

SUSTAINABILITY STATEMENT

BOARD STATEMENT AND ASSURANCE

Dear Shareholder,

The Board is pleased to present the Group's Sustainability Statement for the FYE 2025. The Company is pleased to share the notable strides we have taken, and will continue to take, in embedding sustainability across all aspects of our organization and operations. Our objective is to generate enduring value for all stakeholders and maintain our position as a market leader in our core operations and business segment of total waste management in Malaysia.

The Company is dedicated to integrate sustainability and business continuity plans into our operations. This statement outlines our approach in identifying and managing economic, environmental, social and governance ("EESG") issues that are significant to us and our stakeholders.

The establishment of a good corporate governance is also acknowledged in managing and monitoring sustainability issues to achieve their goals and objectives. The Company believes this approach will act as a sustainable, overarching proposition to strike a balance between economic, environmental, social responsibilities, and governance considerations, which serves the best interests of all stakeholders in the long run.

SUSTAINABILITY STATEMENT CONT'D

Sustainability Initiatives

As a responsible organisation, the Group understands the significance of upholding sustainability in our business operations in all facets. We recognise that the potential effect that our business operations may have on the Environment, Social and Governance (“ESG”) aspects. Thus, we are committed to implementing a comprehensive sustainability framework to address these concerns. Our core values revolved around accomplishing the highest benchmarks of sustainability throughout our operations, striving to achieve a harmonious balance between economic growth, environmental conservation and social responsibility.

Throughout the years, the Group has established the environmental sustainability initiatives to mitigate the adverse impacts on the environment.

These initiatives include as follows:

- Investment in renewable energy through solar;
- Conversion of diesel based manufacturing plant to natural gas based;
- Streamlining recycling process with the aim to reduce waste;
- Measures to prevent pollution; and
- Re-use of residual sludge as alternative raw material in cement production.

The Group has formed a dedicated committee consisting of six members, who consist of the representative and head of department from TWM and the Group. This committee will uphold rigorous standards for sustainability practices and consistently enhance our efforts to integrate sustainability into our management and day to day operations.

Moving forward, we will continue to provide updates on our sustainability journey as we strive to generate sustainable value for our stakeholders in the years to come.

ABOUT THE STATEMENT

At JAG, we are committed to fostering a sustainable future by capitalizing good business fundamentals, strategic focus and efficient operational practices. This statement best reflects our practices, initiatives and efforts invested in addressing the impact on the local economy, society, environment and governance by our organisation.

Scope and Boundary of Reporting

The reporting period aligns with our financial year from 1st January 2025 to 31st December 2025 and focuses on our on-going operational activities and future projects involving in total waste management TWM, lifestyle and services, and property investment and development through its subsidiaries.

Details of the Group’s facilities and subsidiaries all operated in Malaysia are shown in the table below.

Name of Company	Principal Activities
Jaring Metal Industries Sdn Bhd	• Recycling and extraction of precious metals via the recovery and reclamation of industrial and electronic waste • Trading of ferrous and non-ferrous metals
Jag Nasmech Sdn Bhd	Operating twenty-four (24) hours coin-operated laundry business
Jag Eco Sdn Bhd	Co-working space, fitness gym centre, holding of property
Jag Capital Equity Sdn Bhd	Investment holding
Jag Land Sdn Bhd Jag Development Sdn Bhd Jag Prop Sdn Bhd	Property developer, real estate project development, building constructor and property investment
Jag Scoops Sdn Bhd	Manufacturing, distribution, sale and other related services of confectionery, ice-cream, and gelato products
Jag Renewable Energy Sdn Bhd	Dormant

SUSTAINABILITY STATEMENT CONT'D

Guideline, Standard and Reporting Framework

This report is prepared in accordance with the Bursa Malaysia Sustainability Reporting Guide 3rd Edition and is adopted in line with the internationally recognised Integrated Reporting ("IR"). The Company also decided to adopt the TCFD recommendations and Sustainable Development Goals ("SDGs") as part of the report as well.

Assurance Statement

This Statement has not been subjected to an assurance process. The data reported in this Statement has been internally sourced and verified by the respective business units or information owners. The Group shall continue to strengthen its data collection and analysis procedures to enhance the quality and accuracy of its data.

DEFINING THE SUSTAINABILITY STRATEGY

The Company prioritises a balanced approach that encompasses economic, social and environmental responsibilities, with a vested interest in our stakeholders' well-being for a brighter future.

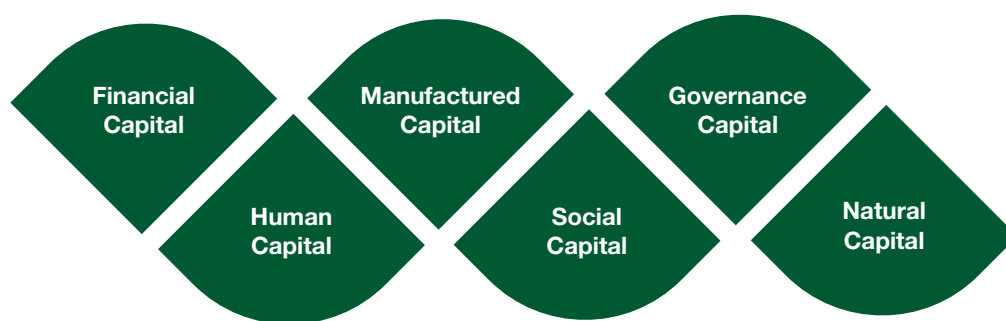
Our focus is on fostering a positive impact on society by continuously exploring opportunities to integrate sustainability into our long-term growth and development objectives.

The continued success of the Group throughout the years has provided insights on the importance of balancing value and growth. This defines that the Company's long-term objectives encompass not only profit creation but also extended to all our stakeholders' interest and value creation.

As an additional measure to address the dynamic environment and business landscape, the Group decided to embrace the framework designed by the International Integrated Reporting Council ("IIRC") to make financial and business sense of sustainability performance via the Six Capitals model.

The Six Capitals Model allows us to create sustained value for our business and stakeholders, as well as reinforced our sustainability strategy, policies and practices and is aligned to global best standards including the UN SDGs. The six capitals represent the stores of value that are the basis of the Company's value creation.

The six capitals are defined as per below:



Financial	Manufactured	Governance
Funds available to Group from operations and financing	Recycle process from physical industrial waste objects used in value creation	Governance, Internal control system and procedures
Financial Highlight Resources to support the Group's operation and implement other Capitals 	Marketplace Implementing sustainability through Recycle efficiency quality and compliance 	Governance Board engagement on strategy, internal control to enhance the sustainability initiative 

SUSTAINABILITY STATEMENT CONT'D

Human	Social	Natural
Skills, motivation, alignment with organisational goals	Relations with key institutions, stakeholder groups, shared norms and values, trust and confidence, and its social license to operate	Renewable and non-renewable natural elements, and the eco-system, used as inputs by the Group now or in the past or future, and impact of the Group on them
Workplace Creating a safe and supportive working environment, training and self-development 	Community Contributing to local community development 	Environment Improving our environment by utilising greener alternatives 

SUSTAINABILITY GOVERNANCE STRUCTURAL

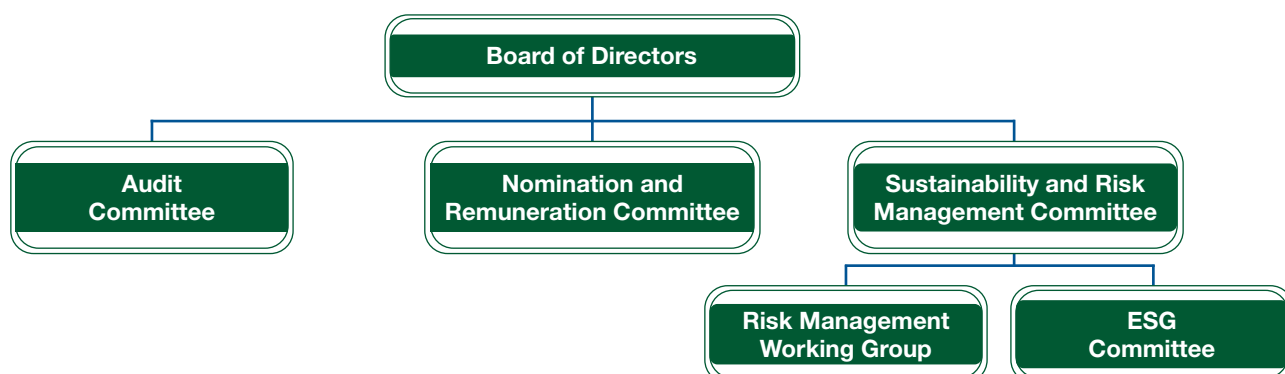
Sustainability is regarded as an important aspect and inherent element in JAG thus, we have formed a systematic and comprehensive governance framework to effectively achieve our sustainability targets and goals.

The Board of Directors at Group and subsidiary level are instrumental in promoting sustainability throughout the organization and oversees the Group's sustainability strategy. Their duties include ensuring that the significant objectives are attained and creating a sound risk management framework and internal control system, ensuring they are appropriate and efficient.

The Board is also assisted by the Audit Committee, Nomination and Remuneration Committee and Sustainability and Risk Management Committee in tracking the performance of the organisation and managing the effectiveness of the risk management framework and internal control system.

To ensure better efficiency in the sustainability initiatives, the Group formed an ESG Committee that focuses on the Group's ESG objectives, policies, practices and monitoring pertaining to sustainability or ESG matters. Their roles encompass the formulation of sustainability strategies, identification and assessment of sustainability-related risks, evaluation of sustainability performance and targets, and diligent monitoring of the implementation of sustainability-related policies and practices.

The Board has assigned the responsibility of assessing the sufficiency and effectiveness of the sustainability and risk management framework and internal control system to the Sustainability and Risk Management Committee. Furthermore, the Audit Committee, Nomination and Remuneration Committee play a role in monitoring the performance of the Company.



The responsibility of the Board and ESG Committee including but not limited to promote and embed sustainability in the Group includes overseeing the following:

- Stakeholders' engagement
- Materiality assessment & identification of sustainability risks and opportunities relevant to us
- Management of material sustainability risks and opportunities
- Communication of sustainability strategies, priorities and targets as well as performance against targets to internal and external stakeholders

SUSTAINABILITY STATEMENT CONT'D

STAKEHOLDER ENGAGEMENT

As a part of our unwavering dedication to building a sustainable business, we strive to foster positive relationships with our stakeholders. These valued stakeholders offer invaluable insights into our operations, allowing us to identify areas for improvement and identify opportunities. Thus, it is vital for us to regularly engage with them to seek feedback and address any concerns raised.

The Company has identified the key stakeholder groups and seek to engage them via various methods and channels, which are summarised in the table below:

Stakeholder	Areas of Concern/ Interest	Engagement Approach	Frequency
Customer 	- Product Quality & Safety - Customer Service & Experience - Product compliance - Customer satisfactory - Logistic management	- Customer Survey - Relationship Management - Customer complaint - Customer services respond	- Annually - On-going - As and when needed
Employee 	- Health & Safety - Welfare & Remuneration - Workplace Diversity - Training & Career Development - Value Equal Opportunities	- Performance Appraisal - Management & Staff Meeting - Annual Event - Training Programs	- Annually - On-going - As and when needed
Supplier 	- Transparent and Fair Procurement Practices - Payment Schedule - Anti-Bribery	- Evaluation on Performance - Anti-Bribery Commitment	- Annually - On-going - As and when needed
Investor and Shareholders 	- Financial Performance - Business Strategy - Shareholder Value	- Annual Report - Annual General Meeting - Corporate Website - Company Announcements - Investor Relations activities - Investors Briefing	- Annually - On-going - As and when needed
Governance 	- Governance Compliance - Environment Management & Compliance - Policy Matters (Public, Health & Safety)	- Annual Report - Compliance Reporting - Meeting & Seminar - Public Announcement - Inspection/ Audit by Local Authority	- Annually - Quarterly - On-going - As and when needed
Local Community 	- Impact of Business Operation - Social Issue	- Community Program - Seminar & Exhibitions	As and when needed

SUSTAINABILITY STATEMENT CONT'D

MATERIALITY MATRIX

The Company has performed a materiality assessment to identify the sustainability events that hold significant relevance to both the business and its stakeholders. While conducting the review, we assessed the trends and developments within the industry as well as global and local sustainability issues.

The following table lists the material topics in 2025:



Material Sustainability Matter	Relevant Stakeholders
E1 – Waste Management	Regulatory Agencies and Local Communities
E2 – Climate Change	Regulatory Agencies and Local Communities
E3 – Energy Consumption	Regulatory Agencies and Local Communities
S1 – Occupational Health and Safety	Employees and Local Communities
S2 – Training and Development	Employees and Regulatory Agencies
S3 – Social Contribution	Investors and Local Communities
G1 – Business Ethics and Compliance	Regulatory Agencies and Local Communities
G2 – Governing Purpose	Regulatory Agencies and Local Communities
G3 – Risk Management	Regulatory Agencies and Local Communities
G4 – Licensing	Investors and Regulatory Agencies
M1 – Equipment Maintenance	Employees, Regulatory Agencies, Supplier and Customers
M2 – Supply Chain and Responsible Sourcing	Customers, Investors and Local Communities
F1 – Economic Performance	Investors and Customers

SUSTAINABILITY STATEMENT CONT'D

ECONOMICS AND FINANCIAL HIGHLIGHTS

Resources to support the Group's operation and implement other Capitals

For the financial year ended 31 December 2025 ("FYE 2025"), the Group recorded total revenue of RM234.1 million, representing a marginal increase of 1.5% compared with RM230.1 million in the previous financial year. The increase in revenue was mainly attributable to the completion of the disposal of land under the property business segment, whereby disposal proceeds of RM10.0 million were recognised in FYE 2025. The related disposal cost was correspondingly recognised as direct cost in the financial statements.

The Group recorded a net loss of RM8.8 million for the financial year under review, as compared with a profit after tax of RM5.9 million in FYE 2024.

A more detailed discussion of the Group's financial performance and the key factors affecting the financial statements is set out in the Management Discussion and Analysis section.

(Aligned with SDG 8: Decent Work and Economic Growth; SDG 9: Industry, Innovation and Infrastructure)

MARKETPLACE

Implementing sustainability through Recycling efficiency, quality and compliance

The Group recognizes that incorporating sustainability principles into product quality and safety practices is of utmost importance to ensure that our products are not only safe for our customers, but also environmentally responsible throughout their manufacturing processes. Our commitment to delivering high-quality, right products and services to our stakeholders is a top priority, and we continuously strive to enhance our standards, processes, and controls to maintain consistent levels of quality and sustainability.

Sustainable Supply Chain Management

The Group recognises that a reliable and sustainable supply chain is essential to support our TWM business segment, which relies on a robust and mature network of participants from Malaysia's electrical and electronics ("E&E") and semiconductor industries.

While we acknowledge the potential social and governance risks inherent in supplier engagement, we are committed to upholding sound governance practices by embedding sustainability considerations across our supply chain. We also proactively adhere to the policies and compliance requirements set by our suppliers, including standards such as the Responsible Business Alliance (RBA) Code of Conduct and other supplier-specific sustainability criteria.

(Aligned with SDG 12: Responsible Consumption and Production; SDG 8: Decent Work and Economic Growth)

To ensure a consistent and secure flow of incoming schedule waste materials for processing, we have developed a diversified and resilient supplier base. This approach enables us to proactively identify, assess and mitigate risks associated with individual suppliers, thereby ensuring operational continuity and supply chain resilience.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production)

In addition, our ISO and R2 accredited quality assurance management system reinforces our competitive advantage, particularly when participating in supplier tender processes. This certification underscores our commitment to quality, regulatory compliance, and continuous improvement.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 16: Peace, Justice and Strong Institutions)

We firmly believe that establishing fair, transparent and responsible supply chains is not only an ethical obligation but also a strategic approach to managing risks and safeguarding long-term business sustainability. Through these practices, we aim to ensure the integrity of our processes and create lasting value for all stakeholders.

SUSTAINABILITY STATEMENT CONT'D

Sustainable Operation Management

In the context of waste management, the Group recognises that operational excellence must go hand in hand with environmental and social responsibility. We are firmly committed to continuously assessing and improving how we manage our operations to ensure we meet current regulatory requirements, stakeholder expectations, and contribute meaningfully to a more sustainable future.

As part of our commitment under the Bursa Malaysia's Sustainability Reporting Guide, we have taken proactive measures to reduce our carbon footprint across our processing and manufacturing activities.

These efforts include conversion of diesel based equipments to natural gas based, enhancing energy efficiency, optimising resource utilisation, and adopting circular practices that prioritise the recovery and reuse of materials, particularly within our TWM business segment.

(Aligned with SDG 12: Responsible Consumption and Production; SDG 13: Climate Action)

We fully acknowledge the urgency of addressing climate change, a defining challenge of our time. While our business model inherently supports waste reduction and environmental protection, we remain vigilant in ensuring full compliance with all relevant environmental laws and regulations, both at the national and industry-specific levels.

(Aligned with SDG 13: Climate Action; SDG 16: Peace, Justice and Strong Institutions)

Beyond compliance, the Group is committed to driving continuous improvement through innovation. We actively invest in research and development, both in equipment and treatment methods to enhance our operational sustainability. We recognise that such initiatives are not only ethically responsible but also commercially strategic. This forward looking approach enables us to anticipate and mitigate future risks, thereby strengthening our environmental stewardship and long-term business resilience.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production)

Product Quality and Compliance

At JAG, we place great emphasis on maintaining and delivering high standards of product quality as a core driver of value creation and long term business growth. Our unwavering commitment to upholding industry leading quality standards has not only resulted in heightened customer satisfaction but has also contributed to strengthen market value, reputation, effective risk mitigation, and an empowered workforce committed to excellence.

As a reliable and trustworthy organisation, we take pride in benchmarking our products and services against the best industry standards. The Company prioritises the manufacturing of quality products and services, and we consistently review and monitor the production efficiency within our TWM operations. This approach ensures that we continue to meet both regulatory requirements and the evolving expectations of our customers and stakeholders.



In line with our commitment to operational excellence, the schedule waste procurement division of the Company, **Jaring Metal Industries Sdn Bhd (JMI)** has obtained and maintained several ISO certifications which ensuring that our operations are conducted in compliance with the highest standards of quality and environmental responsibility. The ISO certification maintained cover the following:

- trading, processing, and recovery of ferrous, non-ferrous, and precious metals; and
- downstream vendor management, physical data sanitization and material recovery from electronic

ISO 9001:2015	ISO 14001:2015	ISO 45001:2018
Quality Management Systems	Environmental Management Systems	Occupational Health and Safety Management Systems

SUSTAINABILITY STATEMENT CONT'D

In addition, JMI has also obtained the certification as meeting the requirement of The Sustainable Electronics Reuse & Recycling (R2) Standards during the financial year 2025.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production)

By adhering to these certifications, we continue to uphold the Quality and Governance principles set forth in Bursa Malaysia's Sustainability Reporting Guide, demonstrating our dedication to both ethical business practices and long-term sustainability. We believe that a rigorous focus on quality and compliance is not only a business imperative but also a responsibility to our customers, employees and the environment.

(Aligned with SDG 12: Responsible Consumption and Production; SDG 16: Peace, Justice and Strong Institutions)

GOVERNANCE

Board engagement on strategy, internal control to enhance the sustainability initiative

At the Group, we place a strong emphasis on practicing sound corporate governance, recognising that it is fundamental to long-term value creation and sustainable business growth. The Board acknowledges the critical importance of having a robust risk management framework and internal control systems in place to promote transparency and integrity in our operations.

In line with the Governance pillar of Bursa Malaysia's Sustainability Reporting Guide, we are committed to disclosing relevant sustainability related information, which enhances the transparency of our management practices. This commitment is aimed at fostering greater confidence and trust among our customers, stakeholders and the wider public.

(Aligned with SDG 16: Peace, Justice and Strong Institutions)

To reinforce our dedication to ethical business practices, the Group adopts a zero-tolerance stance towards fraud, bribery, corruption, money laundering and insider trading. To this end, we have implemented comprehensive policies, including an Anti-Bribery and Corruption Policy and a Whistleblowing Policy. These measures not only enhance transparency within the Group but also contribute to creating a corporate culture that supports strong governance and accountability.

(Aligned with SDG 16: Peace, Justice and Strong Institutions; SDG 12: Responsible Consumption and Production)

	FYE 2025	FYE 2024	FYE 2023
No. of reported Anti-Bribery case	Nil	Nil	Nil
Target to Nil case of Anti-bribery reported	Achieved	Achieved	Achieved
No. whistleblowing case	Nil	Nil	Nil
Target to Nil case of whistleblowing reported	Achieved	Achieved	Achieved

Furthermore, the Group is an active member of the following prestigious industry associations, which further support our commitment to industry best practices, collaboration, and responsible corporate behaviour:

- Federation of Malaysian Manufacturers
- FMM Aluminium Manufacturers Group of Malaysia
- The Chinese Chamber of Commerce and Industry of Kuala Lumpur & Selangor
- The Free Industrial Zone, Penang Companies' Association

(Aligned with SDG 8: Decent Work and Economic Growth; SDG 17: Partnerships for the Goals)

By engaging with these associations and upholding strong governance practices, we seek to promote ethical business conduct and contribute to the broader goal of fostering sustainable industry development.

SUSTAINABILITY STATEMENT

CONT'D

GOVERNANCE

Creating a safe and supportive working environment, training and self-development

The Group highly values our employees, recognising them as the backbone of the organisation's continued growth and success. As such, we place strong emphasis on the well-being, development, and overall satisfaction of our workforce as a core element of our management strategy. We are committed to building a competent and resilient workforce that is well-equipped to meet evolving business demands and industry expectations.

(Aligned with SDG 8: Decent Work and Economic Growth)

	FYE 2025	FYE 2024	FYE 2023
Total Number of employees	206	222	221

Training and Development

In line with our belief that human capital is integral to sustainable operations, the Group invests in employee training and development. A structured training plan is prepared at the start of each financial year, supported by an allocated annual training budget and approved by Management.

These include internal and external training involving in:

- On-the-job training
- Internal and external workshops
- Safety & First Aid related training
- Production safety process training
- Soft skills training

The total training hour to all employee as follows:

	FYE 2025	FYE 2024	FYE 2023
Total training hours	1,350 hours	1,728 hours	3,067 hours
Average training hour per employee	6.5 hours	7.78 hours	13.9 hours
Target training hour per employee	3.0 hours	3.0 hours	3.0 hours
Training cost	RM89,000	RM85,000	RM98,000

Through these initiatives, employees are empowered to enhance their competencies, stay abreast of industry developments, and pursue career advancement. In addition to planned training, employees may request further development opportunities aligned with their career aspirations via a formal Training Requisition Form.

The Board also places importance on continuous learning. Directors are encouraged to attend relevant conferences, regulatory briefings, and leadership programmes.

(Aligned with SDG 4: Quality Education; SDG 8: Decent Work and Economic Growth)

SUSTAINABILITY STATEMENT CONT'D

Workplace Diversity

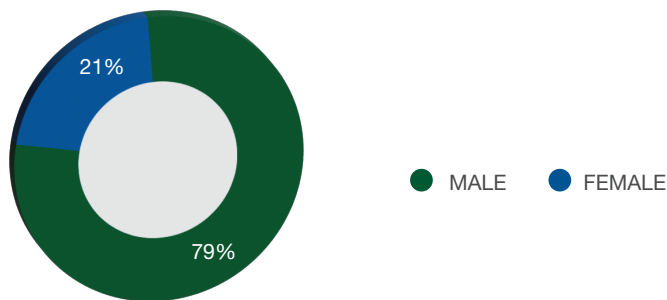
As part of our dedication to promoting diversity and equality, we acknowledge that cultivating an inclusive work environment demands continuous effort and active engagement. We have implemented internal policies and practices that prioritize diversity and equal opportunities, such as anti-discrimination and anti-harassment policies, along with comprehensive diversity training programmes. Our goal is to create an inclusive environment where employees from diverse backgrounds feel respected, valued and empowered to bring their unique perspectives and talents to contribute their best work.
(Aligned with SDG 5: Gender Equality; SDG 10: Reduced Inequalities)

We are also committed to ensuring that all employees, irrespective of their personal characteristics, have equal access to career advancement opportunities and leadership positions. Our talent management process involves conducting regular skills assessments and career development planning for all employees. By offering equal opportunities for professional growth and development, we can attract and retain the most exceptional individuals, leading to enhanced overall business performance.

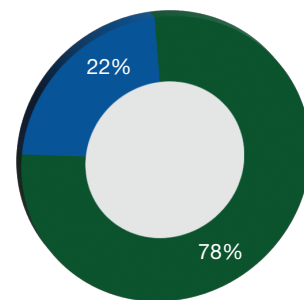
(Aligned with SDG 5: Gender Equality; SDG 8: Decent Work and Economic Growth)

In addition, we regularly review our workforce data to identify areas for improvement and measure our progress in achieving our diversity goals. The charts below indicate our diversity employment in terms of gender, age and ethnicity.

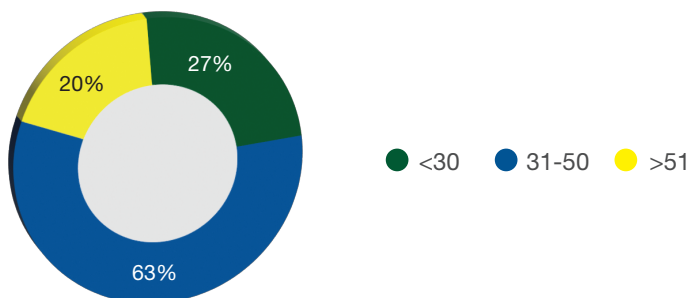
**Workforce in terms of Gender
FYE 2025**



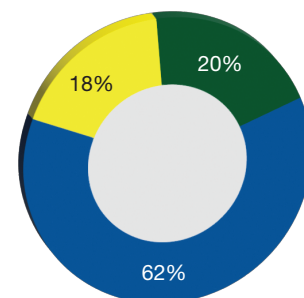
**Workforce in terms of Gender
FYE 2024**



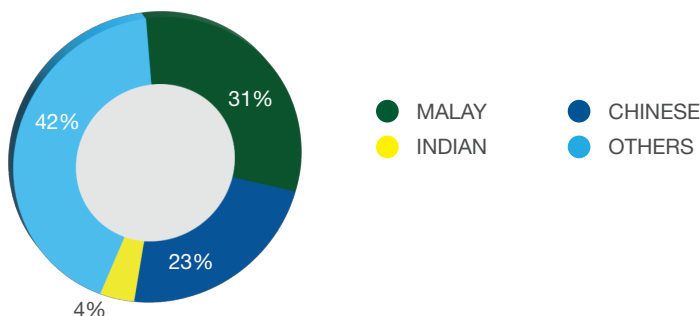
**Workforce in terms of Age
FYE 2025**



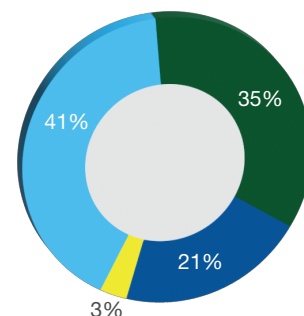
**Workforce in terms of Age
FYE 2024**



**Workforce in terms of Ethnicity
FYE 2025**



**Workforce in terms of Ethnicity
FYE 2024**



SUSTAINABILITY STATEMENT CONT'D

Healthy and Safe Working Environment

At JAG, the health and safety of our employees remain a top priority. We are committed to fostering a safe and secure working environment by implementing comprehensive safety protocols and providing employees with appropriate personal protective equipment (PPE). Our Safety and Health Policy outlines operational safety standards and is made available to all employees to ensure clear understanding and compliance. We strive to exceed industry regulations and benchmark ourselves against best practices in occupational health and safety.

(Aligned with SDG 3: Good Health and Well-being; SDG 8: Decent Work and Economic Growth)

As part of our proactive approach, the Company conducts regular workplace inspections to maintain clean, organised, and hazard-free environments. Ongoing safety initiatives include monthly toolbox meetings, routine fire and safety drills, and risk awareness campaigns and training sessions aimed at equipping employees with the knowledge to respond effectively in emergency situations.

(Aligned with SDG 3: Good Health and Well-being)

In line with international best practices, the Group upholds the principles of the OHSAS framework and supports the Responsible Business Alliance (RBA) Code of Conduct, which promotes safe working conditions, ethical treatment of workers, and environmentally responsible business conduct. We have obtained ISO 45001:2018 certification for our Occupational Safety and Health Management System, demonstrating our commitment to high safety standards. With these measures in place, we are pleased to report zero workplace fatalities for the reporting year.

(Aligned with SDG 3: Good Health and Well-being; SDG 8: Decent Work and Economic Growth)

The observation of Health and Safety incident as follows:

	FYE 2025	FYE 2024	FYE 2023
No of fatalities	Nil	Nil	Nil
No. of reported injuries in workplace	5	9	4
No. of loss hour due to injuries	120 hours	19 hours	97 hours

Employees' well-being

As a company that prioritises employees' health and safety, we care strongly for their mental well-being too. We believe that there exists a clear connection between the health and well-being of employees and their overall job satisfaction. Thus, we are committed to creating a comfortable and harmonious working environment that promotes a healthy work-life balance.

(Aligned with SDG 3: Good Health and Well-being; SDG 8: Decent Work and Economic Growth)

In line with this, the Company also provides various employment benefits, such as:

1. Group insurance encompassing hospitalization and outpatient medical for all levels of employees
2. Time-off of up to six times per annum (at a limit of two hours maximum per time-off)
3. Incentive allowances (excellent attendance and line leader allowance for production employees)
4. Life insurance coverage for all local permanent employees (Death & Total Permanent Disability)
5. Foreign worker Retention scheme
6. Maternity & Paternity Leave, Compassionate Leave, Paid Study Leave, Natural Disaster Caused Leave
7. Cash Token for life changing events (first legal marriage, new birth child)

SUSTAINABILITY STATEMENT CONT'D

During the financial year, couple of corporate event has been held as for the appreciation to employee and management such as follows:



On 5th August 2025, the management organised free flow of durian treats to all employees



On December 2025, appreciation dinner for all employee held in HQ JMI

COMMUNITY

Contributing to local community development

The Group acknowledges that our customers and the wider community play a crucial role in the success of our business. As such, we are committed to maintaining transparent communication and fostering mutual trust through consistent engagement.

While there were no direct community contributions or donations made during the year under review, the Group continues to uphold its responsibility to operate ethically, deliver high-quality services and products, and ensure that our stakeholders remain informed and confident in our business processes. We remain open to future opportunities for collaboration and contribution that align with our sustainability values and business priorities.

Community Engagement

As a responsible corporate citizen, we acknowledge the importance of supporting the local community and giving back to society. We are committed to engaging with the community through various initiatives and programmes, namely, media interview, and awareness exhibitions/ workshops.

(Aligned with SDG 11: Sustainable Cities and Communities; SDG 12: Responsible Consumption and Production; and SGD 17: Partnerships for Goals)

On 26 March 2026, JMI attempted courtesy visit from representatives of the NFCC, Prime Minister's Office, Putrajaya, Department of Environment (DOE) with the purpose of communication with government agency and sharing for E-Waste recycling industries.



SUSTAINABILITY STATEMENT CONT'D

One of the events that JMI participated in Melaka known as Melaka State Level World Environment Day, celebrated annually on 24 June 2025, is recognized with various state-level activities and events to promote environmental awareness and action. The Department of Environment (“DOE”) and other organizations in Melaka host programs like seminars, workshops, and community activities to raise awareness about environmental issues and encourage sustainable practices. The 2024 theme, “Land restoration, desertification and drought resilience,” encourages awareness of the balance between development and environmental sustainability.



On 20 June 2025, JMI had also participate in collaboration with Panasonic Malaysia in the event “Energy for Green Future - School Recycling Campaign 2.0”. The campaign has been officially recognised by the Malaysia Book of Records for achieving the “Most Batteries Recycled in a Single Event”, with over 100,000 used batteries collected and responsibly recycled.



Last but not least, JMI also invited to participate in E-Waste event namely “Karnival Jom E-Waste” organised by the DOE on 1st November 2025, being the objective to promote the E-Waste recycling in Klang Valley.



While we recognize that there is still room for improvement, our commitment remains unwavering as we actively pursue opportunities to extend our support to community initiatives and programs that are in line with our core values and mission.

Customer Services and Relationship Management

As a compassionate business, we highly prioritize our customers as key stakeholders, and their satisfaction is of utmost importance to us. To ensure effective communication and positive working relationships with our valued customers, we have appointed Dato’ Ng Meow Giak as our Executive Director, who will oversee customer communication and engagement efforts.

We are committed to constantly improving customer satisfaction by delivering products, solutions and services that meet the evolving demands and expectations of individuals around the world. Our core approach is to provide our customers with reliable products they can trust, which in turn promotes peace of mind and overall satisfaction.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production; and SDG 17: Partnerships for Goals)

SUSTAINABILITY STATEMENT

CONT'D

ENVIRONMENT

Improving our environment by utilising greener alternatives

As an environmentally conscious organization, we place great emphasis on making positive contributions to the environment. We are mindful of the importance of developing our business in a sustainable and responsible manner, and we strive to engage in activities that promote environmental preservation and benefit the environment both today and in the future. We are committed to practicing and promoting environmentally friendly initiatives that align with our values and contribute to a greener and more sustainable future.

Energy Efficiency & CO2 Emission

The Company recognizes the elevated importance of climate change as a significant ESG issue, and thus, effective monitoring and management of emissions have become imperative for our operations.

Robust measures have been implemented to mitigate the Greenhouse Gas (“GHG”) emissions and adapt to the impacts of climate change. By recognizing the high-risk reality of climate change, we prioritize operational eco-efficiency by operating our diverse businesses in the most environmentally responsible manner possible, while ensuring compliance with environmental laws and regulations. We are also committed to safeguarding natural resources, understanding the detrimental consequences of unsustainable exploitation over the long term, and taking steps to minimize our environmental footprint.

The core business operations (mainly in the Total waste management and recycling) have the potential to generate high levels of GHG, primarily derived from energy consumption resulting from the direct combustion of fossil fuels, namely, petrol and diesel, natural gas and electricity consumption. The manufacturing and production industry is a significant contributor to global GHG emissions, as it is energy-intensive and involves various processes that release GHGs, such as smelting and carbonisation process.

Effort to move forward to greener manufacturing and aiming to reduce the emission of GHG has been executed throughout the years.

(Aligned with SDG 12: Responsible Consumption and Production; and SGD 13: Climate action)

In respect the manufacturing process, the Group had measured the emission via the Scope 1 and 2 by referring the emission factors recommended from Intergovernmental Panel on Climate Change (IPCC). Measurement of Scope 3 emission was referring to Multidisciplinary Digital Publishing Institute (MDPI) journal published with the title of “Greenhouse Gas Emissions of Petrol, Biodiesel and Battery Electric Vehicles in Malaysia Based on Life Cycle Approach” in 2022.

The detail as follows:

Emission	Subject
Scope 1	Direct emission from manufacturing process, forklift and upstream logistic for collection of waste
Scope 2	Indirect emission from generation of purchased energy - solar
Scope 3	Other indirect emission – employee commuting

Scope 1 emission (MT)

	FYE 2025	FYE 2024	FYE 2023
Manufacturing	716.8	2,304.9	2,304.9
Forklift	131.0	131.0	131.0
Upstream logistic	634.0	567.2	494.6
	1,481.8	3,003.1	2,930.5

SUSTAINABILITY STATEMENT CONT'D

Scope 2 emission (MT)

	FYE 2025	FYE 2024	FYE 2023
Energy Consumption			
- Electricity (Net Solar)	467.3	502.6	491.0

Scope 3 emission (MT)

	FYE 2025	FYE 2024	FYE 2023
Employee Commuting	156.1	155.6	-*

* no data collection for employee commuting in FYE 2023

As at the LPD, 97% (FYE 2024: 97%) of JMI's major manufacturing equipment had been converted from diesel based systems to natural gas based systems. Based on an internal estimation against a baseline scenario assuming all manufacturing equipment operated using diesel, the conversion is estimated to have reduced CO² emissions by approximately 21.5%.

Following the natural gas explosion incident in April 2025, the Group experienced significant production disruption, given that approximately 97% of its machinery operated using natural gas. While the transition to natural gas has supported the Group's efforts to reduce carbon emissions, the incident highlighted the operational risks of over reliance on a single fuel source. In response, Management resolved to maintain the existing conversion ratio, rather than fully converting 100% of machinery to natural gas, in order to preserve greater operational resilience and fuel source flexibility.

The Group has also taken the initiative to convert its forklift from diesel based to electric based.

As at LPD, the ratio of diesel based forklift against electric based forklift is 11:7 (FYE 2024: 11:7) and the management has acknowledged that in the event of any new purchase of forklift, electric forklift will be prioritise. The table below shows the reduction of CO² emission in our current composition of diesel forklift against electric forklift in which 77MT or 37% reduction in CO² emission has been recorded:

Emission of CO ² (MT) if we occupied		 77MT/year
100% diesel Forklift	Occupied current composition Forklift	
208MT/year	131MT/year	

In respect of energy consumption, the Group had on 2021 invested the solar energy system as part of initiative for ESG. The solar energy power system had successfully reduced the emission for CO² of 365MT or 43.9% as below:

Emission of CO ² (MT) if		 365MT/year
No solar system	With solar system	
832MT/year	467MT/year	

Environmentally Friendly Disposal

In the past, under the Group's TWM business segment, waste sludge deemed to have no residual commercial value were disposed of in landfills. However, in line with the Group's growing emphasis on ESG principles, we have taken a more innovative and responsible approach to waste management.

The TWM business segment has partnered with local construction material companies to repurpose certain types of industrial sludge and other non-valuable waste as alternative raw materials in cement production. This circular initiative not only extends the lifecycle of waste materials but also significantly reduces reliance on landfill disposal, aligning with our goal of sustainable resource utilisation.

SUSTAINABILITY STATEMENT

CONT'D

During the period under review, the TWM segment achieved a 59% (FYE 2024:27%) reduction in landfill disposals and achieved landfill space preserved as follows:

	FYE 2025	FYE 2024	FYE 2023
Landfill space preserved	470.7m ²	906.6m ²	1,162m ²

This milestone reflects the effectiveness of our waste recovery initiatives and reaffirms our commitment to responsible waste management and environmental conservation.

In addition, the Group remains dedicated to exploring and investing in sustainable energy solutions as part of our broader climate action efforts. These initiatives are aimed at reducing our carbon footprint and optimising energy costs by gradually transitioning toward greener operational practices. We continue to evaluate the adoption of renewable energy technologies and energy efficient systems that align with our long-term sustainability objectives.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production; SDG 13: Climate action and SDG 15: Life on Land)

Environmental Management and Pollution Prevention

At JAG, we take our responsibility to prevent and reduce pollution very seriously. We are committed to implementing robust measures and best practices to minimize our environmental impact and prevent pollution in all aspects of our operations.

We also comply with all relevant environmental laws, regulations and standards, and actively seeking ways to go beyond compliance to reduce our ecological footprint. Our commitment to pollution prevention is an integral part of our sustainability efforts, as we strive to protect and preserve the environment for present and future generations. Thus, the Company has engaged and utilized in initiatives in its metal industry operations to prevent further pollution or environmental harm.

- **Fume Scrubbers**

The utilization of chemical process zones is equipped with fume scrubbers. These fume scrubbers function by separating chemical fumes from an airstream using the principles of evaporative cooling and condensation. It works effectively in eliminating or neutralizing harmful substances emitted by chemicals, further reinforcing JAG's efforts towards environmental stewardship.

- **Dust Collection Systems**

The Company also employs dust collection systems in its smelting processes, which offer numerous benefits to the metal industry. These systems enhance airflow, optimize energy utilization and improve temperature control, enabling maximum operational flexibility and compliance in key processes like smelting, refining, recycling and recovery.

From an environmental perspective, dust and fume extraction systems are crucial not only for minimizing air emissions and greenhouse gases, but also for mitigating the risks associated with pollution and combating climate change.

- **Air Pollution Control ("APC")**

The utilization of dust collection systems in the Company's smelting processes helps reduce or eliminate the emission of harmful substances into the atmosphere, thereby mitigating potential impacts on the environment and human health. Thus, each of our thermal treatment facilities such as the wet scrubber, secondary combustion and cyclone comes with its own APC control.

SUSTAINABILITY STATEMENT CONT'D

As such, we have also implemented stringent monitoring procedures to ensure compliance with environmental regulations in all our operations. The regulatory environmental acts and requirements that we comply with are as listed below:

- 1) Environmental Quality Act, 1974
- 2) Environmental Quality (Industrial Effluent) 2009
- 3) Environmental Quality (Schedule Waste) 2005
- 4) Environmental Quality (Clean Air) 2014

Additionally, to further demonstrate our commitment towards maintaining environmental compliance, we have successfully obtained the certification on the Environmental Management System EMS ISO 14001:2018. In 2022, the Company have also received a license under the Environmental Quality Act from the DOE to launch an end-of-life vehicles project, also known as the ELV Project, which helps mitigate environmental pollution and promote the recycling of valuable materials, with a particular focus on metals.

With the objective of protecting the environment and ensuring a sustainable future, we are dedicated to proactively preventing and reducing pollution, as well as promoting sustainable construction practices.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production; SDG 13: Climate action and SDG 15: Life on Land)

Water Management

Uncontrolled and excessive water usage can impose a significant strain on water resources and potentially result in waterway contamination, leading to declining water quality. Such impacts can have detrimental effects on local ecosystems, compromising critical services provided by these ecosystems and adversely affecting the quality of life in nearby communities.

In 2025, the average water consumption per year by the Company is approximately 10,000m³ (FY2024:10,000m³), which converts to 10 million litres. By recognizing the importance of water conservation, we are dedicated to reducing our total water consumption by implementing efficient water management measures. The measures include establishing a rainwater harvesting system and a chemical process zone whereby the drainage is linked to a Wastewater Treatment Plant system. The WWTP plays a vital role in treating and purifying used water, allowing it to be safely reintroduced into the water cycle or reused for non-potable purposes, thereby minimising environmental impact.

Through these measures, the Group aims to reduce overall water consumption, support the preservation of local water ecosystems, and minimise the risk of pollution. Our efforts reflect a commitment to operating in an environmentally responsible manner and safeguarding the natural resources upon which our business and communities depend.

(Aligned with SDG 9: Industry, Innovation and Infrastructure; SDG 12: Responsible Consumption and Production; SDG 13: Climate action and SDG 15: Life on Land)

LOOKING FORWARD

As a publicly listed company, we prioritize transparency and integrity in our business operations. Our Sustainability Statement serves as a crucial means for us to communicate with our stakeholders and provide information about our sustainability practices. In line with this commitment, we have introduced policies like the Anti-Bribery and Corruption Policy and the Whistleblowing Policy. We maintain the zero-tolerance stance against fraudulent activities, bribery, corruption, money laundering and insider trading. By upholding these core values and principles, we strive to establish trust and confidence with our stakeholders and continue to operate as a responsible corporate citizen.

Simultaneously, our management is committed to prioritizing the enhancement of our capabilities to better meet our customers' needs and promote sustainable practices throughout our operations. We will also maintain our focus on sustainability, building on the progress we have achieved in reducing our environmental impact and engaging with our stakeholders on social and ethical matters. At JAG, we firmly believe that by collaborating with our stakeholders and embracing innovation, we can emerge from this pandemic as a stronger and more resilient organization than ever before.

SUSTAINABILITY STATEMENT
CONT'D

PRESCRIBE DATA

Date & Time: 2026-04-24_17:13:04
FYE 31/12/2025

JAG Berhad
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Direct Emission from Production and Manufacturing activities	Scope 1 - Consumption of natural gas	mmbtu	9,872	-	No assurance
Direct Emission from Production and Manufacturing activities	Scope 1 - Consumption of diesel for forklift	Litre	12,200	-	No assurance
Direct Emission from Production and Manufacturing activities	Scope 1 - Consumption of diesel for upstream Logistic	Litre	236,575	-	No assurance
Indirect Emissions from Purchased Energy	Scope 2 - Net consumption of electricity (after solar)	kWh	605,798	-	No assurance
Other Indirect Emission	Scope 3 - Employee commuting	tCO2e	156	-	No assurance
Corporate Governance	No of reported Anti-Bribery Case	No. of case	0	0	No assurance
Corporate Governance	No of whistleblowing case	No. of case	0	0	No assurance
Training and Development	Total Training Hour	No. of hour	1,350	-	No assurance
Training and Development	Average training hours	No of hour	6.5	3	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of male employee	79%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of female employee	21%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of employee less than 30 years old	27%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of employee less than 31 to 50 years old	63%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of employee less than 51 years old and above	20%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of Malay employee	31%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of Chinese employee	23%	-	No assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of Indian employee	4%	-	No assurance

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Page 1 of 2

SUSTAINABILITY STATEMENT
CONT'D

PRESCRIBE DATA (CONT'D)

JAG Berhad BMLR Transition Period		Date & Time: 2026-04-24_17:13:04 FYE 31/12/2025			
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity, Equity and Inclusion	Diversity of workplace	Percentage of other ethnicity employee	42%	-	No assurance
Occupational Safety and Health	No of fatalities	No of case	0	0	No assurance
Occupational Safety and Health	No of reported injuries in workplace	No of case	5	-	No assurance
Occupational Safety and Health	No of loss hour due to injuries	No of hour	120	-	No assurance

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Page 2 of 2