

## **1.0 Introduction**

This Sustainability Policy (the “Policy”) is intended to address Erdasan Group Berhad (“Erdasan” or “the Company”) and all subsidiary companies within the Erdasan Group, hereinafter refer to as the Group.

Sustainability encompasses all aspects of ethical business practices, addressing relevant Environment, Social and Governance (“ESG”) issues responsibly and profitably.

## **2.0 Objectives**

This Policy aims to:

- 2.1. Endeavour to integrate the principles of sustainability into the Group’s strategies, policies and procedures;
- 2.2. Promote sustainable practices;
- 2.3. Ensure that the Board of Directors (the “Board”) and senior management are involved in implementation of this Policy and review the sustainability performance; and
- 2.4. Create a culture of sustainability within the Group, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.

## **3.0 Social Sustainability**

Social sustainability is focused on the development of programs and processes that promote social interaction and cultural enrichment. It emphasises protecting the vulnerable, respecting social diversity and ensuring that the Group put priority on social capital.

- 3.1. To maintain a safe and healthy workforce;
- 3.2. To recruit and retain high potential and high performing employees;
- 3.3. To use training and development as a strategic investment and a way of shaping culture and behaviour in the Group;
- 3.4. To enable employees to further develop their professional and personal skills;
- 3.5. To promote racial harmony and prevent racial discrimination;
- 3.6. To prevent sexual harassment and other forms of violence against women;
- 3.7. To be recognised as a good corporate citizen;
- 3.8. To align our charitable giving with the Group’s activities;
- 3.9. To actively encourage our people to get involved in the charity work;
- 3.10. To respond in a professional and timely manner to public enquiries;
- 3.11. To continue improve public perception and experience of the Group.

#### **4.0 Environmental Sustainability**

The Group is committed to identify, manage and minimise the environmental impact of business operations.

- 4.1. To reduce consumption of non-renewable, non-recycled materials;
- 4.2. To pursue and encourage the use of renewable resources;
- 4.3. To minimise the level of pollutants entering into the air and water from daily business operations;
- 4.4. To comply with environmental regulatory and legal requirements;
- 4.5. To create an ever-increasing awareness of this Policy within the Group and stakeholders.

#### **5.0 Governance Sustainability**

Governance sustainability is becoming more essential in gaining the confidence of investors, other stakeholders and the public. The Group recognises the important of governance sustainability and incorporating it into all functions and processes which include strategic planning, accountability, sustainable planning and development.

- 5.1. To ensure sustainability forms an integral part of the Strategic Planning;
- 5.2. To enhance sustainability through regular updates of strategies, policies, procedures and provide relevant training;
- 5.3. To establish and continue to improve appropriate governance structures and processes;
- 5.4. To assess the impacts and outcomes of sustainability; and
- 5.5. To plan for long term resources including human and financial.

#### **6.0 Reports and Disclosures**

The Group will set targets for its sustainability efforts. The targets must be along with metrics for measurement, tracking and reporting. The Group will integrate the metrics into the Group's performance management as part of the sustainability strategy.

The Board has oversight responsibility to deliver sustainable value to stakeholders through principles, policies, objectives and strategies of the Group and overseeing the overall sustainability performance of the Group, whereby a Sustainability Working Group ("SWG") has been established to assist the Board in its responsibilities.

#### **7.0 Review of the Policy**

The Policy will be continually improved upon and reviewed from time to time by SWG to be in line with the current circumstances and the Company's policies and to be recommended for the approval by the Board.

This Policy was reviewed and approved by the Board on 26 November 2025.