

SUSTAINABILITY STATEMENT

In today's dynamic and interconnected business environment, sustainability is no longer just an ethical consideration but a critical factor for long-term success and resilience. **GDB Holdings Berhad ("GDB")** and its subsidiaries ("the Group") are steadfastly committed to integrating sustainability into the core of our operations and decision-making. We recognise our responsibility to address the interconnected sustainability matters pertaining to economic, environmental, social, and governance ("EESG") that will positively impact our business and the world around us.

Our commitment to sustainability is more than just compliance, it is about proactively seeking innovative solutions and continuously improving our sustained performance. We strive to create long-term value for our clients, partners, employees, and communities by embracing best business practices and prioritising environmental protection.

ABOUT THIS REPORT

This Sustainability Statement outlines the measures and strategies we have implemented to fulfill our commitments in the financial year under review. We continually adapt to evolving global trends to ensure our initiatives remain relevant and effective in contributing to a more sustainable future.

Scope and Boundary

This Statement covers the Group's entire operations, including subsidiaries directly controlled by the Group and held through a majority stake.

Reporting Guidelines

Principal Guide:

- Bursa Malaysia Securities Sustainability Reporting Guide, 3rd Edition
- Malaysian Code on Corporate Governance ("MCCG") 2021
- Task Force on Climate-related Financial Disclosures ("TCFD")

References:

- United Nations Sustainable Development Goals ("UNSDGs")
- Global Reporting Initiative ("GRI") Standards 2021
- FTSE4Good ESG Indicators
- Sustainability Accounting Standards Board ("SASB")
- International Financial Reporting Standards Sustainability Disclosure Standard 1 and 2 ("IFRS S1 & S2")

SUSTAINABILITY STATEMENT (CONT'D)

Reporting Cycle

This sustainability reporting period is for the financial year ended 31 December 2024 ("FY2024") encompassing the reporting period from 1 January 2024 to 31 December 2024, unless specified otherwise.

Statement of Assurance

All data presented in this Statement has been internally sourced, verified, and validated by the respective business divisions, adhering to the GRI principles of accuracy, balance, clarity, comparability, reliability, and timeliness.

The policies and data in this Statement has been reviewed by our internal auditor and approved by the Board of Directors of GDB ("the Board"). We are committed to ensuring the accuracy, relevance, and reliability of our sustainability information and will continuously strive to enhance our data collection and reporting processes.

Engage With Us

We value your thoughts and concerns and see them as opportunities to enhance our future reporting. Please share your feedback with us at enquiry@gdbhb.com.my

FY2024 SUSTAINABILITY HIGHLIGHTS AND ACHIEVEMENTS

ECONOMIC

99.98% procurement spend on LOCAL VENDORS

Achieve average **95.4%** CUSTOMER SATISFACTION score

SOCIAL & HUMAN RIGHTS

ZERO HUMAN RIGHTS violation

ZERO incidence of non-compliance with regards to LABOUR MATTERS

ENVIRONMENT

RECYCLED **60.56%** of WASTE generated

GOVERNANCE

ZERO incidence of BRIBERY and CORRUPTION

ZERO incidence of CUSTOMER DATA BREACHES

ZERO incidence of REGULATORY NON-COMPLIANCE

CLIMATE CHANGE

Awarded **GREENRE –SILVER CERTIFICATION** for SDPLOG 1 (Metrohub 1) at E-Metro Logistic Park, Bukit Raja 2 building project

OUR APPROACH TO SUSTAINABILITY

At GDB, we believe that sustainable success hinges on a harmonious balance between economic prosperity and environmental, social, and governance considerations. We recognise that our long-term viability extends beyond purely financial metrics. By integrating sustainability factors into our core business strategies, we aim to create enduring value for all stakeholders – our shareholders, employees, customers, communities, and the environment.

This approach ensures that we operate responsibly and ethically, while simultaneously contributing to a more sustainable future for all.

SUSTAINABILITY STATEMENT (CONT'D)

VISION AND MISSION



GDB SUSTAINABILITY FRAMEWORK

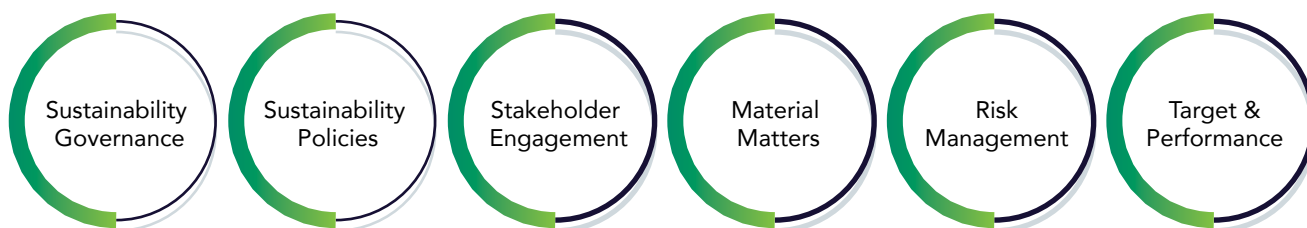
Our sustainability commitment is rooted in the GDB Vision and Mission, which serve as the building blocks for our corporate culture and direction. Guided by our mission, we have identified three key focus areas:



Each focus area is crucial for creating sustainable value for the Group and our stakeholders. We have identified material matters within each focus area and developed a comprehensive approach to sustainability, encompassing effective strategies and clear action plans to address these matters.

SUSTAINABILITY STATEMENT (CONT'D)

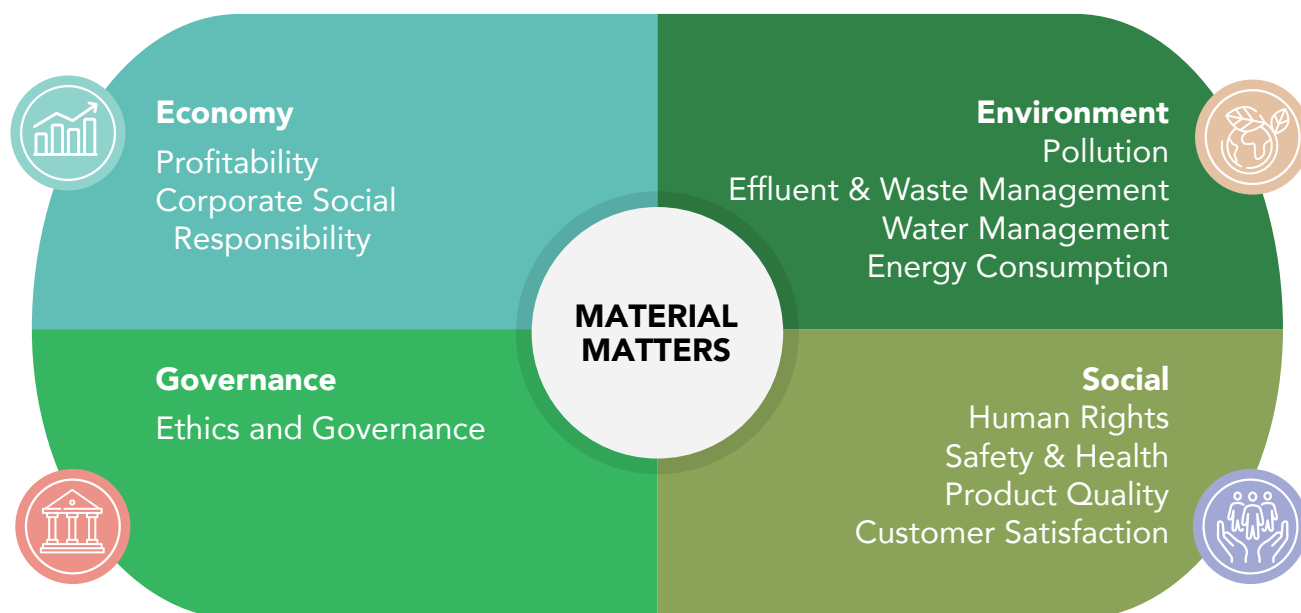
OUR APPROACH ON SUSTAINABILITY



ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS (UNSDGs)



SUSTAINABILITY MATERIAL MATTERS



SUSTAINABILITY GOVERNANCE

Our sustainability governance structure ensures effective implementation of our sustainability strategies across the Group. This framework defines clear processes for setting goals, tracking progress, and engaging stakeholders. By establishing clear accountability and responsibility at all levels of the Group, from workers at the construction site up to the members of the Board, this framework empowers everyone to contribute to our sustainability, EESG, and corporate responsibility commitments.

SUSTAINABILITY STATEMENT (CONT'D)



Board of Directors

- Ultimately accountable for overseeing the Group's sustainability matters, including but not limited to sustainability strategy and targets, materiality assessment, and climate-related risks and opportunities.
- Ensure sustainability matters are considered within the Group, progressively embed a strong sustainability culture, and keep abreast with emerging issues.

Sustainability Management Committee

The SMC consists of the key management with the following responsibilities:

- Assist the BOD in fulfilling its oversight responsibilities in relation to the framework, strategies, priorities, targets, policies and practices of sustainability and EESG of the Group;
- Ensure the implementation and integration of principles of sustainability into the Group's strategies, policies and procedures;
- Create a culture of sustainability within the Group and the community with an emphasis on integrating the EESG philosophies into business decisions;
- Review the materiality assessment process and outcome;
- Evaluate overall sustainability risks and opportunities, including a focus on climate-related issues; and
- Responsible for the preparation of the Sustainability Statement including ensuring the accuracy, quality and the extent of reporting and disclosure and also ensuring compliance towards the relevant reporting frameworks and standards prior to approval by the Board.

Sustainability Working Group

- Coordinates with and provides support to SMC on the management of material matters.
- Consolidates sustainability reports and data from the SWG to the SMC.
- Undertake the materiality assessment process.
- Aligns practices on the ground with the organisation-wide sustainability agenda and strategy.
- Supports the Steering Committee with executing and monitoring sustainability activities and performance against targets.

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY POLICIES

Our policies are our commitment to upholding and protecting the rights of all individuals, economic growth, responsible leadership, safeguarding the environment and caring for the community.

Sustainability Policy	Quality, Environmental, Safety and Health ("QESH") Policy
Anti-Bribery & Corruption Policy	Whistle Blowing Policy





For detailed information about our policies, please visit: <https://www.gdbhb.com.my/investor-relations/corporate-governance/>

STAKEHOLDER ENGAGEMENT





GDB has a diverse array of stakeholders who influence or are impacted by our operations. These include shareholders, board of directors, financial institutions, investors, government agencies, regulators, customers, employees, communities, suppliers, contractors, and the media. We identified these groups based on their varying levels of influence and reliance on our business.

As a Group, we are committed to open and constructive communication with all key stakeholders. Through both formal and informal channels, we regularly engage with them to pinpoint material issues, gain insights into emerging opportunities and risks, and better respond to their needs. These interactions are crucial for understanding the perspectives and concerns of our stakeholders, enabling us to integrate them into our decision-making processes.

The table below shows our stakeholders, their areas of concern, and the solutions we have undertaken to address them.

STAKEHOLDERS	AREAS OF CONCERNS	COMMUNICATION CHANNELS & RESPONSE
Shareholders, Investors 	<ul style="list-style-type: none"> Profitability & Growth Transparent and Timely Communications Ethics and Governance 	<ul style="list-style-type: none"> Annual General Meeting and Extraordinary General Meeting Timely Financial Disclosure and Regulatory Filings Timely Media Releases and Website Updates on Corporate Developments Good Corporate Governance and Compliance Structure
Customers 	<ul style="list-style-type: none"> Quality Timely Delivery EESG 	<ul style="list-style-type: none"> ISO 9001 and ISO 45001 Certification, Compliance Audit Standardisation and Continuous Improvements Customer / Client Feedback
Employees / BOD 	<ul style="list-style-type: none"> Benefits & Remuneration Career Progression Communication Safety and Health 	<ul style="list-style-type: none"> Salary and benefits Benchmarking and Performance Reviews Incentive Programme Training & Succession Planning Policy Updates and Communications ISO 45001 Certifications, Compliance Audit Quality, Environmental, Safety and Health Management System ("QESHMS")
Contractors / Suppliers / Consultants 	<ul style="list-style-type: none"> Safety and Health Timely Payment Ethics and Governance 	<ul style="list-style-type: none"> ISO 45001 Certification, Compliance Audit QESHMS Fair and Transparent Payment and Procurement Processes

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDERS	AREAS OF CONCERNS	COMMUNICATION CHANNELS & RESPONSE
Authorities / Regulators / Certification Bodies 	<ul style="list-style-type: none"> Regulatory and Statutory Compliance 	<ul style="list-style-type: none"> Timely Renewal of Permits and Licenses Enhancement of Policy and Procedures for Regulatory and Statutory Compliance Zero Non-compliance Targets Internal Audit Reports
Analysts, Media / Investors Relations 	<ul style="list-style-type: none"> Quality Information and Feedback Transparent and Timely Communications 	<ul style="list-style-type: none"> Press & Investor Conferences and Media Appearances Timely Media Releases and Website Updates on Corporate Developments Provision of Sufficient and Accurate Information Respond to Surveys
Financial Institutions 	<ul style="list-style-type: none"> Economic Performance and Profitability Business Strategies Ethics and Governance 	<ul style="list-style-type: none"> Meetings and Conferences Annual Reviews Good Corporate Governance and Compliance Structure
Community 	<ul style="list-style-type: none"> Environmental Impact of Construction Activities Safety and Health Human Rights Contributions to the Local Community 	<ul style="list-style-type: none"> Environmental Protection Measures ISO 14001 and ISO 45001 Certifications, Compliance Audit Local Sourcing and Hiring CSR Activities

SUSTAINABILITY MATERIAL MATTERS

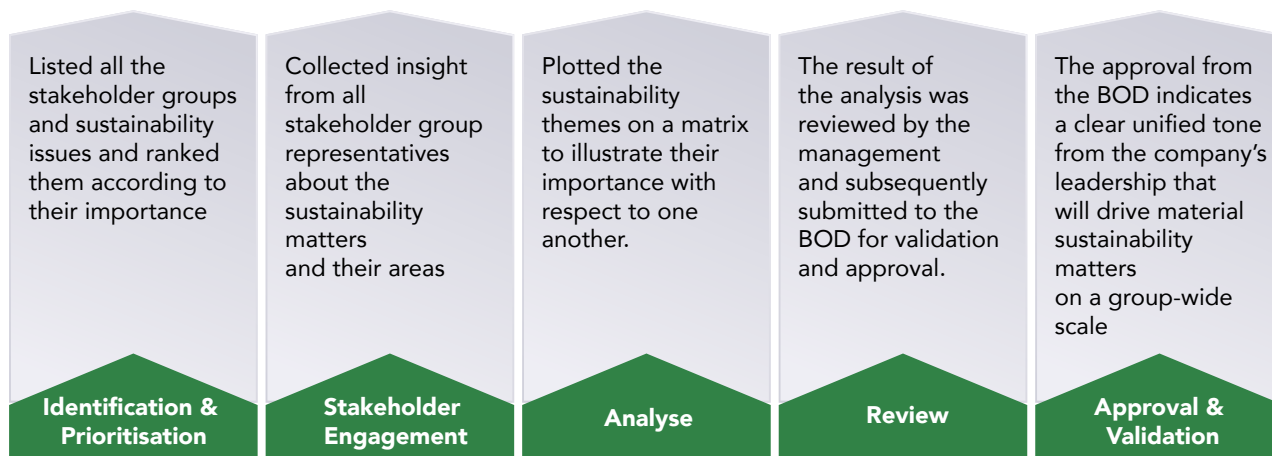
At GDB, our sustainability journey is deeply rooted in collaboration, transparency, and a shared commitment to creating lasting value for our stakeholders, communities, and the planet. Stakeholders have been instrumental in shaping our approach to EESG goals, providing invaluable perspectives that guide our strategies and actions. Their insights have not only influenced our priorities but have also driven our performance, ensuring that our sustainability agenda remains aligned with the issues that matter most to them.

Materiality Review

In FY2022, we conducted a comprehensive materiality review to assess the relevance of our sustainability strategies in light of evolving internal and external factors. This assessment aimed to identify the EESG issues deemed most critical by both the Group and our stakeholders. The findings reaffirmed the continued relevance of our previously identified material issues, given the consistency with our current business operations. As our business scope remains unchanged in FY2024, these material issues continue to be our key focus. We are committed to continuous improvement in our materiality assessment process and fostering deeper engagement with our stakeholders. By actively listening to their evolving expectations and closely monitoring the dynamic sustainability landscape, we aim to proactively address emerging challenges and capitalise on new opportunities.

SUSTAINABILITY STATEMENT (CONT'D)

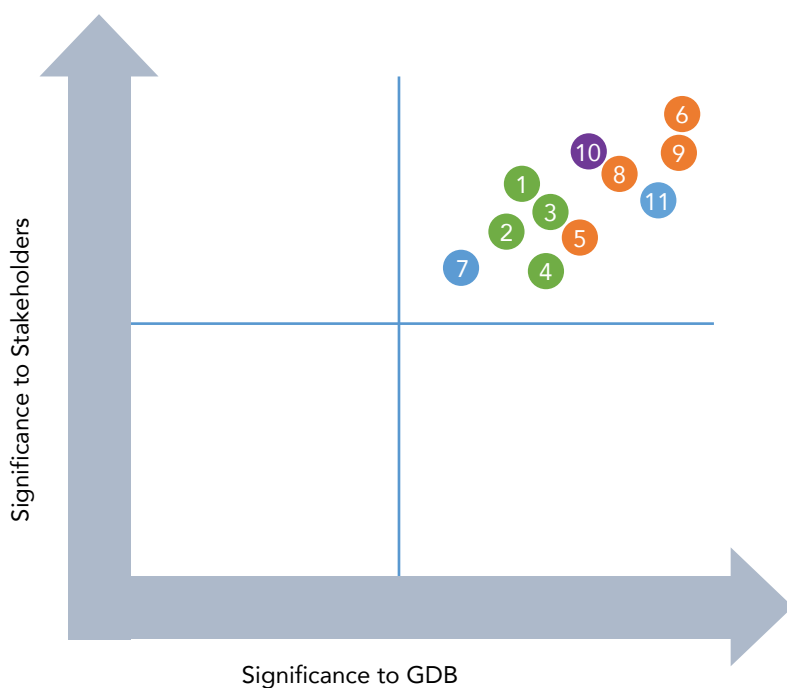
Materiality Process



Materiality Matrix

In our commitment to responsible business practices, we recognise that certain issues have a greater impact on our stakeholders and our global development business. Through rigorous stakeholder engagement and materiality assessment, we identified the key areas where our actions and performance have the most significant influence. This materiality matrix serves as a visual representation of our priorities, guiding our sustainability strategy and initiatives.

Our materiality matrix below maps the collective voice of both the Group and our stakeholders based on their perceived significance on EESG issues. The themes deemed most important by both are plotted on the upper right-hand quadrant.



Economic Matters

MEc7: Corporate Social Responsibility
MEc11: Profitability

Environmental Matters

MEn1: Pollution
MEn2: Effluent & Waste Management
MEn3: Water Management
MEn4: Energy Consumption

Social Matters

MSo5: Human Rights
MSo6: Safety and Health
MSo8: Product Quality
MSo9: Customer Satisfaction

Governance Matters

MGo10: Ethics & Governance

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY RELATED RISK AND OPPORTUNITIES

We have adopted a risk management framework in our corporate governance structure to ensure that our business review process can accurately identify sustainability-related risks and recognise opportunities. The Risk Management Committee ("RMC") provides oversight, direction and guidance on the Group's risk management structure, process and support system. The RMC reviews and assesses the adequacy of risk management policies and framework for identifying, measuring and controlling EESG risks over the relevant business and operations.

In addition, we have implemented a comprehensive QESHMS to promote quality, environmental protection and workplace safety and health.

MATERIAL MATTERS	SUSTAINABILITY RISKS	OPPORTUNITIES
ECONOMIC		
Profitability	Poor financial performance can threaten business continuity and trigger loss of investment opportunities.	<ul style="list-style-type: none"> Strengthening the Group's brand name, financial position, and business development strategy attracts investors, thereby generating better returns for shareholders.
Supply Chain	Performance of subcontractors / suppliers.	<ul style="list-style-type: none"> Yearly performance evaluations of subcontractors and suppliers strengthen our contractors' capabilities.
Material Prices	Volatility of major material prices due to market fluctuations.	<ul style="list-style-type: none"> Regularly track market trends and pricing of major materials including pricing for utilities and commodities. Maintain close contact with suppliers to stay informed on potential price changes, particularly for items that are subject to fluctuations due to supply-demand imbalances. Source materials from multiple suppliers to mitigate dependency on a single vendor.
Shortage of Skilled Labour at Construction sites	Delays to completion of projects. Possibility of LAD	<ul style="list-style-type: none"> Increase the number of sub-contractors for individual trades. Getting existing sub-contractors to increase their workforce at site. Leverage on new construction methodology and technology to reduce dependency on manpower.
Employee Retention	High employee turnover and key person succession and dependency.	Offering fair and attractive compensation, talent development and benefits to encourage employee retention.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL MATTERS	SUSTAINABILITY RISKS	OPPORTUNITIES
ENVIRONMENTAL		
Pollution Effluents & Waste Management Water Management Energy Management	Non-compliance with environmental regulations results in site closure for investigations and potentially leads to project disruption/delays. Poor water, energy, effluents and waste management may lead to higher operational costs.	<ul style="list-style-type: none"> Reducing pollution, effluents, waste, water, and energy consumption may reduce operational costs and improve the Group's reputation, attracting more clients and investors. Adopting stringent environmental monitoring and controls produces savings from paying environmental penalties and facilitates on-time project delivery.
Climate Change	Ineffective waste management efforts, inefficient machineries and electronics may lead to higher energy consumption and higher costs.	<ul style="list-style-type: none"> Deploy effective low carbon consumption and energy efficient technologies. 3R practice to reduce consumption of resources.
SOCIAL		
Safety and Health	In the event of site injury/death, the Group will be liable for the workers' compensation claims, and the site will be subject to closure for investigations, which will lead to disruption/delays	<ul style="list-style-type: none"> Adopting strict Environmental, Safety and Healthy ("ESH") monitoring controls will improve the Safety and Health Assessment System in Construction ("SHASSIC") rating, which in turn will attract more clients and improve employee well-being.
Human Rights	Non-Compliance with Workers Minimum Standards of Housing and Amenities (Amendment) Act 2019. Validity of the work permits of foreign workers at the construction site.	<ul style="list-style-type: none"> We have set up an audit and monitoring system to ensure the human rights of the foreign workers working under the Group directly or indirectly are protected, which will reinforce the Group's reputation as a responsible employer.
Customer Satisfaction	Losing customer confidence and company reputation. Loss of business opportunities resulting in loss of revenue.	<ul style="list-style-type: none"> Maintain engagement with existing customers and constantly exploring for new opportunities. Continuously monitoring and improving project delivery and quality upholding the company's good reputation.
Product Quality	Projects to be delivered do not meet contract requirements, including required quality and specified compliance.	<ul style="list-style-type: none"> Continuous internal quality assessment on building quality by QA/QC team. Company QESH Policy on building projects of achieving at least 80% and above on BuildQas and Qclassic (if contract requires). Customer survey forms are sent out to Client's and Consultants to be filled upon achieving 50% and 100% of project completion.
Corporate Social Responsibility	Business activities that negatively impact communities affect the company's social license to operate, furthermore damages a company's reputation and brand image.	<ul style="list-style-type: none"> Ensuring construction activities promote environmental protection and protect the safety and health of surrounding communities. Build harmonious relationships between employees and the community. Engage in corporate social responsibility activities. Prioritise local sourcing and hiring.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL MATTERS	SUSTAINABILITY RISKS	OPPORTUNITIES
GOVERNANCE		
Ethics & Governance	<p>Suspension or delisting of trading of the listed securities.</p> <p>Penalty or imprisonment of directors for offences under Section 17A.</p> <p>Non-compliance with Malaysian Code on Corporate Governance ("MCCG") 2021 and Bursa Malaysia's Sustainability Reporting Guide.</p>	<ul style="list-style-type: none"> Establishing effective corporate governance practices will enhance our reputation as a trustworthy company amongst stakeholders. Keeping abreast of compliance updates and continuous employee training on compliance and regulations will improve the integrity and reputation of our organisation, and furthermore elevate the transparency and quality of our reporting.
Cybersecurity	<p>Leakage of Private and Confidential information.</p> <p>Loss of company data which will significantly disrupt company operations.</p>	<ul style="list-style-type: none"> Access controls are being implemented across all sites and are being continuously updated and monitored. Mandatory periodical password changes. Firewall Web-Filtering. Anti-Virus/Malware for PC and Servers. Patch Management. Device Security. Email Security.

SUSTAINABILITY TARGETS AND PERFORMANCE SCORECARD

In the year under review, GDB achieved its sustainability targets across economic, environmental and governance areas. In the Safety and Health elements, we achieved a zero lost-time injury rate (LTIR) however, due to the work-related mishap involving one of our colleague at the project site, we failed in achieving the zero fatality target for FY2024. The Group surpassed its goals for local supplier spending, reaching 99.98%, customer satisfaction score of 95.4% and made significant progress in waste management by recycling 60.56% of waste generated—well above the 25% target.

Sustainability Focus Area	Sustainability Matters	Annual Targets	FY2024 Performance	FY2023 Performance
Economic	Supply Chain Management	Achieve Proportion of spending on local suppliers > 95%	99.98%	99.90%
Environmental	Waste Management	Achieve Waste Recycled vs generated > 25%	60.56%	26.95%
Social	Safety and Health	Maintain zero fatal accidents at work site	1	0
	Safety and Health	Achieve Lost Time Injury Rate < 0.55	0	0
	Customer Satisfaction	Achieve Customer Satisfaction score of > 85%	95.4%	87.0%
Governance	Ethics & Governance	Achieve 100% Anti-Bribery & Corruption training attendance for employees.	100%	100%

SUSTAINABILITY STATEMENT (CONT'D)

MANAGEMENT APPROACH TO SUSTAINABILITY MATERIAL MATTERS

ECONOMIC SUSTAINABILITY

As a major driver of Malaysia's economic progress, the construction sector plays a pivotal role in fostering sustainable growth, advancing infrastructure development, and spearheading innovation and technological progress. GDB recognises that our contributions to the industry extend beyond the completion of high-quality projects. Our commitment to economic sustainability is embedded in our efforts to build resilient infrastructure, enhance industry competencies, and create lasting socio-economic benefits for present and future generations.



SDG 9: Aim to build resilient infrastructure, promote sustainable industrialisation, and foster innovation.

SDG 11: Aim to make cities inclusive, safe, resilient, and sustainable.

Aligned with UNSDG 9 and 11, we integrate sustainable practices, leveraging technology and green solutions to build resilient infrastructure and inclusive urban spaces. Our long-term approach enhances resource efficiency, environmental responsibility, and economic viability.

PROFITABILITY AND DIRECT ECONOMIC IMPACTS

GDB drives economic impact through salaries, revenues, profits, shareholder dividends, and tax contributions, supporting workforce stability and investor confidence. Indirectly, we enhance employee skills, expand supplier partnerships, and strengthen Malaysia's construction sector competitiveness.

With responsible financial management, we ensure long-term resilience and sustainable growth, reinforcing GDB's role as a leader in the construction industry.

CORPORATE SOCIAL RESPONSIBILITY AND ECONOMIC IMPACTS

The construction industry plays a vital role in supporting surrounding communities by creating employment opportunities and generating wages. This, in turn, stimulates local spending, as employees and workers reinvest their earnings into local businesses, fostering economic circulation and growth. Additionally, the taxes collected from the construction sector contribute to public infrastructure and essential services, enhancing the well-being of local communities.

Beyond direct employment, business owners and investors benefit from profits and dividends, which can be reinvested into the industry or spent on other local enterprises, further stimulating economic activity. Through our corporate social responsibility initiatives, GDB remains committed to fostering economic empowerment, community development, and long-term prosperity for all stakeholders.

Economic Performance

Economic Indicators	FY2024	FY2023
Revenue	RM258.23 million	RM319.65 million
Profit After Tax ("PAT") attributable to owners of the company	RM26.75 million	RM8.03 million
Corporate Tax	RM13.28 million	RM2.60 million
Ongoing Projects	Three (3)	Two (2)
Outstanding Order Book	RM1.31 billion	RM398 million
Investment in Equipment and Machineries	RM2.48 million	RM1.79 million
Number of Employees	203	197

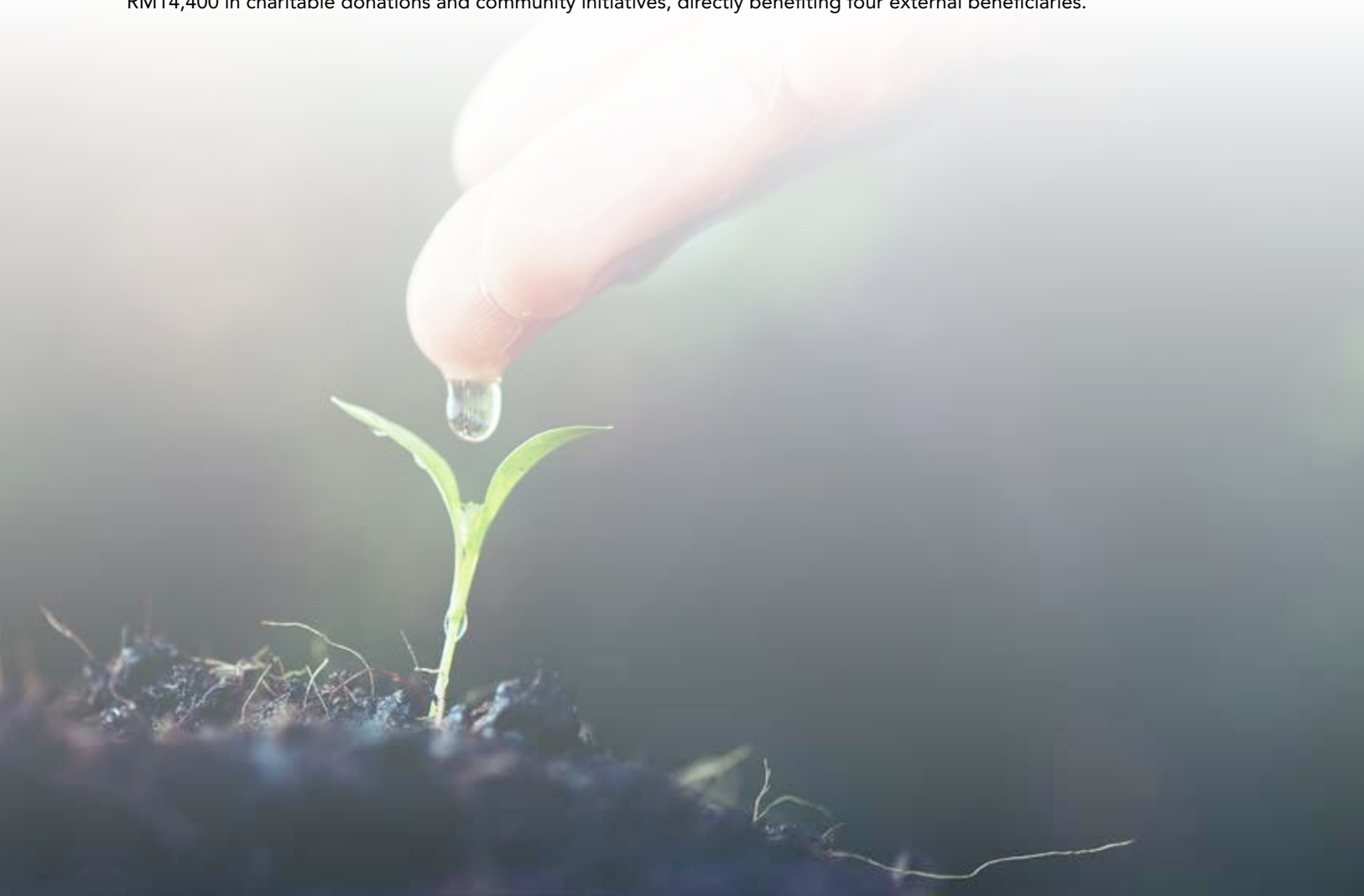
SUSTAINABILITY STATEMENT (CONT'D)

PROPORTION OF SPENDING ON LOCAL SUPPLIERS			PROPORTION OF SPENDING ON COMMUNITY AND SOCIETY	
Period	Total amount spent on local suppliers (RM' Million)	Proportion of spending on local suppliers %	Total amount invested in the community where the target beneficiaries are external to the listed issuer (RM)	Total number of beneficiaries of the investment in communities
FY2024	185.15	99.98	14,400	4
FY2023	272.13	99.90	6,576	1
FY2022	478.34	99.91	35,567	4

In the year under review, GDB made a notable contribution to the economy, generating revenue of RM258.23 million and achieving a profit after tax of RM26.75 million. Consequently, our corporate tax contribution increased to RM13.28 million, directly bolstering public finances.

Operationally, our project portfolio expanded to three ongoing projects, signaling increased activity and investment. Our outstanding order book hit above RM1.31 billion, representing a substantial pipeline of future economic activity and job creation. This significant increase underlines our pivotal role in driving economic growth. We also demonstrated our commitment to enhancing our operational capacity by increasing our investment in equipment and machinery, and expanding our workforce to 203 employees, contributing to local employment and economic stability.

Additionally, GDB reinforced its dedication to local economic prosperity by allocating RM185.15 million or 99.98% of supplier spending to local businesses, demonstrating a strong commitment to regional growth. The group also contributed a total of RM14,400 in charitable donations and community initiatives, directly benefiting four external beneficiaries.



SUSTAINABILITY STATEMENT (CONT'D)

QUALITY, ENVIRONMENT, SAFETY AND HEALTH ("QESH")

GDB is committed to reducing our environmental footprint and building operational resilience to deliver sustainable, long-term value to our business, stakeholders, and the communities we serve. Central to our mission is the goal of contributing to the preservation of the environment and enhancing our sustainability performance to generate shared value for all.



Our efforts are guided by our comprehensive Quality, Environment, Safety, and Health (QESH) Policy, which establishes clear procedures for protecting the environment, safeguarding the safety and health of our stakeholders, and minimising the impacts arising from our operations.

SDG 3: To ensure healthy lives and promote proper well-being.

SDG 13: Take urgent action to combat climate change and its impacts.

SDG 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and biodiversity loss.

GDB's commitment to safety and health in our operations contributes to UNSDG 3 (Good Health and Well-being) by fostering a safe working environment. Our efforts to reduce our environmental footprint and build operational resilience demonstrate our commitment to UNSDG 13 (Climate Action) through responsible practices. Finally, our focus on environmental preservation and minimising operational impacts supports UNSDG 15 (Life on Land) by protecting ecosystems and biodiversity.

Through these concerted efforts, GDB aims to be a responsible corporate citizen, contributing to a sustainable future for all.

SUSTAINABILITY POLICY

We enacted our Sustainability Policy based on the national, international and the Group's internal agendas addressing relevant EESG issues that complement one another. Our Policy enumerates our sustainability commitments, which we will strive to implement across our entire business and operations.

For a full copy of the policy, please follow this link:

<https://www.gdbhb.com.my/wp-content/uploads/2023/08/Sustainability-Policy-Final-230823.pdf>

QESH CERTIFICATIONS

International Management Systems

As a testament to our QESH commitments, we have obtained ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications. We have consolidated all these principles, systems, processes and standards into one integrated management system, QESHMS. It streamlines our Quality Management, Environmental Management and Safety and Health Management Systems, thereby saving us time and increasing our efficiency. As a result, we are able to focus on a wide range of crucial areas.

In addition, GDB projects have attained QCLASSIC, BuildQAS and SHASSIC certifications. We have also completed and been certified for the Construction Green 5S programme as part of our commitment to quality, environmental, safety, health and productivity.

GDB's Sustainability Policy states the Group's environmental commitments on the following matters:

- Reduction of resources consumed.
- Reduction of carbon footprint.
- Promote Environmental awareness among employees and stakeholders.
- Reduce environmental impacts by efficient use of resources and fossil fuels.
- Minimise the emission of toxic substances.
- Prudent utilization of water and energy.
- Promote the Reduce, Reuse & Recycle (3R) practice.
- Responsible management of waste and effluents.
- Prevent pollution.
- Promote circular economy.



SUSTAINABILITY STATEMENT (CONT'D)

Environment, Safety and Health ("ESH") Committee

The Group's ESH Committee is headed by the Group Executive Director, who is assisted by the Senior ESH Manager. The committee members include the General Manager, Head of Projects ("HOPs"), Project Manager, ESH Officer, and other Head of Departments ("HODs") such as logistics, store and Quality Assurance/Quality Control ("QA/QC")

The Project ESH Committee is headed by the HOP, who is assisted by the Project ESH Team. The Site ESH Committee consists of subcontractors, site management representatives, site staff and site workers.



QESH Management Review Board ("MRB")

The MRB periodically reviews the suitability, adequacy and effectiveness of the implemented QESHMS. The review specifically focuses on the following agendas:

- Status of actions from previous MRB meetings;
- Changes in external and internal issues that are relevant to the QESHMS;
- Strategic direction of the Group and expectations of the stakeholders;
- Evaluation of potential opportunities for continuous improvements; and
- Performance against targets and the effectiveness of the QESHMS.

QESH Risk Management

The Group's QESH risk management system follows a cyclic process consisting of five key steps:

1. **Risk Identification** – Potential risks are identified and categorised under QESH. Their associated risks and opportunities are also determined to ensure a comprehensive understanding of possible threats and benefits.
2. **Risk Assessment** – Each identified risk is evaluated based on its likelihood of occurrence and potential impact. The greater the impact, the higher the priority assigned to mitigating the risk. This step ensures that resources are allocated efficiently to address the most critical risks.
3. **Action Plans** – Mitigation and monitoring measures are developed and implemented to manage identified risks. Departments across the Group work collaboratively to identify, analyse, and respond to risks within clearly defined timelines. Responsibilities are assigned to ensure accountability in executing action plans.
4. **Processes & Responsibilities** – Clear processes and roles are established to ensure effective risk management. Each department is responsible for integrating risk management into its operations, ensuring compliance with quality, safety and environmental standards. This step ensures that risk control measures are embedded into daily activities, reducing the likelihood of oversight.
5. **Risk Review** – The effectiveness of risk management measures is periodically reviewed to ensure continuous improvement. Feedback is gathered from assessments, audits, and incident reports to refine and enhance risk management strategies. Adjustments are made as necessary to adapt to new challenges and evolving operational environments.



SUSTAINABILITY STATEMENT (CONT'D)

The Group employs two primary strategies for planning and managing ESH risks:

- The **Environmental Aspect and Impact Register (EAIR)**
- The **Hazard Identification, Risk Assessment, and Risk Control (HIRARC)**

Workplace risk assessments are conducted regularly to detect substandard actions and hazardous working conditions. Corrective actions are then implemented to address any identified issues.

In summary, the QESH risk management system enables the Group to proactively identify potential risks and their impacts, implement cost-effective solutions, monitor outcomes, and drive continuous improvement.

Awareness and Training

All site workers, whether directly or indirectly employed by the Group, hold a Construction Industry Development Board (CIDB) Green Card. This certification confirms that they have completed the Safety Induction Construction Worker Course, possess basic knowledge of occupational safety and health (OSH) at construction sites, and are covered by an insurance protection plan.

Before commencing work, all onsite workers are required to attend an ESH induction course. To reinforce workplace safety, our ESH officers and supervisors conduct regular onsite meetings and training sessions, including:

- **Daily and weekly toolbox briefings** to address safety concerns.
- **Monthly ESH committee meetings** to review safety performance and improvements.
- **On-the-job training** focused on skill enhancement and risk awareness, including on-job site training and practical training.
- **Emergency drills** to ensure preparedness for potential incidents.
- **Hazard Identification, Risk Assessment, and Risk Control (HIRARC) exercises** to identify and mitigate workplace hazards.
- **Standard Operating Procedure (SOP) briefings** to ensure compliance with best practices.
- **Policy and procedure updates** to keep workers informed of the latest safety requirements.

TOOLBOX BRIEFING AGENDA	
Safety and Health Matters	Environmental Matters
<ul style="list-style-type: none">• Trade work safe operation procedure / HIRARC requirement.• Daily housekeeping after work.• Provide fall protection to prevent fall of person or material.• Compliances to Covid-19 SOP.• Accident/Incident reporting procedure.• Emergency Response plan and guidelines.• Personal protective equipment compliances.• Electrical safety.• Safety compliance during working at height.• Security matters - Electrical tool declaration and gate pass procedure.• Welfare facilities and it's maintenance.	<ul style="list-style-type: none">• Promote 3R.• Use spill tray to prevent pollution.• Maintain good housekeeping at work areas.• Dust control from rubbish dumping activity.

SUSTAINABILITY STATEMENT (CONT'D)

Additionally, specialised training sessions are conducted by external experts, providing workers with opportunities to gain certifications through selected off-site training programs. These initiatives ensure that all personnel are well-equipped with the necessary knowledge and skills to maintain a safe and compliant work environment.

FY2024 Environmental Training		
Training Topics	No. of Hours	No. of Attendees
Green Horizons Advancing Sustainable Construction Forum	16	4
Seminar on How to Implement an ESG programme in Small and Medium Enterprises (SMEs) in the Construction Industry	14	2
Course For Certified Environmental Professional In Scheduled Waste Management (CePSWaM)	70	2
Total	100	8

ENVIRONMENT

At the heart of our operations lies a steadfast commitment to protecting and preserving the environment across all our project sites. Guided by our ISO 14001:2015 certification, we adhere to internationally recognised standards for environmental management systems. This framework ensures that we consistently identify, monitor, and mitigate the environmental impacts of our activities, while continuously improving our performance. Our Sustainability Policy further underscores our dedication to minimising our ecological footprint, promoting resource efficiency, and fostering environmental stewardship at every level of our organisation.

Through our Quality, Environment, Safety, and Health Management System (QESHMS), we integrate environmental considerations into all aspects of our operations. This holistic approach enables us to set ambitious environmental goals, such as reducing greenhouse gas emissions, conserving water and energy, managing waste responsibly, and protecting biodiversity.

Life Cycle Perspective

Public awareness on waste reduction has grown in recent years. Thus, we have evaluated the environmental burdens imposed by our products, processes and activities. For this purpose, we have formulated a life cycle perspective table to obtain a clear view of the environmental burdens exerted by our business activities and the solutions we have implemented to address them.

Activity	Environmental Aspect	Solutions
Raw material acquisition	Consumption of resources	Use of products with recyclable content and minimised use of virgin materials
	Air pollutant emissions	Switch to low Volatile Organic Compound ("VOC") paint, coating, carpet flooring and sealant
Transportation / Delivery	Air pollutant emissions	Local purchasing
Use / Construction	Resource consumption and waste generation	Reduce, reuse & recycle (3Rs)
End of life	Waste disposal	Recycling and reuse of scrap

SUSTAINABILITY STATEMENT (CONT'D)

Building Life Cycle Impacts

In alignment with the *S1/SASB: IF-EN-410a.1* standard, GDB is committed to addressing the environmental, social, and economic impacts of our building projects throughout their life cycle. In FY2024, the Group has actively pursued and achieved third-party sustainability certifications for our projects, demonstrating our dedication to sustainable development and operational excellence.

A key highlight of the year is the completion of **SDPLOG 1 (Metrohub 1) at E-Metro Logistic Park, Bukit Raja 2**, which has been awarded Provisional GreenRE Certification - SILVER. This achievement, alongside other projects such as the **Kuala Lumpur International Hospital** targeting the Green Building Index (GBI) certification, **Logistics Hub Plot B** targeting GreenRE GOLD certification and **SDPLOG i7A Metro Hub 4** targeting LEED GOLD certification, reflects GDB's focus on reducing environmental footprints, enhancing energy efficiency, and promoting resource conservation.

These efforts underscore GDB's commitment to integrating sustainability into every phase of the building life cycle, ensuring long-term value creation for stakeholders and minimising adverse environmental impacts. By adhering to globally recognised sustainability standards, GDB not only aligns with industry best practices but also contributes to the broader goal of fostering resilient and sustainable communities.

BUILDING LIFECYCLE IMPACTS		
Number of Projects commissioned in FY2024 certified to a third-party sustainability standard		
Name of Project	Project Status	Sustainability Standard Certified
SDPLOG 1 (Metrohub 1) Logistic Hub at E-Metro Logistic Park, Bukit Raja 2	Completed in 2024	Awarded with Provisional GreenRE Certification - SILVER
Number of Active Projects in FY2024 seeking certification to a third party sustainability standard		
Name of Project	Location	Sustainability Standard Certified
Kuala Lumpur International Hospital, Bukit Jalil	Jalan Impian Indah, Mukim Petaling, Kuala Lumpur	Targeting for Green Building Index (GBI) certification
Logistics Hub Plot B, Shah Alam	Jalan Utas 15/7, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan	Targeting for GreenRE GOLD certification
Metrohub 4 Logistic Hub, Klang	Jalan Inai 2/KU5, Kawasan Perindustrian Bandar Bukit Raja 2, Mukim Kapar, Daerah Klang, Selangor Darul Ehsan	Targeting for LEED GOLD certification

Pollution

Construction activities inherently generate various contaminants that contribute to pollution, posing risks to both employees and nearby residents. Recognising this, we have implemented several measures to mitigate air, water, noise, and soil pollution. These measures are designed to minimise our environmental impact and protect the health and well-being of our workforce and the surrounding community. Our commitment to responsible environmental practices guides our operations and ensures we strive to control and reduce pollution at every stage of our projects.

Air Quality

Air quality is regularly monitored at all our sites. Site access zones are paved with concrete or hard-core materials to reduce dust emissions. Located on every floor are internal rubbish chutes which can be accessed via a lift shaft to minimise dust dispersion. We use low-VOC paint and eco-friendly adhesives. We ensure that our vehicles and machinery emit exhaust gas within the acceptable levels.

SUSTAINABILITY STATEMENT (CONT'D)

WASTE, EFFLUENT AND RESOURCE MANAGEMENT

Conserving natural resources is one of our main strategies for managing the environmental impacts of our activities. At GDB, we recognise that responsible resource management is crucial not only for environmental protection but also for the long-term sustainability of our operations. This commitment extends to all aspects of our work, from minimising waste and effluent generation to maximising the efficient use of resources. We strive to implement practices that reduce our consumption of raw materials, promote recycling and reuse, and prevent pollution.

Segregation and Recycling

We implement the 3Rs of waste management—reduce, reuse, and recycle—at all our project sites, beginning with proper waste segregation. Clearly labeled, designated storage areas are provided for each waste category. Scheduled and hazardous waste are clearly marked to prevent contamination. Assigned workers perform daily housekeeping to maintain organised and efficient waste management practices.

To minimise landfill disposal, we identify waste materials suitable for transformation into reusable products. Non-reusable materials are sent for recycling. Reusable materials include concrete waste, which can be repurposed for lintels, concrete blocks, barriers, and wheel stoppers. Timber and scrap metal are collected by waste collectors and sent for recycling. Unsuitable sand excavated from the project sites to be sent for washing to remove impurities from sand particles and can then be used in concrete and other construction materials. Wastage monitoring results for major construction materials are reviewed during management meetings to track progress and identify areas for improvement.

TOTAL WASTE GENERATED (C10a)							
Period	Hazardous Waste Tonnes	General Waste Tonnes	Total Tonnes	Recycled (diverted from disposal) Tonnes	Non-Recycled (directed to disposal) Tonnes	Total Tonnes	% of waste recycled vs. generated Percentage
FY2024	1.72	2,799.30	2,801.02	4,298.54	2,799.30	7,097.84	60.56%
FY2023	0.29	3,593.79	3,594.08	1,325.86	3,593.79	4,919.65	26.95%
FY2022	0.29	9,043.12	9,043.41	2,960.18	9,043.12	12,003.30	24.66%

Sustainable Material Management

For our projects that are or seeking for Green Building Index (“GBI”), GreenRE or LEED certification, we practise purchasing with an Eco-Friendly Material Management process. This approach ensures that the materials we use are not only environmentally responsible but also contribute to the broader goals of sustainable development.

A key component of our process is material tracking, which requires our suppliers to provide detailed information on the recycled content and reuse value of their raw materials. We aim to reduce waste and promote circular economy principles by prioritising materials with high recycled content and reuse potential. Additionally, we carefully evaluate the distance between project sites and material sources, opting for locally sourced materials whenever feasible. This practice not only minimises the carbon footprint associated with transportation but also supports local economies and community development.

Our emphasis on local purchasing further enhances the eco-friendliness of our activities. By sourcing materials from nearby suppliers, we reduce logistical emissions, foster regional economic growth, and build stronger relationships with local stakeholders. These efforts are integral to our sustainability strategy, ensuring that our projects align with environmental best practices while delivering long-term benefits to the communities we serve.

Through these measures, we aim to set a benchmark for sustainable material management in the construction industry, demonstrating that responsible purchasing decisions can drive both environmental and social progress.

SUSTAINABILITY STATEMENT (CONT'D)

Effluents

Effective management of effluent discharge is a critical component of our environmental stewardship. To ensure the quality of water discharged into public drains meets the standards set by national water authorities, we have established a comprehensive system of controls. This system includes earth drains to channel water flow, silt traps to capture sediment, water treatment tanks to remove contaminants, and sedimentation ponds to further clarify the water before release. These measures collectively ensure our compliance with regulatory requirements and minimize our impact on local water resources.

WATER DISCHARGE DATA OR EFFLUENTS (S8a)				
Period	Surface Water discharge (River, lake, stream, Pond) (m ³)	Sub Surface Discharge Public Sewer (m ³)	Off Site water treatment discharge Kualiti Alam (m ³)	Total (m ³)
FY2024	0	99	0	99
FY2023	0	82	0	82
FY2022	0	68	0	68

SUSTAINABLE WATER MANAGEMENT

Efficient water management is a priority at all our sites. We utilise a water filtration system to treat muddy water before it is discharged from the site into external drains. To ensure ongoing compliance with national standards, we have contracted an external consultant to conduct periodic water quality surveys at critical locations on all our sites. These surveys assess various parameters, including Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), and suspended solids, among others. The resulting data is then compared against Malaysia's National Water Quality Standards to verify compliance and identify any necessary corrective actions.

TOTAL WASTE GENERATED (C10a)							
Period	Surface Water	Groundwater	Quarry Water	Municipal Potable Water (m3)	Harvested Rainwater	Total (m3)	Water Recycled
FY2024	0	0	0	53,683.00	0	53,683.00	0
FY2023	0	0	0	65,451.20	0	65,451.20	0
FY2022	0	0	0	119,643.76	0	119,643.76	0

SUSTAINABLE ENERGY CONSUMPTION

Our energy consumption is directly influenced by the scale and number of ongoing projects at any given time. We are committed to utilising energy prudently, ensuring that we only consume the amount necessary to maintain efficient operations.

As part of our sustainability efforts, we conduct life cycle analyses to identify opportunities for reducing energy use across our activities. One key strategy is prioritising the purchase of products that are manufactured, harvested, or sold near our project sites. By sourcing materials locally, we significantly reduce the energy required for transportation and logistics, thereby lowering our overall carbon footprint.

SUSTAINABILITY STATEMENT (CONT'D)

In addition to these operational measures, we actively promote energy conservation awareness among our staff and site workers. This is achieved through regular training sessions, staff meetings, and toolbox talks, where we emphasise the importance of energy efficiency and share practical tips for reducing energy consumption on-site. These initiatives not only foster a culture of sustainability within our organisation but also empower our team to contribute meaningfully to our environmental goals.

TOTAL ENERGY CONSUMPTION (C4a)									
Period	Total Non-Renewal Energy (GJ)				Total Renewable Energy (GJ)			Total Energy Input (GJ) % of Total Renewable Energy Input	% of Total Renewable Energy Input
	Electricity	Fuel	Gas	Others	Solar	Steam	Others		
FY2024	2,163.46	20,877.19	9.80	0	0	0	0	23,050.44	0%
FY2023	3,685.41	28,939.89	48.14	0	0	0	0	32,673.44	0%
FY2022	9,247.07	23,627.81	79.18	0	0	0	0	32,954.06	0%

ENVIRONMENTAL IMPACTS OF PROJECT DEVELOPMENT

We maintained a zero-non-compliance record and have not been imposed with fines or penalties in our operational activities relating to environmental permits, standards and regulations in the year under review.

TOTAL ENERGY CONSUMPTION (C4a)									
Period	Waste	Air Quality/ Emissions	Water Discharges	Water Withdrawal Exceedances	Effluent Limit Exceedances	Violation of Wastewater pre-treatment requirements	Oil or Hazardous Substance spills	Land Use	Endangered Species
FY2024	0	0	0	0	0	0	0	0	0

INTERNATIONAL FINANCIAL REPORTING STANDARDS SUSTAINABILITY DISCLOSURE STANDARD 2 – CLIMATE-RELATED DISCLOSURES ("IFRS S2")

Climate change presents a profound and far-reaching challenge, with its effects being felt across the globe and impacting nearly every economic sector. The magnitude of climate-related risks varies significantly depending on factors such as sector, industry, geography, and the specific characteristics of individual organisations. The construction sector, in particular, plays a dual role in addressing climate change, exerting both direct and indirect impacts on mitigating its effects. In the short term, the sector must focus on reducing its own carbon footprint to lower greenhouse gas emissions and contribute to limiting global warming. In the long term, it is tasked with designing and delivering infrastructure that is resilient to the evolving climate and capable of withstanding increasingly frequent and severe extreme weather events.

These responsibilities align with the core elements of effective climate-related disclosures as outlined in the IFRS S2 standard, specifically in the areas of Governance, Strategy, Risk Management, and Metrics and Targets.

SUSTAINABILITY STATEMENT (CONT'D)

GOVERNANCE

Effective governance structures are essential for overseeing climate-related risks and opportunities within the construction sector. This includes establishing clear roles and responsibilities at the Board and management levels, ensuring that climate-related issues are integrated into strategic decision-making processes, and fostering a culture of accountability for climate-related performance.

Our Board of Directors is ultimately responsible for the Group's sustainability performance, including strategy, targets, risk assessment, and cultural integration, ensuring sustainability is embedded throughout the organization and stays current with emerging issues.

Our Sustainability Committee is directly involved in evaluating the financial impacts, risks and key areas of improvement opportunities and reporting metrics for compliance with the IFRS and ISSB standards.

STRATEGY

Our strategy for addressing climate change within the construction sector centres on both mitigation and adaptation. A key element of our mitigation efforts is the active deployment of effective low-carbon consumption and energy efficient technologies across all aspects of our construction operations. This includes exploring and implementing innovative solutions for energy efficiency, material selection, and our construction processes.

Furthermore, our strategy incorporates the principles of Reduce, Reuse, Recycle (3R) to minimise our resource consumption throughout the building lifecycle. This involves optimising our material use, prioritising recycled and recyclable materials, and implementing waste reduction strategies on our construction sites. These combined approaches to low-carbon technologies and resource efficiency are crucial for minimising our environmental footprint and contributing to broader decarbonisation efforts.

METRICS AND TARGETS

FY2024 Greenhouse Gas ("GHG") Emissions

During the year under review, our relevant employees participated in GHG emissions training based on the GHG protocol. This training equips us with the knowledge and skills necessary for accurately measuring and monitoring our emissions. By diligently tracking our emissions, we can establish appropriate, science-based targets and identify opportunities to progressively reduce our environmental impact.

CO₂e Emissions in 2024 (tonnes)

Scope 1 : 1,833.81

Definition : Direct GHG emissions from vehicles, machineries and generator sets from sources that are controlled or owned by an organisation.

Scope 2 : 482.14

Definition : Indirect GHG emissions associated with the purchase of electricity. Malaysia Grid

Scope 3 : 9,899.84

(Category 7 – Employee Commuting)

Definition : Indirect GHG emissions associated with employees traveling to and from work.

Emission Performance, tCO ₂ e			
PERIOD	FY2022	FY2023	FY2024***
SCOPE 1	5,640.77	4,365.40	1,833.81
SCOPE 2*	1,718.32	821.32	482.14
SCOPE 3 - Category 7**	-	-	9,899.84

* Scope 2 emissions are calculated using the location-based method.

** Scope 3 emission for Category 7 is calculated using the distance-based method.

*** Base year for reporting.

SUSTAINABILITY STATEMENT (CONT'D)

CLIMATE CHANGE RISKS AND OPPORTUNITIES

	CLIMATE CHANGE RISKS	FINANCIAL AND CORPORATE IMPACT	TIME HORIZON	CLIMATE CHANGE OPPORTUNITIES
	Acute: Extreme weather events			
PHYSICAL RISKS	<ul style="list-style-type: none">Increased damage to work in progress buildings from floods, storms.Operational disruptions resulting in delayed construction activities.Heat wave affecting health of people and construction workers.	<ul style="list-style-type: none">High repair and replacement costs.Business disruption and loss of revenue.Higher insurance premiums.Health risks to people and construction workers.Loss of productivity.	Short to Medium <div>Likelihood</div> <div>Likely</div> <div>Impact</div> <div>Major</div>	<ul style="list-style-type: none">Implement better and effective project planning and management before the commencement of a new project.Invest in flood defence and storm-resistant designs systems.Enhance insurance coverage.
	Chronic: Rising sea levels, changing temperature patterns			
	<ul style="list-style-type: none">Affect assets efficiency in areas exposed to rising sea levels and temperature changes.Reduction in operational efficiency.	<ul style="list-style-type: none">Increased operational costs.High machinery replacement cost and maintenance cost.Potential for asset obsolescence.	Long <div>Likelihood</div> <div>Likely</div>	<ul style="list-style-type: none">Regular monitoring of weather patterns.Consider purchasing or leasing of more climate resilient machinery.
TRANSITION RISKS	Regulatory			
	<ul style="list-style-type: none">Regulatory changes mandating higher building performance standards to meet building codes and climate-related energy management requirements.	<ul style="list-style-type: none">Increased operational costs.Potential fines or penalties for non-compliance.	Medium to Long <div>Likelihood</div> <div>Unlikely</div> <div>Impact</div> <div>Minor</div>	<ul style="list-style-type: none">Develop a proactive approach to regulatory compliance.Integrate sustainable work processes and building designs into new projects.
	Technology			
	<ul style="list-style-type: none">Rapid evolution of disruptive technologies	<ul style="list-style-type: none">Increased costs to adopt new technologies.Potential asset obsolescence if machinery and assets are not upgraded to include new technologies.	Medium to Long <div>Likelihood</div> <div>Likely</div> <div>Impact</div> <div>Moderate</div>	<ul style="list-style-type: none">Invest in smart technologies in construction such as energy management systems.Explore partnerships with collaborators to pilot new innovations.

SUSTAINABILITY STATEMENT (CONT'D)

SAFETY AND HEALTH

At GDB, safety and health ("S&H") are paramount, as evidenced by our ISO 45001:2018 certification and project-specific SHASSIC certifications. We maintain a comprehensive safe work method statement that adheres to all applicable legal and statutory requirements. These procedures are detailed within our HIRARC Safe Work Method Statement. Throughout the construction process, regular S&H meetings are conducted with our staff and subcontractor representatives to ensure the effective implementation and integration of all S&H measures. We firmly believe that prioritising the safety and health of our employees, workers, and work environment fosters a happier, healthier workforce, ultimately leading to improved performance and increased productivity.

Safety Protocols and Monitoring Procedures

We employ rigorous S&H monitoring to proactively identify safety vulnerabilities, determine their root causes, and develop effective solutions. Onsite employees are provided with a dedicated manual outlining S&H roles and responsibilities tailored specifically to construction site activities.

Monthly Environmental, Safety, and Health (ESH) committee meetings are conducted with the subcontractor's project manager and relevant heads in attendance. These meetings cover a range of topics, including ESH statistical updates on manpower, accident occurrences (including near misses), ESH observations, and audit findings. A comprehensive inspection checklist is regularly completed to verify the condition of workplace ESH, welfare facilities, fire and emergency equipment, first aid provisions, scaffolding, plant and machinery, and other essential equipment.

To further mitigate the risk of injuries, particularly falls, GDB has implemented enhanced safe working practices. These include the installation of fall prevention systems at floor openings, robust hard barricade systems for edge protection up to the highest working floor, designated safe access routes, and comprehensive electrical safety protocols.

Sustainability Compliance Framework for Sub-contractors and Suppliers

Prior to their accreditation to our supply chain, prospective contractors are informed of mandatory compliance with our Anti-Bribery & Corruption Policy ("ABC Policy"), QESHMS, and ISO requirements. They are also made aware of relevant statutory, regulatory, and safety requirements aimed at hazard elimination and risk minimisation. Material suppliers requiring storage are required to provide safety data sheets and coordinate with the site ESH officer regarding our environmental protocols.

Compliance and Quality Assurance

Our business practices are rigorously assessed by an independent internal auditor to ensure adherence to Group policies and procedures, as well as all applicable government legislation and regulations. The Quality, Environmental, Safety, and Health (QESH) department is responsible for implementing the Group's QESH Management System (QESHMS) and conducts regular quality, environmental, safety, and health assessments at all project sites throughout the construction period. These inspections follow stringent procedures, including detailed monitoring, control, and inspection sequences, along with periodic internal quality, environmental, safety, and health audits and assessments. Sub-contractors found to be non-compliant with QESHMS implementation face consequences ranging from non-compliance reports and fines to blacklisting, depending on the severity of the infraction.

To further enhance workmanship quality and safety, we conduct QCLASSIC, BuildQAS, and SHASSIC assessments of our projects, benchmarking our performance against construction industry-approved standards.

During the year under review, a regrettable work-related mishap occurred at our project site resulting in the fatality of our colleague. Following this unfortunate incident, a thorough and comprehensive investigation comprising a multi-disciplinary team, including senior management, safety personnel, and site management, the incident was meticulously examined. The investigation findings were then used to implement a series of preventive and corrective actions which included:

- Enhancement of safety protocols
- Strengthened supervision and monitoring

SUSTAINABILITY STATEMENT (CONT'D)

We are committed to learning from this incident and continuously improving our safety practices to prevent future occurrences. The safety and well-being of our colleagues and workers remain our highest priority.

SAFETY AND HEALTH PERFORMANCE (C5a)				
Period	Total Number of Hours Worked (A)	Amount of Time Lost Due to Workplace Injuries (B)	Lost Time Incident Rate ("LTIR")	Facility (C)
EMPLOYEES (HEAD OFFICE)				
FY2024	88,608	0	0	0
FY2023	92,192	0	0	0
FY2022	94,688	0	0	0
EMPLOYEES & WORKERS (PROJECT SITE)				
FY2024	3,960,827	0	0	1
FY2023	3,484,182	0	0	0
FY2022	5,908,920	0	0	0

Notes:

LTIR: $B \text{ or } C/A \times 200,000$

- [1] LTIR is calculated as a rate, where the number of lost time incidents during the reporting period are expressed per the total number of hours worked at the end of the reporting period.
- [2] The value of 200,000 represents a standardised value of the total amount of hours that 100 employees work weekly for 40 hours for a duration of 50 weeks ($100 \times 40 \times 50 = 200,000$)

Training and Awareness

In the year under review, our employees actively participated in various S&H training programmes to enhance their competencies and acquire new knowledge. These programs were attended by both office- and site-based employees as well as contractors, sub-contractors, and suppliers. A total of 66 employees completed 602 hours of S&H training across different courses.

NUMBER OF EMPLOYEES TRAINED ON SAFETY AND HEALTH STANDARDS (C5c)		
Period	Total Number of Employees	Total Number of employees trained on safety and health standards
FY2024	203	66
FY2023	197	42
FY2022	271	60

SUSTAINABILITY STATEMENT (CONT'D)

The table below shows the types of safety and health training conducted in FY2024.

FY2024 Safety and Health Training Topics	No of Hours	No. of Employees
Slinging, Rigging & Signal Man Competency Training	63	9
Kursus Asas Keselamatan Bomba	84	4
Understanding on OSHA New Amendment 2022	48	12
Basic Occupational First Aid, CPR & AED Training	140	20
Occupational Safety & Health Coordinator (OSH-C) Geran PERKESO 2024	63	3
Scaffolding Inspector	14	1
HSSE CONVENTION 2024	21	3
Bengkel Penyediaan Dokumen Pentaksiran Risiko dan Prosedur Kerja Selamat Kren Menara	14	1
Seminar Pengurusan Stress dan Kesihatan Mental	7	1
CDM Seminar 2024	14	1
Seminar Panduan Pencegahan dan Kawalan Denggi kepada Kontraktor Tapak Bina Kuala Lumpur Tahun 2024	8	2
OCHCON 2024 (Occupational Health Conference 2024)	42	3
20th Moshpa National OSH Conference 2024	14	1
Empowering Occupational Safety, Health and Well Being Through Technology and Legal Compliance: Memperkasa Keselamatan, Kesihatan Dan Kesejahteraan Melalui Teknologi Dan Pematuhan Perundangan	14	1
Advance Scaffold inspector	14	1
Emergency and Industrial Disaster Management Seminar 2024	42	3
Total	602	66



SUSTAINABILITY STATEMENT (CONT'D)

WORKFORCE AND SOCIAL MATTER



SDG 1 : Reduction in poverty among communities where we operate.

SDG 5 : Promoting gender equality and empowering all girls and women.

SDG 8 : Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

SDG 10 : Reduce inequalities within and among countries.

GDB is committed to fostering an inclusive workplace that values and welcomes talented employees from all backgrounds. We firmly believe that a diverse workforce strengthens our organisation and allows us to better serve our communities. Our commitment extends beyond internal practices, aligning with the broader human rights framework by actively promoting societies that respect and upholding individual rights. This commitment is reflected in our policies, which guarantee equal opportunities for all employees in areas such as training and education, promotion, remuneration, and hiring.

We actively support UNSDGs 1 (poverty reduction), 5 (gender equality), 8 (decent work and economic growth), and 10 (reduced inequalities) by creating economic opportunities, empowering women, promoting fair labor practices, and ensuring equitable compensation and advancement. We believe inclusivity and equity benefit both our company and society.

HUMAN RIGHTS AND SOCIAL SUSTAINABILITY

Our Sustainability Policy, upholds the rights of all our employees and stakeholders. We intend to build meaningful long-term relationships that produce mutual and lasting benefits in our local communities through the following commitments:

- Respect the human rights of every individual and condemn any form of discrimination based on race, religion, gender, age, disability, nationality and ethnicity.
- Institute a system of merit-based employment, skills development and promotion.
- Prohibit all practices of child labour, forced labour, modern slavery, excessive working hours, bullying, sexual harassment and abuse of power.

There were zero incidents or complaints concerning human rights violations in the year under review.

Our Workforce

Human capital plays a critical role in driving our success. Our people are integral not only to our growth but also to the advancement of our sustainability agenda. As such, we have made a concerted effort to attract, retain, and develop talented individuals who align with our values and contribute meaningfully to our organisation. Additionally, we place a high priority on the safety, health, and well-being of our employees. At GDB, our goal is to foster a workplace culture that promotes excellence, meritocracy, and inclusivity.

We firmly believe that implementing robust sustainability standards empowers us, in collaboration with our employees, to strengthen the resilience of our business in the face of evolving societal demands.

Diversity and Inclusivity

We champion a progressive culture that respects and protects the human rights of every individual. We foster diversity, inclusivity, equality, and meritocracy in the workplace. Our fair recruitment and promotion processes are based on merit, providing equitable opportunities free from discrimination on the basis of race, religion, gender, age, marital status, disability, ethnicity, or nationality.

As of 31 December 2024, GDB employs a total workforce of 203 individuals, comprising 71% male and 29% female employees. The composition of the Board of Directors remains unchanged from the previous two years, with 83% male representation and 17% female representation. This gender distribution reflects the broader trend within the male-dominated construction industry. Additionally, the number of contractual employees fluctuates in alignment with the demands of our active projects.

SUSTAINABILITY STATEMENT (CONT'D)

Total workforce in FY2024 = 203

Number of New Hires (Permanent) = 0 Number of New Hires (Contract) = 47

New hire rate = 23.15%

Turnover rate = 21.18%

NUMBER AND PERCENTAGE OF WORKFORCE DIVERSITY						
	FY2024		FY2023		FY2022	
	Number	%	Number	%	Number	%
BY EMPLOYMENT TYPE						
Permanent	77	38	95	48	117	43
Contractual	126	62	102	52	154	57
BY GENDER						
Male	145	71	132	67	194	72
Female	58	29	65	33	77	28
BY AGE GROUP						
30 and below	33	16	40	20	74	27
31 - 50	122	60	115	59	139	51
51 and above	48	24	42	21	58	22
BY ETHNICITY						
Malay	121	60	95	48	132	49
Chinese	77	38	95	48	130	48
Indian	3	1	4	2	6	2
Other Ethnic Minorities	2	1	3	2	3	1
Non-Malaysian	0	0	0	0	0	0
Total	203	100	197	100	271	100

NUMBER AND PERCENTAGE OF BOARD DIVERSITY						
	FY2024		FY2023		FY2022	
	Number	%	Number	%	Number	%
BY GENDER						
Male	5	83	5	83	5	83
Female	1	17	1	17	1	17
BY AGE GROUP						
30 and below	0	0	0	0	0	0
31 - 50	1	17	1	17	2	33
51 and above	5	83	5	83	4	67
BY ETHNICITY						
Malay	1	17	1	17	1	17
Chinese	5	83	5	83	5	83
Indian	0	0	0	0	0	0
Other Ethnic Minorities	0	0	0	0	0	0
Non-Malaysian	0	0	0	0	0	0
Total	6	100	6	100	6	100

SUSTAINABILITY STATEMENT (CONT'D)

Equal Opportunity

GDB has made progress in promoting diversity and equal opportunity within our workforce. The Group maintains a balanced representation across gender and age groups, with women increasingly represented in Managerial and Executive roles, rising from 18% in FY2022 to 24% in FY2023 and stabilising at 20% in FY2024. Female representation in Senior Management rose to 2% compared to 1% in FY2023 and FY2022. This gender distribution reflects the broader trend within the male-dominated construction industry. Age diversity is well-managed, with the majority of employees aged 30-50, ensuring a mix of experience and fresh perspectives. Younger employees under 30 are represented in Executive and Non-Executive roles, while those over 50, particularly in Senior Management, bring valuable experience to the Group.

PERCENTAGE OF EMPLOYEES BY GENDER , AGE AND EMPLOYEE CATEGORY															
	FY2024					FY2023					FY2022				
	GENDER		AGE			GENDER		AGE			GENDER		AGE		
	Male	Female	< 30	30-50	> 50	Male	Female	< 30	30-50	> 50	Male	Female	< 30	30-50	> 50
Senior Management	6%	2%	0%	3%	6%	5%	1%	0%	1%	5%	3%	1%	0%	1%	2%
Managerial	9%	6%	0%	8%	7%	12%	6%	0%	10%	7%	13%	4%	0%	10%	7%
Executive	26%	14%	7%	27%	6%	27%	18%	8%	32%	6%	25%	14%	8%	25%	6%
Non-Executive	30%	7%	9%	22%	5%	23%	8%	13%	14%	4%	30%	10%	19%	15%	7%

Employee turnover has declined significantly in FY2024 with total turnover dropped to 43 employees, down from 74 in FY2023 and 104 in FY2022, reflecting improved retention and job satisfaction. Senior Management saw minimal turnover (2%), while Managerial and Non-Executive turnover decreased to 9% and 28%, respectively. Although Executive turnover remains the highest at 61%, it has reduced compared to previous years. This decline in turnover highlights GDB's success in creating a supportive work environment, retaining skilled employees, and enhancing organisational strength. We will continue to focus on increasing diversity in leadership and further reducing turnover to ensure GDB remains a progressive and high-performing organisation.

NUMBER AND PERCENTAGE OF EMPLOYEE TURNOVER BY CATEGORY						
	FY2024		FY2023		FY2022	
	Number	%	Number	%	Number	%
Senior Management	1	2	0	0	1	1
Managerial	4	9	9	12	9	9
Executive	26	61	25	34	33	32
Non-Executive	12	28	40	54	61	58
Total	43		74		104	

Human Rights, Child Labour and Fair Labour Practices

Human rights are undeniably fundamental to sustainable development, and at GDB, we are deeply committed to upholding the rights of our employees. This commitment is firmly embedded in our sustainability policy, guiding our practices to ensure fairness and equity.

We take great care to ensure that foreign workers are hired in strict accordance with applicable immigration laws. Additionally, we provide accommodations that meet or exceed the standards mandated by the Workers' Minimum Standards of Housing, Accommodations, and Amenities (Amendment) Act 2019. These accommodations are designed to ensure the well-being and comfort of our workforce. Their safety, health, and overall welfare are among our top priorities, and we have implemented robust measures to safeguard these aspects in all our operations.

SUSTAINABILITY STATEMENT (CONT'D)

Furthermore, GDB strictly adheres to laws prohibiting child labour, as outlined in the Children and Young Persons (Employment) Act 1966. We maintain a zero-tolerance policy toward any form of exploitative labour practices, ensuring that our workforce is composed solely of individuals who meet the legal age requirements for employment.

Through these efforts, we aim to create a work environment that not only respects human rights but also promotes fairness, inclusivity, and sustainability. GDB remains dedicated to upholding these principles as we continue to grow and contribute to the well-being of our employees and the communities in which we operate.

We are proud to report that during FY2024, GDB experienced no employee rights issues or labour-related legal infractions, reflecting our commitment to maintaining a fair and ethical work environment.

Anti-Harassment

At GDB, we are committed to providing a safe and respectful workplace for all employees. We have a zero-tolerance policy for harassment of any kind, including sexual harassment, bullying, and discrimination. We also have a confidential reporting process in place to ensure that all complaints are investigated promptly and fairly.

WORKFORCE DEVELOPMENT AND WELL-BEING

Succession Planning

GDB recognises that our future success hinges on the strength and preparedness of our people. As part of our ongoing commitment to sustainable growth, we are dedicated to developing and nurturing talent for key leadership and specialised roles within the Group. Our Human Resources Department has implemented a robust Training Plan, designed to proactively identify high-potential employees and provide them with the necessary training, mentorship, and experiences to advance within GDB. This plan ensures business continuity, promotes internal mobility, and fosters a culture of continuous development, ultimately strengthening our organization for long-term sustainability.

In FY2024, we continue to refine and strengthen this plan, focusing on career development, ensuring a strong pipeline of future leaders who embody GDB's values and drive our strategic objectives.

Training and Upskilling

GDB is committed to helping employees reach their full potential. We provide opportunities for on-the-job learning and coaching, supplemented by technical and skills training, workshops, and seminars. Our performance appraisal program helps us identify individual training and development needs. Based on these assessments, we create tailored annual training plans to address skill gaps, foster professional growth, and drive continuous improvement.

The training programs conducted in FY2024 are as follows:

Types of Training	Total No. of Hours	No. of Attendees
Safety and Health	602	66
Environmental Training	100	8
Career Development (with certification)	1,246	101
Operational (finance, technical, risk mgt, IT and others.)	931	101
Total	2,879	276

SUSTAINABILITY STATEMENT (CONT'D)

TOTAL HOURS OF TRAINING BY EMPLOYEE CATEGORY			
	FY2024	FY2023	FY2022
Board of Directors	39	24	10
Senior Management	222	80	26
Managerial	308	18	140
Executive	682	124	395
Non -Executive	1,628	858	1,277
Total	2,879	1,104	1,848

Employee Welfare & Benefits

At GDB, we value our diverse workforce and the unique perspectives and contributions each individual brings. We believe that employee satisfaction is intrinsically linked to performance, and we strive to create a supportive environment where our employees feel valued and appreciated. To this end, we offer a range of leave entitlements designed to support our employees through significant life events. These include compassionate leave, maternity and paternity leave for important family occasions, as well as leave for absences due to natural calamities and bereavement. We are committed to providing comprehensive benefits and resources that promote the overall well-being of our employees.

Employee Engagement and Volunteerism Initiatives

In 2024, GDB organised a series of employee engagement and well-being activities aimed at fostering teamwork, promoting health, and giving back to the community. These initiatives were designed to enhance employee morale, strengthen relationships, and support personal and professional growth.

The year began with an adventurous hike at Wawasan Hill in August, which saw 65 employees participating in a day of physical activity and team bonding. This was followed by the UMMC Pink Run in October, where 15 employees volunteered to join the event to support breast cancer awareness, accompanied by a corporate contribution of RM2,000.

In October, GDB conducted a two-batch team-building event engaging a total of 177 employees. A beach cleaning event was organized by GDB whereby a total of 84 employees participated, which not only strengthened collaboration but also underscored our commitment to sustainability.

GDB organised a blood donation drive in November, where 52 employees contributed 47 bags of blood, demonstrating our collective effort to support healthcare needs in the community.

MONTH	ACTIVITY	NUMBER OF PARTICIPANTS	CONTRIBUTION
Aug 2024	Conquer the Wawasan Hill	65	
Oct 2024	UMMC Pink Run 2024	15	RM2,000
Oct 2024	Team Building (2 batches)	177	
Oct 2024	Beach Cleaning	84	
Nov 2024	Blood Donation	52	47 bags of blood

These activities reflect GDB's dedication to creating a positive and inclusive workplace culture while making a meaningful impact on society. We remain committed to organising initiatives that prioritise the well-being and development of our employees as well as the communities at large.

SUSTAINABILITY STATEMENT (CONT'D)



COMMUNITY WELFARE

In FY2024, GDB demonstrated our commitment to community welfare through investments and charitable donations. The company contributed a total of RM14,400 in charitable donations and community initiatives, directly benefiting four external beneficiaries. These donations supported diverse causes, including healthcare (UMMC's October Breast Cancer Charity Run), education (SJK (C) Kepong 3 upgrade works), and community support (Temple Lin San repair works, Persatuan Penganut Dewa Lin San temple dinners). These contributions reflect GDB's dedication to making a positive impact on the communities where it operates.

COMMUNITY AND SOCIETY		
Period	Total amount invested in the community where the target beneficiaries are external to the Group: RM	Total number of beneficiaries of the investment in communities
FY2024	14,400	4
FY2023	6,576	1
FY2022	35,567	4

FY2024 CHARITABLE INITIATIVES AND DONATIONS		
Beneficiary	Purpose	Amount (RM)
University Malaya Medical Centre (UMMC)	October Breast Cancer Charity Run	2,000
SJK (C) Kepong 3	Contribution towards upgrading works	2,000
Temple Lin San	Contribution for repair works	5,000
Persatuan Penganut Dewa Lin San Kuala Lumpur	Contributions towards the Temple's dinner events	5,400

SUSTAINABILITY STATEMENT (CONT'D)

COMMUNITY RIGHTS

Construction sites inherently pose potential hazards such as dust, noise, soil erosion, waste generation, traffic congestion, flooding, stagnant water, and risks of pedestrian safety. The Group is committed to mitigating these impacts to safeguard the well-being of the surrounding communities.

At the commencement of every project, we conduct a thorough assessment to identify and evaluate the potential impacts of our construction activities on the environment and nearby communities. Based on these assessments, we develop and implement targeted strategies to minimise disruptions, protect the environment, and ensure the safety and health of community members. These measures include dust and noise control, proper waste management, erosion prevention, and traffic management plans, among others.

CUSTOMER SATISFACTION

At GDB, customer satisfaction is at the heart of everything we do. Across all our projects and at every stage of construction, we are guided by a clear mission to deliver exceptional value, foster trust, and build lasting relationships with our customers. Our commitment to excellence is reflected in the following principles:

- **Empowering Our Teams:** We believe that our people are the foundation of our success. Through continuous development and improvement, we cultivate knowledgeable, motivated, and dedicated teams. By fostering a culture of efficiency, teamwork, and commitment, we ensure that every member of GDB is equipped to deliver outstanding performance in every project.
- **Exceeding Customer Expectations:** We are dedicated to building strong, enduring relationships with our valued clients. By delivering progressive excellence, reliable quality, and cost-effective solutions, we consistently strive to exceed expectations.
- **Commitment to Sustainability:** As a responsible organisation, we are committed to safeguarding the environment and promoting sustainability. Through the adoption of resource-efficient green technologies and environmentally responsible practices, we aim to minimise our ecological footprint while providing our customers with added peace of mind.
- **Meeting Regulatory and Customer Standards:** The construction industry is highly demanding, and any oversight can lead to delays, financial losses, and reputational damage. To mitigate these risks, we prioritise compliance with all legal, statutory, and EESG requirements. We maintain up-to-date certifications and permits, ensuring readiness for regulatory and customer audits. Additionally, we continuously adapt our management systems to align with new procedures and standards, reinforcing our commitment to operational excellence and customer trust.

At GDB, customer satisfaction is not just a goal—it is a promise. By upholding our mission and values, we remain steadfast in our commitment to delivering projects that inspire confidence, foster sustainability, and exceed the expectations of our customers.

Client Satisfaction Survey

We regularly solicit feedback through client satisfaction surveys upon completion of each project, setting a target of achieving a minimum satisfaction rating of 85% or above. In FY2024, we are pleased to report that our average client satisfaction score is 95.40%.

While we are encouraged by this overall result, we are also committed to continuous improvement. We continue to review all client feedback which allows us to identify areas for improvement in our processes and service delivery. We are actively implementing changes and are confident that these actions will lead to even higher levels of client satisfaction in future projects. We are dedicated to ongoing dialogue with our clients and remain focused on providing the highest quality of service and building lasting partnerships.

SUSTAINABILITY STATEMENT (CONT'D)

Client Satisfaction Survey Score		
Project Name	Year of Completion	Rating (Average)
SDPLOG 1 (Metrohub 1) at E-Metro Logistic Park, Bukit Raja 2	2024	95.4%

GOVERNANCE

OUR POLICIES



At GDB, our commitment to sustainability is firmly rooted in robust governance frameworks that guide our operations and decision-making processes. Our policies and procedures establish clear standards of conduct across the Group, ensuring accountability and transparency in fulfilling our responsibilities to stakeholders, society, and the environment. These policies are dynamically reviewed and updated to align with evolving legal requirements and emerging sustainability challenges, reflecting our dedication to continuous improvement. They serve as the foundation for our operational procedures, due diligence practices, and sustainability targets, enabling us to uphold the highest standards of corporate governance. For further details on our governance framework, please visit <https://www.gdbhb.com.my/investor-relations/corporate-governance/>.



SDG 16: Promoting peaceful and inclusive societies, providing access to justice for all and building effective, accountable, and inclusive institutions at all levels.

Aligned with UNSDG 16, we are committed to promoting peaceful and inclusive societies, providing access to justice for all, and building effective, accountable, and inclusive institutions at all levels. Through our governance practices, we strive to foster transparency, ethical leadership, and stakeholder engagement, ensuring that our operations contribute to a sustainable and equitable future. By embedding these principles into our corporate culture, we aim to strengthen trust and create long-term value for all our stakeholders.

ETHICS AND GOVERNANCE

At GDB, we are committed to upholding the highest standards of ethics and integrity in all our business activities. To ensure this commitment is embedded across the Group, we have established a comprehensive *Code of Ethics and Conduct*. This code outlines the ethical principles that all directors and employees are required to adhere to, guiding their actions and decisions in alignment with the Group's values.

In line with our zero-tolerance stance against unethical practices, we have implemented an *Anti-Bribery and Corruption (ABC) Policy*. This policy explicitly prohibits all forms of bribery and corruption at every level of the organisation. It is designed to comply with the provisions of the *Malaysian Anti-Corruption Commission ("MACC") Act 2009* and the *MACC (Amendment) Act 2018*, reinforcing our dedication to maintaining a transparent and ethical business environment.

CORPORATE DISCLOSURE POLICY

The policy covers:

- Application of the Policy
- Composition of the Disclosure Committee
- Designated Spokespersons
- Material Information
- Responsibilities and Procedures for Disclosure of Material Information
- Dealings with Analysts, Investors and the Media

For a full copy of the policy, please follow this link: <https://www.gdbhb.com.my/wp-content/uploads/2023/07/GDBHB-Corporate-Disclosure-Policy-24-May-2023.pdf>

SUSTAINABILITY STATEMENT (CONT'D)

To further strengthen our governance framework, we have introduced a Whistle-Blowing Policy. This policy provides a secure and confidential platform for employees and stakeholders to report incidents of improper conduct or non-compliance with the Group's *Code of Ethics and Conduct* and other policies. By fostering a culture of accountability and transparency, we aim to address potential issues proactively and uphold the integrity of our operations.

Additionally, our *Corporate Disclosure Policy* ensures effective and transparent communication with shareholders and the general public. This policy governs the dissemination of accurate and timely information regarding the Group's business activities, operations, and financial performance, promoting trust and confidence among our stakeholders.

Through continuous collaboration with our stakeholders, we strive to ensure that all our business activities are conducted with the utmost ethical standards. Since inception, GDB has maintained an exemplary record, with no reported incidents of improper conduct, reflecting our unwavering commitment to ethical governance and accountability.

Fair Dealing and Integrity

At the core of GDB's operational philosophy lies an unwavering commitment to conducting all business transactions ethically and fairly. To uphold this principle, we have implemented a comprehensive, organization-wide system that explicitly prohibits all forms of unfair dealings.

Our standard purchasing procedures are meticulously designed to reflect our fundamental principles of fairness and integrity when engaging with suppliers. These procedures serve as a clear framework for ethical interactions, ensuring transparency and impartiality in all procurement activities.

Furthermore, we mandate that all suppliers adhere to our stringent *Code of Ethics and Conduct and Anti-Bribery & Corruption Policy* ("ABC Policy"). To ensure thorough understanding and compliance, suppliers are provided with copies of these policies. They are required to thoroughly review, understand, and formally confirm their commitment to abide by these standards by signing an acknowledgement. This process reinforces our dedication to building strong, ethical partnerships based on mutual respect and shared values.

Anti-Bribery and Corruption

The Group is dedicated to upholding ethical, transparent, and responsible business conduct, strictly adhering to all relevant laws, including the Malaysian Anti-Corruption Commission Act 2009 and its 2018 amendments. GDB's ABC Policy outlines the measures to prevent bribery and corruption across the Group's operations. It applies to all directors, employees, and business partners, addressing any potential bribery and corruption issues that may arise. The company adopts a zero-tolerance approach towards all forms of bribery and corruption, which include actions like extortion, collusion, breach of trust, abuse of power, trading under influence, embezzlement, fraud, or money laundering. The policy covers interactions with both commercial and governmental bodies, emphasising the avoidance of any appearance of corruption, especially when dealing with government officials. Gifts, entertainment, travel, donations, and sponsorships are prohibited if they could influence business decisions, although corporate gifts of nominal value are permitted under specific conditions.

The policy can be viewed at: <https://www.gdbhb.com.my/wp-content/uploads/2020/06/2.-Anti-Bribery-Corruption-Policy-Final-Revised.pdf>

ANTI-BRIBERY & CORRUPTION POLICY

The Policy applies to all directors, employees and business associates of GDB.

The policy covers:

- Gifts, Entertainment, Travel, Donation and Sponsorship
- Facilitation payments
- Dealings Business Associates
- Responsibilities of Directors and Employees
- Conflict of Interests
- Staff Declarations
- Anti-Bribery and Anti-Corruption Compliance
- Training and Awareness
- Reporting of Policy Violations
- Audit & Compliance
- Sanctions for Non-compliance

SUSTAINABILITY STATEMENT (CONT'D)

Evaluation of Bribery and Corruption Risks

GDB's commitment to ethical conduct and our zero-tolerance stance on bribery and corruption are further evidenced in FY2024. The Group is proud to report zero bribery and corruption incidents, and no penalties or non-compliance actions were issued in relation to ethics and governance. This reflects the effectiveness of GDB's comprehensive policies and procedures, including the ABC Policy, which sets clear parameters for preventing corrupt practices.

Moreover, GDB's operational prudence is demonstrated by our strategic decision not to engage in projects within countries that rank lowest in Transparency International's Corruption Perception Index (CPI). As of FY2024, GDB had zero active projects and zero backlog in countries with the 20 lowest CPI rankings. This cautious approach mitigates the risk of exposure to high-corruption environments, safeguarding the group's reputation and financial health. GDB's projects are mainly within Malaysia.

Financially, GDB has also maintained a clean record with zero monetary losses resulting from legal proceedings associated with charges of bribery or corruption and anti-competitive practices in FY2024, further illustrating the Group's robust control mechanisms and ethical business culture.

PERCENTAGE OF OPERATION ASSESSED & CONFIRMED CASES OF CORRUPTION		
	FY2024	FY2023
Total number of operations	19	19
Total Number of Operation assessed for corruption-related risks	19	19
Percentage of operation assessed for corruption-related risks	100%	100%
Confirmed incidents of corruption	0	0
Number of action(s) taken	0	0

Number of Active Projects and Backlog in Countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index ("CPI") in FY2024		Total Amount of Monetary Losses as a result of legal proceedings associated with charges of Bribery or Corruption and Anti-Competitive Practices in FY2024	
Number of Active Projects	Amount of Backlog	Bribery or Corruption	Anti-Competitive Practices
0	0	RM0	RM0

Anti-Bribery & Corruption Training and Awareness

GDB is committed to ensuring that all employees are well-versed about anti-bribery and corruption's principles and practices. In FY2024, all 203 employees of the Group participated in the group's comprehensive training on these critical topics. A significant portion of this training, involving 203 employees, focused on anti-corruption in the workplace and corporate liability through a software-based refresher course, which concluded with a Q&A session. Each training session were designed to be concise yet comprehensive, lasting 0.75 hours, and included an assessment to ensure understanding and retention. To receive a certificate of completion, participants were required to achieve a minimum passing mark of 80%.

SUSTAINABILITY STATEMENT (CONT'D)

PERCENTAGE OF EMPLOYEES WHO HAVE RECEIVED TRAINING ON ANTI-CORRUPTION				
Period	Employee Category	Total number of employees	Number of Employees who received Training	% of Employees who received Training
FY2024	Senior Management	16	16	100%
	Middle Management	32	32	100%
	Executive	82	82	100%
	Technical / Others	73	73	100%
FY2023	Senior Management	12	12	100%
	Middle Management	34	34	100%
	Executive	90	90	100%
	Technical / Others	61	61	100%
FY2022	Senior Management	10	0	0%
	Middle Management	45	0	0%
	Executive	107	0	0%
	Technical / Others	109	0	0%

ANTI-CORRUPTION TRAINING CONDUCTED IN FY2024		
Training Topics	Training Hours	Number of Attendees
Part 1 - Corruption in the work place	0.75	203
Part 2 - Corporate Liability	0.75	203

Whistle Blowing Policy and Procedures

GDB has implemented a Whistle Blowing Policy to provide a secure channel for employees and stakeholders to report concerns about improper conduct within the Group. This policy, which is intended to maintain the highest standards of corporate governance and integrity, ensures that such concerns are addressed appropriately and effectively. The policy applies to employees and all stakeholders and covers a range of issues such as fraud, bribery, corruption, and other wrongful acts.

Whistle Blowing Channel

GDB has established a whistle blowing channel that offers a confidential and secure platform for employees, business partners, and stakeholders to report concerns regarding improper conduct, workplace grievances, or organisational malpractice. This whistle blowing channel also serves as a safe avenue for employees to report harassment, inappropriate behavior, or other concerns, with all reported incidents being promptly and thoroughly investigated, and appropriate action taken, including potential disciplinary measures for serious offenses.

WHISTLE BLOWING POLICY

The Policy applies to all directors and employees of the Group at all levels and grades, shareholders and any third parties associated with the Group, which may include but not limited to customers, suppliers, contractors, agents, consultants, outsourced personnel, distributors, advisers, government and public bodies including their advisors, representatives and officials.

The policy includes acts or instances of:

- Fraud or Dishonesty;
- Breaches of Policies, Procedures and applicable laws and regulations;
- Bribery or Corruption;
- Abuse of Power;
- Conflict of Interest;
- Insider Trading;
- Criminal breach of trust;
- Sexual Harassment;
- Misuse of confidential information; and/or
- Or other acts of wrong doing

SUSTAINABILITY STATEMENT (CONT'D)

Whistleblowing reports can be submitted through the following channels:

Group Managing Director (GMD):

- Email: cheahhc@gdbsb.com
- Mail: **Strictly Confidential**
Attention: The Group Managing Director
GDB Holdings Berhad
A-02-01, F-02-01 & F-02-02, Sekitar 26 Enterprise,
Persiaran Hulu Selangor, Seksyen 26,
40400 Shah Alam, Selangor

Audit Committee (AC) Chairperson:

- Mail: **Strictly Confidential**
Attention: The Audit Committee Chairperson
GDB Holdings Berhad
Third Floor, No. 77, 79 & 81,
Jalan SS21/60, Damansara Utama,
47400 Petaling Jaya, Selangor

The full details of the policy can be viewed at: <https://www.gdbhb.com.my/wp-content/uploads/2023/06/Whistle-Blowing-Policy-Final-Approved-by-BOD-24.5.23.pdf>

CYBERSECURITY

In an increasingly digital world, cybersecurity has emerged as a critical component of sustainable business practices, particularly in the construction industry. As the sector embraces advanced technologies such as Building Information Modeling (BIM), Internet of Things (IoT) devices, and cloud-based project management systems, the reliance on digital infrastructure has grown exponentially. While these innovations enhance efficiency, productivity, and collaboration, they also expose the industry to heightened risks of cyber threats, including data breaches, ransomware attacks, and operational disruptions.

For GDB, cybersecurity is not just a technical necessity but a fundamental aspect of our commitment to sustainability and resilience. Protecting sensitive project data, safeguarding stakeholder information, and ensuring the continuity of operations are essential to maintaining trust and delivering value to our clients and partners. A robust cybersecurity framework supports our sustainability goals by minimising risks that could lead to financial losses, reputational damage, or project delays.

As the Group places a strong emphasis on the integration of cybersecurity measures into our operations, we adopt best practices, investing in advanced security technologies, and fostering a culture of cyber awareness among our employees. These efforts aim to mitigate risks and ensure the long-term sustainability of our projects. By doing so, we not only safeguard our assets but also contribute to the broader resilience of the construction industry in an era of digital transformation.

During the year under review, there has been no incidence or report of any substantiated cybersecurity breaches or complaints received.

NUMBER OF SUBSTANTIATED COMPLAINTS CONCERNING BREACHES OF STAKEHOLDER PRIVACY, LOSSES OF CUSTOMER DATA AND CYBERSECURITY	
FY2024	Zero reported complaints
FY2023	Zero reported complaints
FY2022	Zero reported complaints

SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2022	2023	2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Employees	Percentage	0.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	35,567.00	6,576.00	14,400.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4	1	4
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	21.00	17.00	17.00
Executive Between 30-50	Percentage	64.00	70.00	67.00
Executive Above 50	Percentage	15.00	13.00	16.00
BOD Under 30	Percentage	0.00	0.00	0.00
BOD Between 30-50	Percentage	34.00	17.00	17.00
BOD Above 50	Percentage	66.00	83.00	83.00
Non Executive Under 30	Percentage	47.00	41.00	26.00
Non Executive Between 30-50	Percentage	36.00	46.00	62.00
Non Executive Above 50	Percentage	17.00	13.00	12.00
Managerial Under 30	Percentage	0.00	0.00	0.00
Managerial Between 30-50	Percentage	60.00	62.00	53.00
Managerial Above 50	Percentage	40.00	38.00	47.00
Senior Management Under 30	Percentage	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	40.00	25.00	31.00
Senior Management Above 50	Percentage	60.00	75.00	69.00
Gender Group by Employee Category				
Executive Male	Percentage	64.00	60.00	65.00
Executive Female	Percentage	36.00	40.00	35.00
BOD Male	Percentage	83.00	83.00	83.00
BOD Female	Percentage	17.00	17.00	17.00
Non Executive Male	Percentage	75.00	74.00	82.00
Non Executive Female	Percentage	25.00	26.00	18.00
Managerial Male	Percentage	76.00	68.00	59.00
Managerial Female	Percentage	24.00	32.00	41.00
Senior Management Male	Percentage	90.00	83.00	81.00
Senior Management Female	Percentage	10.00	17.00	19.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	83.00	83.00	83.00
Female	Percentage	17.00	17.00	17.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	34.00	17.00	17.00
Above 50	Percentage	66.00	83.00	83.00
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt	2,642.02	1,052.97	618.13

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT (CONT'D)

Indicator	Measurement Unit	2022	2023	2024
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	0	0	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	60	42	66
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Mid Management	Hours	140	18	308
Lower Management	Hours	395	124	682
BOD	Hours	10	24	39
Executive/ Technical/ Others	Hours	1,277	858	1,628
Top Management	Hours	26	80	222
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	57.00	52.00	62.00
Bursa C6(c) Total number of employee turnover by employee category				
Executive	Number	33	25	26
Senior Management	Number	1	0	1
Non Executive	Number	61	40	12
Managerial	Number	9	9	4
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.91	99.90	99.98
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	119.643760	65.451200	53.683000
Bursa (Waste management)				
Bursa C10(a) Total waste generated	Metric tonnes	12,003.30	4,919.65	7,097.84
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	2,960.18	1,325.86	4,298.54
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	9,043.12	3,593.79	2,799.30
Bursa (Emissions management)				
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	-	-	1,833.81
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	-	-	482.14
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	9,899.14

Internal assurance

External assurance

No assurance

(*) Restated