption.

	2023	2024
Total Energy Consumption (Megawatts)	614.18	610.40

- **Water and Waste Management**

While the Company's operations do not consume significant amounts of water, we fully recognize its scarcity as a valuable resource. This awareness drives our commitment to carefully managing and monitoring our water usage, emphasizing the importance of responsible water stewardship in fostering sustainable and environmentally conscious practices. For FY2024, our total water consumption rose by approximately 12.98%, reaching 4.44 megalitres, largely due to an increase in operational activities.

In addition, we prioritise waste treatment to ensure that all waste materials are properly handled, stored, and disposed of. Our commitment to recycling ensures that waste is repurposed instead of contributing to landfill accumulation. With the rise of digitalisation and electronic processes, our dependence on paper has significantly reduced, supporting our ongoing efforts to adopt eco-friendly practices and contribute to a more sustainable future.

Water Management	2023	2024
Total Water Consumed (Megalitres)	3.93	4.44

- **Chemical Management**

We take proactive measures to prevent incidents such as chemical spills and leakages at our premises. Our strict adherence to legal requirements for chemical classification, labeling, handling, and storage is complemented by the implementation of best management practices designed to minimize pollution. Certified scheduled waste competent personnel are appointed to oversee all chemical waste activities, and we regularly provide knowledge and training in this area to all production staff. In FY2024, there is zero incident of major chemical spillage within our workplace, demonstrating our commitment to safety and environmental responsibility.

	2023	2024
Incidence of major chemical spillage	ZERO	ZERO

- **Promoting Green and Environment Friendly Products**

We are continuously exploring greener alternatives to enhance our day-to-day operations. This includes the introduction of more efficient, energy-saving products and processes, alongside the adoption of 5S management techniques. Our building materials division is promoting and selling a variety of Green Building Index products in its range of cement, ceiling boards and aerated blocks.

SOCIAL

We recognise the importance of social inclusion as it influences our lifestyles and professional endeavours. With a commitment to contribute to the betterment of society, our aim is to cultivate a positive social impact that can truly make a meaningful difference.

- **Employee Well-being**

The Company is dedicated to creating a workplace where employees feel valued, secure, and empowered to express themselves. By emphasising engagement and open communication, we foster a positive, productive, and inclusive environment.

To enhance employee engagement, we organise various initiatives such as town-halls, “lunch & learn” sessions, festive open houses, and sports and recreational activities. These efforts address both professional and social needs, promoting a healthy work-life balance, which is key to attracting and retaining talent.

Employees are encouraged to join the “Kelab Sukan & Kebajikan Posim”, which promotes healthy sports and social activities among staff.

Additionally, the Company provides employees with the option of Flexible Work Arrangements tailored to the roles and requirements of their jobs. These arrangements empower employees to choose between hybrid work models or flexible work hours, allowing them to better balance their professional and personal needs while maintaining productivity and efficiency.

- **Labour Practices and Standards**

The Company is committed to fostering a productive, safe, and harassment-free workplace, enforcing a zero-tolerance policy toward inappropriate behavior, including sexual harassment. The Anti-Sexual Harassment Policy and educational posters promote awareness, while the Whistleblower Policy provides a confidential channel for reporting misconduct. The Company is equally committed to ethical labour practices, strictly prohibiting any form of involuntary, forced, or child labour - a standard that extends to our suppliers and business associates.

In FY2024, no incidents of discrimination, harassment, or violations of labour laws or workers’ rights were reported, reflecting the Company’s dedication to compliance and employee well-being.

	2023	2024
Substantiated Complaints Concerning Human Rights Violation	ZERO	ZERO

- **Health & Safety**

The health and safety of our employees is a top priority. The Company adheres to all relevant safety, health, and environmental regulations through a systematic approach, bolstered by continuous training and monitoring to ensure the well-being of our team. Workplace incidents are taken seriously, investigated thoroughly, and corrective actions are implemented to prevent recurrence.

In compliance with legal requirements such as the Occupational Safety and Health Act, Factories and Machinery Act, Electricity Act 1990, Gas Supply Act 1993, and other relevant regulations, we have established Safety and Health Standard Operating Procedures. Ensuring compliance with these procedures is the responsibility of all employees, contractors, and consultants working on our premises.

We have established an Emergency Response Team (ERT) to manage emergencies, incidents, natural disasters, and disruptions. Protective gear is strategically placed across our premises for quick access during emergencies. ERT members undergo regular training on safety procedures, including fire extinguisher use, first aid (CPR and injury management), and evacuation protocols. Additionally, safety campaigns are conducted to reinforce awareness and keep staff informed.

Health and Safety Training

In FY2024, a total of 88 employees received training on health and safety standards, compared to 82 employees in FY2023. This increase in participation reflects the Company's enhanced focus on promoting a safer work environment and ensuring that more employees are equipped with the knowledge and skills to adhere to health and safety regulations. The Company will continue its efforts to foster a safer workplace culture and improve employee well-being.

	2023*	2024
Employees Trained on Health And Safety Standards	82	88

* FY2023 data has been restated to reflect the correct number of employees who received training on health and safety standards within the Company.

Among the training conducted were:

Emergency Response Plan & Preparedness Training	Occupational Safety and Health Awareness	Basic Occupational First Aid, CPR, and AED
Forklift Training	Occupational Safety & Health Coordinator/Trained Person	Conference on Occupational Safety & Health
Forklift Safety & Certification		
OSH Awareness Safety & Health Committee	Safety & Health Training (Chemical Spill Response Training)	Improving Workplace Ergonomics for Health & Productivity

Work-Related Injuries

We take workplace incidents seriously, conducting thorough investigations and implementing preventive measures to avoid recurrence. In FY2024, we are pleased to report zero work-related injuries.

	2023	2024
Number of Fatalities	ZERO	ZERO
Number of Lost Time Injuries		
Lost Time Incident Rate		

• Capacity Building

The Company prioritises talent development to cultivate future leaders and strengthen its talent pipeline. Employees are offered learning and development opportunities tailored to their technical, functional, and behavioral competencies, aligning with job requirements and career aspirations.

Training is delivered through on-the-job learning, formal classes, online platforms, and continuing education. The Company encourages employees to pursue upskilling courses and obtain skill certifications, enabling broader job coverage and fostering professional growth.

In FY2024, training hours for executives saw a slight decline, likely due to many having already completed extensive training in previous years. In contrast, training hours for non-executives increased significantly by 108 hours, reflecting a strong focus on upskilling and comprehensive skill development. These efforts highlight the organisation's commitment to enhancing its workforce and improving operational performance.

Total Hours of Training by Employee Category

Category/Hours	2023	2024
Executive	1,945	1,927
Non-executive	999	1,107

• **Capacity Building** (continued)

In FY2024, among the training and development programmes conducted both physically and/or online are as follows:

- Webinar On Import Export Facilitations & HS Code (Customs & MITI Exemption)	- Budget 2025 Key Updates And Changes For Corporate Accountants	- FMM EY Seminar: Solving The Tax Technology Puzzle For E-Invoicing
- FMM Briefing On E-Invoicing For Manufacturers	- Microsoft Office Excel Training (Basic)	- Selling Made Easy - Effective Price Presentation
- Advance Data Management & Analysis Using Excel	- Interpersonal Skills And Assertive Communication	- Strategies For Successful Negotiations
- ESG Awareness For Employees	- 2024 Tools For New Auditors	- ESG Summit 2024
- Basics Of Electric Vehicle (EV)	- FMM Supply Chain Webinar 2024	- Seminar Pencukaian Kebangsaan Belanjawan 2025
- Re-Thinking Stress To Improve Health And Productivity	- Microsoft Excel Basics Intermediate	- Regulatory Forum 2024 - Evolving Regulatory Landscape
- Application Of E-Invoice In Daily Accounting And Business Operation	- MAICSA Annual Conference 2024 - Sustainability Today For Tomorrow	- Circular Economy, Green Technology And Cost Reduction In Scheduled Waste Management
- Microsoft Excel Advance	- Enhancing Collaborative Team	- ESG As A Game Changer
- The Beneficial Ownership Reporting Framework For Companies Based On The Companies (Amendment) Act 2024	- Webinar Series: Update On The Beneficial Ownership (BO) Reporting Framework - Assessing SSM's Consultative Documents On The Revised Guidelines And Case Studies And Illustrations On BO	- Optimising Waste Management: Strategies For Co-Processing, Special Management And Cost Reduction
- CeDR Bite-Sized Online Learning Sessions: Weight Management And You!	- From Waste To Management Minimising Waste & Understanding Leachate Behaviour	- SSM National Conference 2024: "Enhancing Corporate Transparency. Building Resilience."

• **Diversity & Equal Opportunities**

We do not condone discrimination against race, gender, age, religion or nationality and any form of harassment in our work environment. The Company's workforce is a reflection of the multi-cultural and multi-ethnic diversity of Malaysia with a wide range of demographic segments and social backgrounds represented across all levels of the organisation.

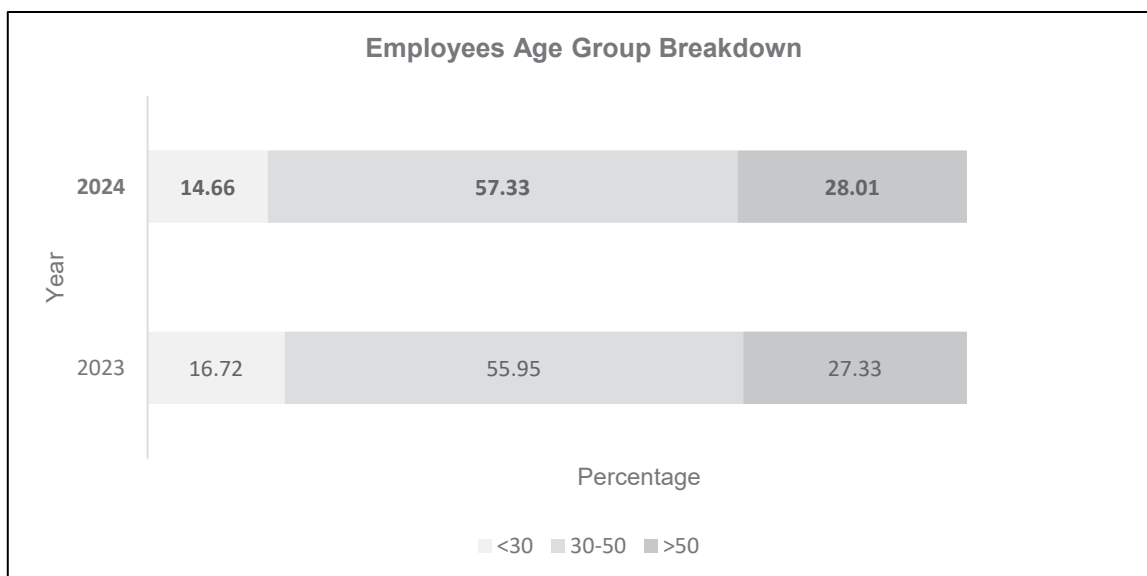
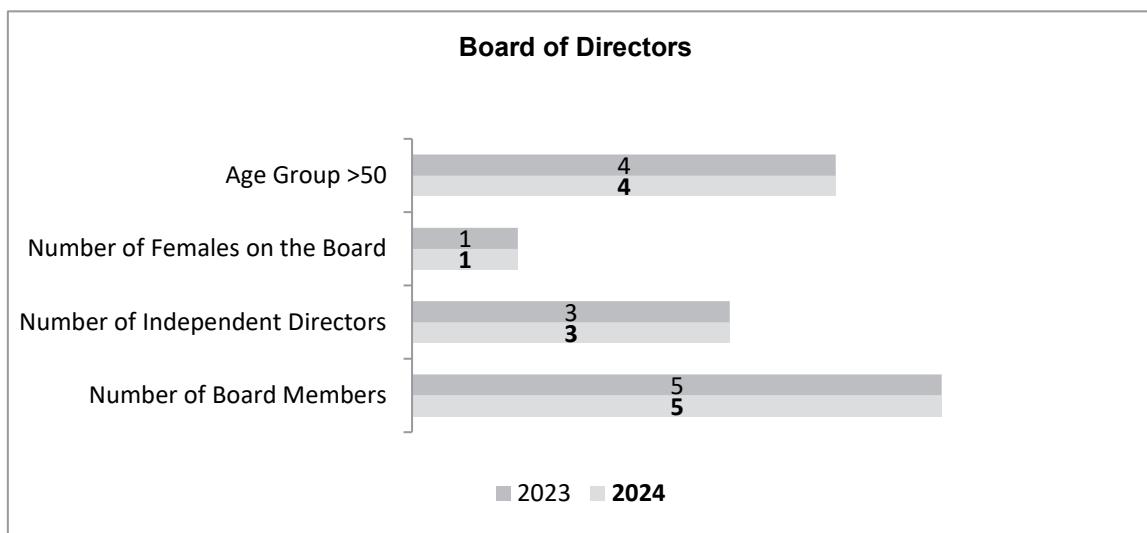
The representation of females on the Board of Directors ("Board") at 20% illustrates the Company's dedication to fostering diversity and inclusion in top leadership positions, with 80% of our Board members falling within the age group of above 50.

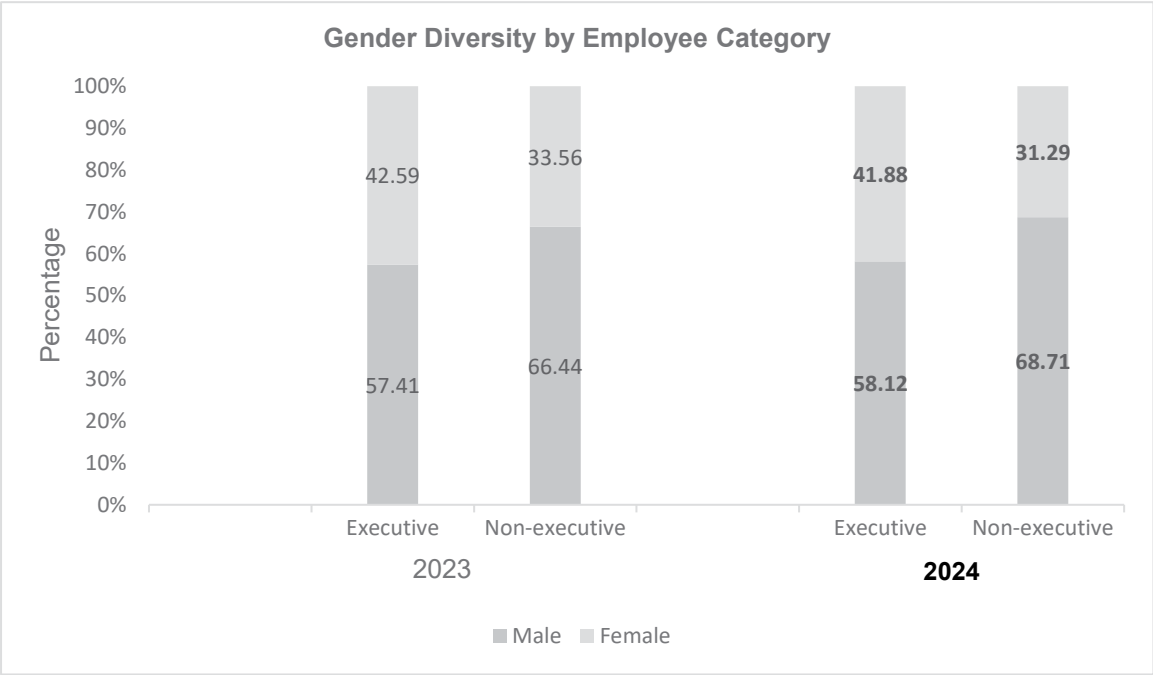
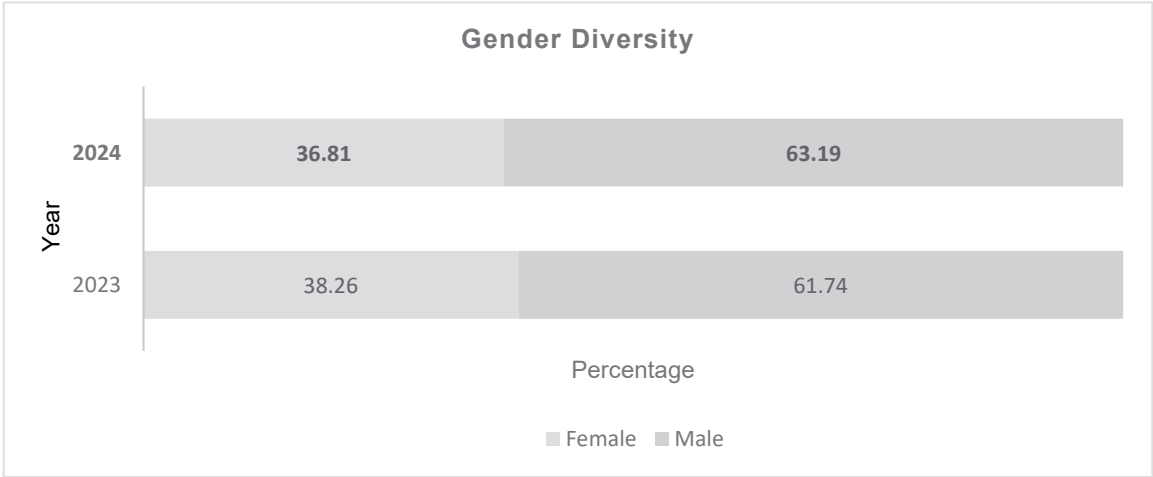
On a Company-wide basis, 36.81% of our employees are female, while 63.19% are male. This distribution is shaped by the operational and logistical challenges inherent in the core business of building materials and lubricants, which often involve fieldwork and site-based responsibilities that have traditionally been male-dominated. However, we are committed to fostering inclusivity and ensuring opportunities for all employees, regardless of gender.

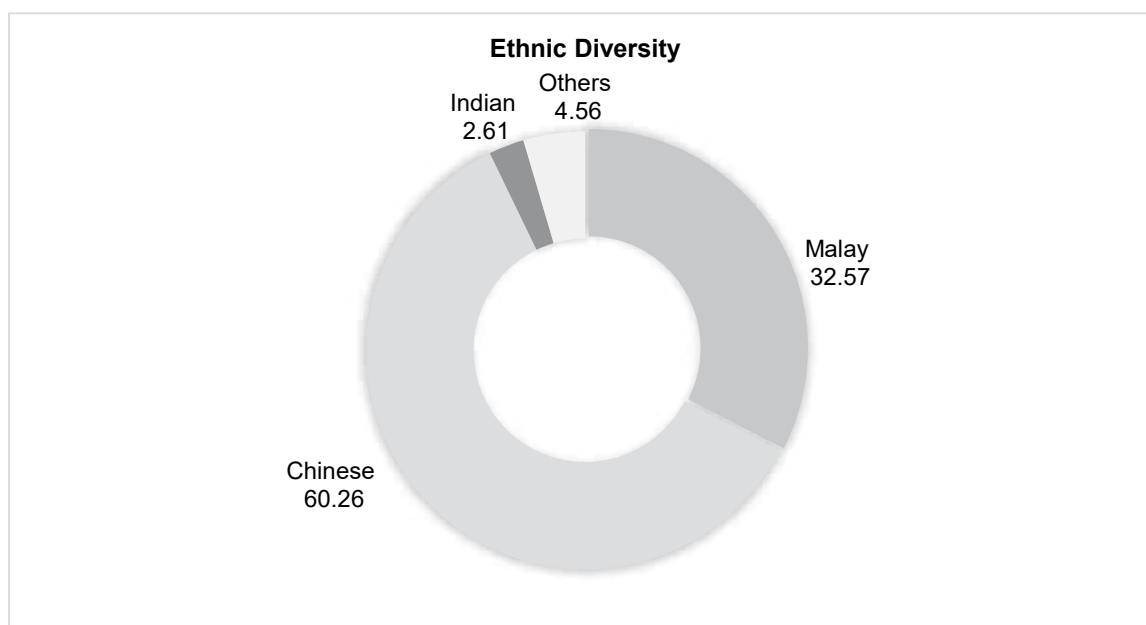
• **Diversity & Equal Opportunities** (continued)

Our workforce is well-balanced, with 57.33% falling within the 30-50 age group, a prime demographic for combining experience and energy, and 49.43% of this group hold executive positions. Furthermore, 100% of our staff hold permanent positions within the Group, reflecting our dedication to stability, growth, and long-term career development.

In FY2024, the turnover rate for executive staff saw an increase of 3.19%, rising to 8.75%, primarily due to employees pursuing opportunities with greater responsibilities or more competitive offers. In contrast, the turnover rate for non-executive staff declined by 8.61%, settling at 8.84%. These figures highlight a relatively stable workforce and underscore our ongoing commitment to retaining talent across all levels of the organisation.







Age Group by Employee Category (%)						
	2023			2024		
	<30	30 – 50	>50	<30	30 – 50	>50
Executive	9.26	54.94	35.80	7.50	54.38	38.12
Non-executive	24.83	57.05	18.12	22.45	60.54	17.01

Turnover by Employee Category (%)		
	2023	2024
Executive	5.56	8.75
Non-executive	17.45	8.84

• Community Relations/Corporate Social Responsibility (“CSR”)

In keeping with our philosophy of giving back to the community, the Company focuses on helping to uplift the community via Lion-Parkson Foundation (the “Foundation”) established in 1990 by Lion Group of Companies of which the Company is a member. The Company is also supporting the local community wherein it operates by participating in charity programmes and fundraising drives to assist those in need.

Empowerment through Education

We believe that Empowerment through Education is the key to sustainable development, as education serves as a catalyst for positive, long term change. Each year, the Foundation awards scholarships to undergraduates at local universities, providing them not only financial support but also training in essential soft skills such as problem-solving, communication and teamwork. Scholars are also offered internships at Lion Group companies, allowing them to gain invaluable work experience and prepare for their future careers,

In FY2024, the Foundation disbursed scholarships amounting to RM375,000 to 39 undergraduates pursuing their bachelor’s degree in local institutions of higher learning.

Expansion of Home for Special Children

As part of its ongoing support for vulnerable communities, the Foundation completed and officially handed over the expansion of the Home for Handicapped & Mentally Disabled Children in Banting, Selangor which includes an old folks home to the operator, Persatuan Penjagaan Kanak-Kanak Terencat Akal Negeri Selangor, on 23 January 2024.

Medical Assistance for the Less Fortunate

The Foundation is also dedicated to providing medical assistance to individuals in need, regardless of their race or religion. This includes financial support for those suffering from critical illnesses who require medical treatment, surgeries, as well as the purchase of necessary medical equipment and medications.

In FY2024, approximately RM304,803 was disbursed to 38 individuals for medical treatment, which included sponsorships for surgeries, equipment, and medications. The Foundation also made contributions to the following causes:

No	Organisation	Amount (RM)	Purpose	No of beneficiaries
1	Cataract Surgery Centre, Hospital Selayang	20,000	Donation to B40 group needing cataract operation	86
2	Home for Handicapped & Mentally Disabled Children in Banting, Selangor	20,422	Medical equipment and medicine for Home residents	94
3	St John Ambulance of Malaysia	228,380	Purchase of one ambulance, fully equipped with fabrication, medical equipment, and devices	Communities served by the ambulance services
4	The Spastic Children's Association of Selangor & Federal Territory	27,715	Donation of medical equipment for physiotherapy centre	130

Other CSR Initiatives

PPMSB remains dedicated to nurturing young talents in motorsports racing through collaborative initiatives with third-party organisations, including institutions of higher learning, to create more opportunities and foster growth in this dynamic field. In FY2024, PPMSB also took part in the Rakan Muda Run 2024, an initiative promoting youth engagement and an active lifestyle across Malaysia.

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive	Percentage	100.00	100.00
Non-executive	Percentage	93.29	98.64
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	660,030.00	976,320.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	156	388
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive Under 30	Percentage	9.26	7.50
Executive Between 30-50	Percentage	54.94	54.38
Executive Above 50	Percentage	35.80	38.12
Non-executive Under 30	Percentage	24.83	22.45
Non-executive Between 30-50	Percentage	57.05	60.54
Non-executive Above 50	Percentage	18.12	17.01
Gender Group by Employee Category			
Executive Male	Percentage	57.41	58.12
Executive Female	Percentage	42.59	41.88
Non-executive Male	Percentage	66.44	68.71
Non-executive Female	Percentage	33.56	31.29
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	80.00	80.00
Female	Percentage	20.00	20.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	20.00	20.00
Above 50	Percentage	80.00	80.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	614.18	610.40
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	82 *	88

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY PERFORMANCE DATA (continued)

Indicator	Measurement Unit	2023	2024
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Executive	Hours	1,945	1,927
Non-executive	Hours	999	1,107
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00	0.00
Bursa C6(c) Total number of employee turnover by employee category			
Executive	Number	9	14
Non-executive	Number	26	13
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	95.40	96.34
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	3.930000	4.440000

Internal assurance External assurance No assurance

(*)Restated

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement, selected aspects/parts of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors and the Statement has been reviewed by the Company's Audit and Risk Management Committee and approved by the Board.

The Materiality Matters covered are provided below:

Material Matters	Subject Matter
Anti-corruption	• Percentage of employees who have received training on anti-corruption by employee category
	• Percentage of operations assessed for corruption-related risk
	• Confirmed incidents of corruption and action taken
Community/Society	• Total amount invested in the community where the target beneficiaries are external to the Company
Diversity	• Percentage of employees by gender and age group, for each employee category
	• Percentage of directors by gender and age group
Energy Management	• Total energy consumption
Health and Safety	• Number of work-related fatalities
	• Lost time incident rate
	• Number of employees trained on health and safety standards
Labour Practices and Standards	• Total number of hours of training by employee category
	• Percentage of employees that are contractors or temporary staff
	• Total number of employee turnover by employee category
Supply Chain Management	• Proportion of spending on local suppliers
Data Privacy and Security	• Number of substantiated complaints concerning breaches of customer privacy and loss of customer data
Water	• Total volume of water used