Sustainability Statement

Part A

Part B

Sustainability Statement (Part A)

Equatorial Plaza, Kuala Lumpur

Basis of Preparation

COMPLIANCE WITH THE REGULATORY REQUIREMENTS

The Sustainability Statement (Part A) of IJM Corporation Berhad (the 'Group') has been prepared in accordance with the International Financial Reporting Standard Sustainability Disclosure Standards (IFRS SDS) as issued by the International Sustainability Standards Board (ISSB), in line with Bursa Malaysia's Main Market Listing Requirements (MMLR). It is intended for disclosure alongside the Audited Financial Statement and should be read in tandem with the Sustainability Statement (Part B), which can be found on page 170. The Sustainability Statement (Part A) provides essential context to the audited financial statements by highlighting climate-related factors that may reasonably cause actual or anticipated effect on IJM's financial position, financial performance, and future cash flow.

The Sustainability Statement (Part A) is produced to improve the transparency, comparability, and decision-making utility of climate-related financial data for the Group's investors and capital partners. Where applicable, these disclosures have been structured to align with local regulatory expectations and the overarching governance frameworks of the Group.

FIRST TIME ADOPTION OF IFRS SUSTAINABILITY DISCLOSURE STANDARDS AND TRANSITION RELIEFS

FY2026 marks the inaugural adoption of the IFRS SDS in IJM's Sustainability Statement. In preparing these disclosures, IJM has utilised the transitional reliefs provided by Bursa Malaysia's MMLR to support a phased adoption of the IFRS SDS.

IJM has applied the following transition reliefs:

- Comparative information is not required for new metrics that have not been previously disclosed in prior reporting periods.
- Permitted to disclose information only on climate-related risks and opportunities (in accordance with IFRS S2 Climate-related Disclosures) and consequently apply the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information only insofar as they relate to the disclosure of information on climate-related risks and opportunities.
- Not disclosing Scope 3 emissions in this period's ISSB-aligned report. Any Scope 3 figures presented this year are provided as voluntary information outside the ISSB report, within the Sustainability Statement (Part B).

RELATIONSHIP WITH SUSTAINABILITY STATEMENT (PART B) AND FINANCIAL STATEMENT

The Sustainability Statement (Part A) has been prepared for the Group and should be read in conjunction with IJM's Audited Financial Statement that is prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. This report covers the financial year ended 31 March 2026 and is aligned with the reporting period of the related consolidated financial statements.

The Sustainability Statement (Part A) covers the same reporting entity as the related consolidated financial statements. The reporting entity comprises IJM Corporation Berhad and its subsidiaries. In preparing these sustainability-related financial disclosures IJM has assessed its own operations and value chain.

The presentation currency of the sustainability-related financial disclosures is Ringgit Malaysia (RM), which aligns to the presentation currency used in the consolidated financial statements. Unless specified otherwise, all amounts are rounded to the nearest millions.

The time horizons correspond with the time horizons used for both IJM's Enterprise Risk Management (ERM) Framework and strategic decision making. An exercise is undertaken at the end of each reporting period to ascertain the kinds of sustainability-related risks and opportunities that could reasonably be expected to occur.

Short Term	Medium Term	Long Term
FY2027 (0 – 12 months)	FY2028 – FY2031 (2 – 5 years)	FY2032 and beyond (More than 5 years)

STATEMENT OF ASSURANCE

For FY2026, an internal review was done by IJM Group's internal auditors, covering Scope 1, Scope 2 and Scope 3 GHG emissions.

Third-party verification has been performed by BSI Malaysia in accordance with ISO 14064-1:2018 standard over IJM's Scope 1, Scope 2 and Scope 3 GHG emissions disclosures for the reporting period 1 April 2025 to 31 March 2026.

External assurance has not been performed on Scope 1 and Scope 2 GHG emissions. However, the Group has established a roadmap for external assurance, which is to obtain limited assurance for Scope 1 and Scope 2 GHG emissions in FY2027, and transition to reasonable assurance beginning with the FY2028 reporting cycle, aligning with evolving disclosure standards, should it arise.

Reporting Boundary

REPORTING ENTITIES

The entities, assets and operations (collectively referred to as the "reporting entity") included in IJM's Sustainability Statement (Part A) are the same as those included in IJM Corporation Berhad's 31 March 2026 Audited Financial Statements.

Physical Climate-related Risks and Opportunities

Physical climate-related risks and opportunities presented in this report focuses solely on direct impact on IJM's own operations and have not considered the Group's broader value chain, other than subcontractors and workers on site. At present, we have only done a physical climate risk assessment on operations within Peninsular Malaysia and have not included East Malaysia.

GHG Emissions

The preparation of IJM's GHG inventory is in accordance to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (GHG Protocol) to measure its GHG emissions unless otherwise stated by IFRS S2. The Group applies the operational control approach in accordance with GHG Protocol to establish its organisational boundary for the reporting of GHG emissions.

The entities covered within the reporting entity's boundaries for Scope 1 and 2 include IJM Corporation Berhad and its subsidiaries.

Judgements and Measurement Uncertainties

In preparing the Sustainability Statement (Part A), the Management has applied judgement in the process of identifying Sustainability-related Risks and Opportunities (SRROs), Climate-related Risks and Opportunities (CRROs) and material information to be reported. The preparation of this report requires the use of estimates for certain information which cannot be measured directly.

Estimates have been made whenever the information involves data limitations, relates to an entity in the value chain, or is forward-looking in nature. The details of the critical judgements made by the Management in preparing this report as well as amounts that are subject to a high degree of measurement uncertainty, are as follows:

SIGNIFICANT JUDGEMENTS

Management applied significant judgements for the following:

(a) Materiality Assessment Process

Significant judgement was applied in identifying the CRROs that could reasonably be expected to affect IJM's prospects as well as the material information related to those risks and opportunities. The process followed by the Management in making the assessment of what information could reasonably impact IJM's financial prospects and influence decisions of primary users is set out on pages 173 to 179 of this report.

(b) Scenarios Chosen for Climate Scenario Analysis

Significant judgement was applied in selecting the climate scenarios for scenario analysis. IJM has undertaken an assessment of Physical Climate Risk using two reference scenarios developed by the Intergovernmental Panel on Climate Change Fifth Assessment Report (IPCC AR5). The two scenarios are Representative Concentration Pathway (RCP) 4.5, which is the medium emissions scenario and RCP 8.5, which is the highest emissions scenario. Although there is a more recent scenario published by IPCC, which is the Sixth Assessment Report (AR6), AR5 scenarios were selected due to availability of projected data by National Water Research Institute of Malaysia (NAHRIM). More information on the scenarios chosen can be found in page 150 to 151 of this report.

(c) Attribution and Interdependency of Climate Risk

The identification of specific incidents and their associated financial impacts involve significant judgement in attributing causality to climate change. Operational disruptions, safety incidents or equipment failures may result from a complex interplay of multiple factors (e.g. asset age, maintenance cycles, or human error) where climate change acts as one of several contributing drivers rather than the sole cause. Consequently, quantifying the isolated impact of climate risk carries inherent uncertainty, as it is challenging to distinguish the proportion of risk and financial loss directly caused by climate-related events from those stemming from non-climate operational or external variables.

MEASUREMENT UNCERTAINTIES

(a) Anticipated Financial Effects of Climate-related Risks and Opportunities

The identification and measurement of anticipated financial effects for identified CRROs are based on information available at the time of assessment. Therefore, these projections are subject to high measurement uncertainty over the medium term and long term. This includes assumptions on the timing and occurrence or non-occurrence of specific regulations and incidences, as well as the inherent volatility in pricing assumptions for carbon, energy and raw materials. Some climate-related costs are embedded within broader operational expenditures and cannot be separately identified or quantified.

(b) Climate Physical Risk Using Proxy Data

The Group's climate risk assessment and financial quantification is proxied through future temperature, rainfall patterns and sea level rise derived from IPCC and NAHRIM's simulated data, supplemented by site personnel's judgement on whether the projected conditions are likely to influence the frequency and severity of certain climate incidents. As such, the resulting impact and financial estimates are inherently subject to the same underlying uncertainties as the source data.

(c) Direct Climate Impact Only

This quantification is limited to direct climate impact to the Group, relying on parameters and assumptions within the IPCC and NAHRIM datasets. It does not consider climate change as a risk multiplier, nor does it include broader macro or systemic shifts resulting from the long-term effects of climate change, such as global market volatility, food security and social unrest, large-scale supply chain shifts or the breaching of planetary health boundaries.

The GHG calculation also carries inherent limitations such as reliance on emission factors obtained from multiple sources. All the parameters used are outlined in the Metrics and Targets in pages 158-159.

Governance

The responsibilities for overseeing and managing climate-related risks and opportunities are formally embedded within the Group's governance framework, primarily through the Terms of Reference (TOR) of the Risk Management and Sustainability Committee. To ensure the Board maintains the necessary competencies to oversee these strategies, the Board members participate in regular briefings and training sessions led by external consultants and the internal Group Sustainability Team. These engagements ensure the Board stays abreast of evolving climate-related trends, regulatory requirements and best practices.

OVERSIGHT OF SUSTAINABILITY AND CLIMATE RISKS AND OPPORTUNITIES

Board of Directors

The Board of Directors provides oversight of the sustainability and climate-related risks and opportunities, ensuring strategic alignment with long-term value creation.

Board Governance Committee

Committee	Oversight and Responsibilities	Frequency of Meeting
Risk Management and Sustainability Committee ("RMSC")	• Oversees the identification and management of sustainability-related and climate-related risks, while also staying informed on the related opportunities • Kept informed on sustainability-related and climate-related opportunities	Quarterly
Nomination & Remuneration Committee ("NRC")	• Integrates Economic, Environmental and Social (EES) considerations into the board's skills matrix and succession planning, while aligning executive remuneration with EES and climate-related KPIs	Bi-annually
Audit Committee ("AC")	• Provides oversight over internal and external sustainability assurance and relevant financial disclosures	At least four times a year

MANAGEMENT OF SUSTAINABILITY AND CLIMATE RISKS AND OPPORTUNITIES

Management-level Committee

Supporting committees, including the Risk Management Committee reports directly to RMSC, providing risk identification and management input.

Working level

The Group Sustainability Department oversees the delivery of the Group's Sustainability Roadmap, Climate Strategy and Sustainability Statement. At the divisional level, Business Division Sustainability Steering Teams drive and implement sustainability initiatives, supported by Business Division Sustainability Champions. Dedicated task forces have also been established within the Construction and Property Divisions to support the development and implementation of IJM's Climate Strategy and Sustainability Roadmap.

REMUNERATION

The C-suite includes the division heads, each accountable for a scorecard in which 5% to 10% is dedicated to sustainability performance, including climate-related metrics. Over the years, sustainability performance aligned to IJM's three-year roadmap has been progressively embedded into business scorecards. Since FY2023, the Group has been tracking divisional progress on product stewardship through green credentials.

Looking ahead, from FY2027 onwards, the Group has introduced the Scope 2 net-zero 2035 target as a formal scorecard metric, reinforcing IJM's commitment to measurable climate accountability at the leadership level.

Risk Management

IJM's climate risk assessment process is aligned with the Group's Enterprise Risk Management (ERM) framework, ensuring that climate-related risks are identified, assessed and prioritised consistently with the broader risk management approach. For a detailed description of this process, please refer to the Statement on Risk Management and Internal Control (SORMIC) on pages 126 to 139.

Business Segments and Strategic Context

IJM businesses include civil construction, property development and ownership, construction material manufacturing and infrastructure concessions. Together, these core businesses have been instrumental in shaping the Group's growth over the years. The synergy across IJM's diverse divisions forms the backbone of its growth story, with each business complementing and enhancing the other to create a resilient value chain that drives efficiency, innovation, and sustainable growth.

KEY BUSINESS ACTIVITIES

Division	Description and Key Business Activities	
Construction	The Construction Division is IJM's core business, with a strong track record in delivering infrastructure and buildings across Malaysia. Its portfolio spans high-rise and low-rise residential and commercial developments, industrial facilities, roads and urban rail infrastructure.	
	Countries Malaysia, India, United Kingdom, Singapore	**Business Activities** Civil works and construction of buildings, townships and infrastructure
Property Development	The Property Division is recognised for delivering quality developments that cater to evolving lifestyle and business needs. Its offerings span townships, integrated developments, residential and commercial properties, as well as industrial parks, each designed to foster vibrant, connected communities.	
	Countries Malaysia, India, United Kingdom	**Business Activities** Property development of townships, integrated developments, residential and commercial properties, as well as industrial parks
Manufacturing and Quarrying	Industry Division is spearheaded by Industrial Concrete Products Sdn Bhd ("ICP"), which is the largest manufacturer of High-Performance Pretensioned Spun High Strength Concrete Piles (ICP Piles) in Southeast Asia. With a long-standing reputation in Malaysia, ICP Piles have become the preferred foundation solution for a wide range of critical infrastructure projects.	
	Countries Malaysia, India	**Business Activities** • Manufacturing of concrete piles, reinforced and precast concrete products, industrial building system (IBS), ready mix concrete, supplier of scaffolding rentals • Quarrying operations and sand mining activities that are leased to third parties
Infrastructure – Toll	The Toll Division manages IJM's portfolio of urban highway concessions in Malaysia and India. The Division is involved in the full lifecycle of toll expressways, from design and construction to operations and maintenance, delivering reliable infrastructure that enhances urban mobility and economic connectivity.	
	Countries Malaysia, India, Argentina	**Business Activities** Toll concessions and/or maintenance services
Infrastructure – Port	Port Division operates along the eastern seaboard of Peninsular Malaysia and comprises Kuantan Port 1 ("KP1") and Kuantan Port 2 ("KP2"). Kuantan Port is equipped with state-of-the-art facilities and services, supported by an extensive market reach and a strong global shipping network.	
	Country Malaysia	**Business Activities** Operates Kuantan Port, handling multi-cargo and containers

Business Segments and Strategic Context

CLIMATE STRATEGY

IJM launched the R_2O Climate Strategy in FY2023, which comprises two pillars: Reduce to Net Zero, focused on a transition towards net-zero emissions, and Resilience in a Net-Zero World, focused on strengthening climate adaptation and long-term resilience.

Reduce to Net Zero

As part of the Group's R_2O Climate Strategy, a comprehensive GHG emissions baseline was established in FY2023 to guide the transition towards net zero. IJM's decarbonisation strategy is designed to evolve in step with market developments, emerging technologies and regulatory requirements, ensuring a resilient and future-ready transition.

		Scope of Emissions Addressed
Energy Optimisation	• Improve energy efficiency • Explore alternative fuels • Electrification • Utilise alternative methods and input materials • Increase renewable energy adoption • Adopt low-carbon transportation	Scope 1, 2 and 3
Supply Chain Advocacy	• Reduce waste via material and operational efficiency • Adopt circular economy approach • Provide complimentary training to major suppliers • Enhance procurement strategies	Scope 3
Industry Engagement	• Work with industry associations and peers to align decarbonisation goals • Advocate whole of industry transition towards low carbon and climate resilience	Scope 3
Product Stewardship	• Incorporate sustainable design principles • Use of current and emerging technologies such as Building Information Modelling (BIM) and Integrated Building Systems (IBS) • Prioritise low-carbon raw material	Scope 3

Resilience in a Net-Zero World

Under the same strategy, IJM has embedded climate adaptation measures to strengthen the Group's resilience against physical and transition risks, guided by insights from the climate risk assessments.

Climate Risk Integration with ERM	Asset and Business Adaptation	IFRS S2 Alignment
• Incorporate climate risk into ERM • Build internal capacity and understanding • Active partnerships with industry associations and like-minded stakeholders, particularly for systemic climate risks	• Continuously assess qualitative physical climate risk, based on available scientific data • Conduct quantitative assessment for projects and assets with higher exposure • Build supply chain resilience	• Perform benchmarking and disclose climate risks and opportunities • Continuous monitoring and reporting

Summary Of Climate-related Risks and Opportunities

TRANSITION RISKS AND OPPORTUNITIES

The transition to a low-carbon economy presents both risks and opportunities for the construction and engineering sector. Evolving regulatory frameworks, shifting market expectations, and the accelerating demand for sustainable built environments are reshaping how the Group operates, competes and grows. The Group recognises that navigating this transition effectively, such as managing its inherent risks while capturing emerging opportunities, is integral to the Group's long-term strategic resilience and value creation.

Climate-related Risks and Opportunities	Description	Time Horizons (Anticipated)
Transition Risk	**Inability to Meet Net-Zero Target** Increasing climate-related expectations is defined by the strategic necessity to align IJM's operations with the Net Zero 2050 targets expected by the Group's key stakeholders. This alignment is a fundamental shift in the industry's license to operate and continued access to institutional capital.	Short, Medium and Long Term
Transition Opportunity	**Rising Demand for Green Building and Green Material** The global shift toward a low-carbon economy has catalysed a significant transition opportunity within the Malaysian construction and property development landscape. As corporate tenants and property owners align with national net-zero targets, there is a marked increase in projects seeking green certifications (such as GBI, GreenRE, or LEED).	Short, Medium and Long Term

PHYSICAL RISKS

The Global Risks Report 2026 by the World Economic Forum highlights that while environmental risks are being relatively de-prioritised in the short term, they dominate the long-term risk landscape, with extreme weather events, biodiversity loss and critical changes to Earth systems identified as the most severe existential threats. For the construction and engineering sector, this signals a high probability of systemic failures across aging power, water and transport infrastructure.

Recognising this, the Group prioritises climate risk management as a strategic imperative, given its potential impact on operational continuity, workforce safety, and financial stability. The climate risk assessment completed in FY2026 covers the Group's Malaysia's operation, particularly in Peninsular Malaysia, covering construction sites, manufacturing facilities, property developments, and toll and port concessions, evaluating exposure to four primary climate hazards: extreme heat, rainfall and riverine flooding, landslides and coastal flooding.

Climate-related Risks and Opportunities	Description	Time Horizons (Anticipated)
Physical Risk (Acute or Chronic)	**Extreme Heat** Extreme heat is a chronic physical risk, where longer-term shifts in climate patterns cause sustained higher temperatures. The frequency and intensity of extreme heat events in Malaysia is projected to increase due to a warming climate. **Rainfall/Riverine Flood** Rainfall/riverine flooding is an acute physical risk, where longer-term shifts in climate patterns cause higher rainfall intensity and rising sea levels, which in turn increases the risk of flash floods and riverine floods. According to the hourly rainfall data by NAHRIM, the frequency and intensity of rainfall and floods experienced in Malaysia is projected to increase due to the warming climate.	Short, Medium and Long Term

Summary Of Climate-related Risks and Opportunities

Climate-related Risks and Opportunities	Description	Time Horizons (Anticipated)
Physical Risk (Acute or Chronic) (Continued)	**Landslide** Landslide is an acute physical risk, where longer-term shifts in climate patterns cause higher rainfall intensity, which in turn increases the risk of landslides. The frequency and intensity of rainfall in Malaysia is projected to increase due to a warming climate. **Coastal Flooding** Coastal flooding can be an acute or chronic physical risk, where longer-term shifts in climate patterns causes the melting of the cryosphere and thermal sea expansion, which in turn increases the risk of sea level rise. Coupled with higher rainfall intensity, these will subsequently lead to coastal floods. Coastal flooding experienced in Malaysia is projected to increase in affected area and intensity due to a warming climate.	Short, Medium and Long Term
Physical Opportunities	**Adaptation and Resilience Infrastructure Needs** Malaysia's escalating climate risks, particularly flooding and extreme heat, are creating substantial long-term demand for adaptation and resilience infrastructure. Key opportunities span flood mitigation, public infrastructure retrofitting, water security and urban heat resilience, increasingly delivered through public-private partnerships and green financing mechanisms.	Short, Medium and Long Term

SCENARIO ANALYSIS

To assess the anticipated financial effects of climate-related risks, the Group conducted scenario analysis and qualitative screening across the Group's businesses and assets. Physical risks were assessed using two IPCC scenarios, while transition risks were evaluated against decarbonisation pathways established by the International Energy Agency (IEA) and the Network for Greening the Financial System (NGFS). The scenarios considered are summarised in table below:

Type	Scenario	Warming Level	Time Horizons
Transition	Announced Pledges Scenario (APS)[1] – Base Scenario	1.7°C	Medium and Long Term (2030 and 2050)
	Divergent Net Zero (DNZ) Scenario[2]	1.5°C	
Physical[3]	RCP 4.5 – Base Scenario	2°C – 3°C	Short, Medium and Long Term (Aligning to ERM Framework)
	RCP 8.5	4°C	

Source:

[1] World Energy Outlook 2022, IEA

[2] Scenarios for Central Banks and Supervisors, NGFS

[3] IPCC 5th Assessment Report, Working Group

Climate-related Risks and Opportunities

Building on the governance framework and technical parameters previously outlined, the Group has conducted a climate risk assessment aligning to the ERM framework to identify the direct physical and transition climate impacts to IJM's operations. Based on these findings, IJM has identified the following material climate-related risks and opportunities that may influence IJM's strategic planning and operational resilience.

As a civil infrastructure and property developer, all projects undergo rigorous assessments that incorporate climate considerations from the onset, with mitigation and adaptation costs factored into project budgets as standard practice. The Group has the financial flexibility and access to credit facilities should timely interventions to emerging climate-related risks be required.

In terms of asset management, the Group does not anticipate the need to redeploy, repurpose or decommission existing assets as a result of climate impacts; any planned asset upgrades are addressed in the relevant sections below. Details of the Group's current and planned investments in climate-related mitigation, adaptation and resilience opportunities are similarly discussed in the sections that follow.

TRANSITION OPPORTUNITY: RISING DEMAND FOR GREEN BUILDING AND GREEN MATERIAL IN MALAYSIA

In response to the growing demand for green products, the Group implemented the Product Stewardship pillar under IJM's Reduce to Net Zero strategy. This focuses on incorporating sustainable design principles, leveraging current and emerging technologies such as BIM and IBS, and prioritising the use of low-carbon raw materials across the Group's operations.

Transition Opportunities	Impact to Business and Value Chain	IJM's Responses
Rising Demand for Green Building and Green Material	**Current Year Opportunities** There is a growing demand for green-certified assets driven by ESG requirements, green financing frameworks, and increasingly stringent standards from international clients. This is reflected with 81% of new construction projects secured being green-certified. Demand for low-carbon construction materials continues to grow alongside the accelerating adoption of green-certified developments. Green building requirements now increasingly extend to the materials themselves, with some international clients preferring products that carry a recognised green mark or certification. **Potential Opportunities** Under the Divergent Net Zero (DNZ) scenario, this opportunity is assessed as high in the medium term and very high in the long term. Under the Announced Policies Scenario (APS), it is assessed as low in the medium term and high in the long term. According to World Bank's *Malaysia Country Climate and Development Report 2026,* Malaysia's climate transition offers substantial opportunities across the entire value chain. The construction and manufacturing sectors are expected to be primary beneficiaries of the low-carbon transition, with construction output projected to increase by 5.4% by 2050 compared to business-as-usual as the economy moves toward more capital-intensive production.	84.3% of Construction's revenue in FY2026 were derived from the delivery of green-certified projects[1]. Additionally, the Property Division has set a minimum target of GreenRE Bronze for all newly launched development since FY2024. In FY2026, 63.9% of Property's revenue were derived from the sale of GreenRE-certified developments. Pioneering low-carbon manufacturing with reduced cementitious material usage, Industry Division holds the SIRIM Eco Label, MyHijau, and Green Mark (Singapore) certifications, from which it derived 74.8% of its total revenue.

[1] Green-certified projects for the Construction Division are defined as projects designed and executed with the aim of achieving LEED, GBI, Sustainable INFRASTAR, or GreenRE certification.

Climate-related Risks and Opportunities

TRANSITION RISK: INABILITY TO MEET NET-ZERO TARGET

To align with the expectations of key stakeholders, the Group has established reduction targets with reference to the criteria and recommendations of the Science Based Targets initiative (SBTi). To support this, IJM has implemented the Energy Optimisation pillar under the Reduce to Net Zero strategy, focusing on improving energy efficiency, increasing renewable energy adoption and transitioning towards lower-carbon methods of construction.

Scope 1	Scope 2	Scope 3
Net Zero by 2050	Net Zero by 2035 via 100% renewable electricity	Category 4, 5 and 6: Net Zero by 2050 Category 1: Engage with supply chain for low carbon plans by 2027, covering at least 67% of Scope 3 emissions

Transition Risk	Impact to Business and Value Chain	IJM's Responses
Inability to Meet Net-Zero Target	**Current Year Impacts** As one of the most carbon-intensive activities within the Scope 1 emissions profile, the boiler steaming process in spun pile manufacturing has been a key focus of IJM's decarbonisation efforts. Over the past two years, the Industry Division has invested in zero-steaming initiatives targeting this process, and in FY2026, these efforts have contributed to a reduction of 7,487.4 tCO_2e in Scope 1 emissions against FY2023 baseline, with further reductions targeted at the Ulu Choh, Senai and Kuantan factories in the coming years. To address Scope 2 emissions, the Divisions have installed new solar PV systems in FY2026 at ICP Bestari Jaya (3.2 MWp), IJM IBS (409.0 kWp), ICE Sales Gallery (56.8 kWp) and the Seremban 2 Sales Gallery (128.3 kWp). **Anticipated Impacts** Exposure to regulatory risks is high under both DNZ and APS scenarios in the near term and long term across all divisions. This mainly relates to enhanced emissions reporting obligations, carbon pricing, and mandates and regulations on products and services. Notwithstanding the progress made through initiatives mentioned above, the Group recognises that current measures alone are insufficient to achieve net zero. Based on internal estimates, even with the full implementation of initiatives identified to date, a residual Scope 1 emissions gap is expected to remain. To offset this gap, the Group anticipates spending approximately between RM2.5 million to RM3.1 million per annum on carbon credits[2] by 2050. The use of carbon credits, however, would equate to carbon neutrality, and not constitute net zero. To achieve net zero, the SBTi requires an organisation to reduce its emissions by at least 90% from its baseline, with carbon credits used only to offset the remaining unavoidable residual emissions. This underscores the need to continuously identify and scale up additional decarbonisation measures beyond those currently in place or revising the ambition to carbon neutral. As such, significant capital expenditure may be required to fund the broader transition towards low-carbon operations. To address Scope 2 emissions, an increase in operational expenditure may be required, driven by the adoption of renewable energy procurement such as PPAs, Green Electricity Tariff (GET) or RECs, to keep pace with SBTi's reduction trajectory.	IJM utilises the Marginal Abatement Cost Curve (MAC Curve) as a tool to inform, prioritise and monitor future emission reduction initiatives across the Group's R_2O strategy. At present, IJM's analysis focuses on energy efficiency, alternative fuel and EV options under IJM's 'Reduce to Net Zero' pillar, and IJM has identified the associated costs related to implementing these options. In FY2026, the Group deployed approximately RM23.17 million towards solar PV installation and the implementation of the Zero Steaming programme. To ensure delivery, IJM has established internal Key Performance Indicators (KPIs) directly linked to these chosen initiatives. As IJM matures in implementing the sustainability roadmap, the MAC Curve will expand to evaluate high-impact, capital-intensive investments and emerging technologies, ensuring effective allocation of capital and operational expenditure towards the Group's long-term targets.

[2] Based on the highest price offset (Malaysia Nature-Based Plus Carbon Contract, Product Code: MNC+v21) as listed in the Bursa Carbon Exchange Last Done Price (As of 31st January 2026).

PHYSICAL OPPORTUNITIES: ADAPTATION AND RESILIENCE INFRASTRUCTURE NEEDS

In response to the growing demand for green products, the Group implemented the Product Stewardship pillar under IJM's Reduce to Net Zero strategy. This focuses on incorporating sustainable design principles, leveraging current and emerging technologies such as BIM and IBS, and prioritising the use of low-carbon raw materials across the Group's operations.

Physical Opportunities	Impact to Business and Value Chain
Adaptation and Resilience Infrastructure Opportunities in Malaysia	**Potential Opportunities** According to the World Bank's *Malaysia Country Climate and Development 2026 Report*, Malaysia faces an estimated USD356.2 billion to USD501.2 billion in adaptation and resilience infrastructure investment needs between 2025 and 2050, presenting substantial opportunities across several key segments. The largest share, up to USD269.0 billion, lies in upgrading and climate-proofing existing public infrastructure such as roads, railways, healthcare facilities, and utilities. Flood mitigation represents a USD15.9 billion opportunity, reflecting the reality that 85% of Malaysia's disasters since 2000 have been flood-related, with demand spanning high-tech drainage systems, nature-based solutions and coastal protection. Water security infrastructure covering supply, irrigation and smart reservoir modernisation further adds up to USD69.8 billion in opportunity. Urban heat resilience, private asset upgrades, and the development of eco-industrial parks round out a broad and growing pipeline, with delivery increasingly structured through Public-Private Partnerships, green bonds, and performance-based contracts that create favourable conditions for conglomerates with integrated construction, engineering and technology capabilities.

PHYSICAL RISK: EXPOSURE TO CLIMATE HAZARDS

The Group recognises that climate change is a critical planetary boundary, creating systemic instabilities that demand an urgent transition to a regenerative economy. As these environmental thresholds are exceeded, the Group faces heightened physical climate risks affecting operational continuity and the value chain. Acute risks, such as more frequent extreme weather events, threaten physical assets and operations, while chronic risks like sustained temperature increases may raise energy demand and reduce productivity.

Aligned with the Resilience in a Net-Zero World pillar of the Group's R_2O strategy, four key physical climate risks have been integrated into the Group's ERM Framework. Regular climate risk assessments now draw on both qualitative and quantitative data, including localised insights from NAHRIM, to enhance asset resilience and embed climate considerations into long-term capital expenditure planning, ensuring the Group's infrastructure remains robust amid changing environmental conditions. While the Group acknowledges that the full spectrum of physical climate hazards extends beyond these four risks, they represent the most material to IJM operations and serve as the foundation upon which climate risk management will continue to evolve.

Climate-related Risks and Opportunities

Physical Risks	Impact to Business and Value Chain	IJM's Responses
Extreme Heat	Extreme heat risk is widespread across all operational regions in Malaysia, with NAHRIM data indicating increasing dry-bulb temperature nationwide. The risk is particularly concentrated in urban areas, where the urban heat island effect further intensifies ambient temperatures. **Anticipated Impacts** According to both RCP 4.5 and RCP 8.5 scenarios, increased frequency and intensity of extreme heat events pose operational risks to the Group, particularly to workforce health and labour productivity in the short, medium and long term. Although temperatures reaching 37°C have been observed across IJM's construction sites on multiple occasions over the past year, its impact has been minimal and is not financially material to the Group. Beyond safety, extreme heat may accelerate machinery degradation and elevate cooling-related energy costs. IJM continue to monitor these trends to mitigate potential maintenance and insurance cost volatility across the short, medium, and long term.	The Group mitigates extreme heat risks through comprehensive physical and procedural controls, including the provision of shaded rest areas and hydration stations, the implementation of adjusted work schedules to avoid peak temperature hours, and the enforcement of appropriate heat-resilient clothing. The operational and capital cost[3] of these measures across the Group amounted to RM0.45 million and RM0.96 million in FY2026 respectively, with expenditure anticipated at RM0.19 million per annum in the short term, RM0.09 million per annum in the medium term, and RM0.09 million per annum in the long term. These measures are formalised through a dedicated SOP for heat stress management, supported by continuous employee training and the deployment of water spray trucks to lower ambient air temperatures at some operational sites. Based on current performance data and the absence of significant heat-related incidents, these existing practices are deemed sufficient to manage the present level of risk effectively. However, in recognition of increasingly severe heat conditions, the Group acknowledges that ambient dry-bulb temperature alone is an incomplete measure of intensifying heat. Particularly in Malaysia's humid tropical climate, elevated humidity significantly compounds physiological heat strain on workers. In line with best practices recommended under the Department of Occupational Safety and Health (DOSH) *Heat Stress Management Guideline*, the Group is committed to progressively strengthening its heat stress management practices, including the deployment of Wet Bulb Globe Temperature (WBGT) monitoring equipment at operational sites to enable a more comprehensive and accurate assessment of actual heat exposure.

[3] These figures reflect costs directly identified. The total expenditure attributable to climate mitigation may be higher, as for some divisions, certain costs are embedded within broader operational expenditure and are not separately itemised.

Physical Risks	Impact to Business and Value Chain	IJM's Responses
Rainfall/ Riverine Flood	Extreme rainfall and riverine flooding are more prevalent within IJM's operations in the Klang Valley and Kuantan. **Current Year Impact** In FY2026, these risks materialised through multiple flooding events in areas adjacent to the New Pantai Expressway (NPE) and recurring incidents at Kuantan Port during the monsoon season. At the NPE, these events resulted in temporary road closures with a temporary but immaterial impact on toll revenue. At Kuantan Port, the flooding incidents incurred response costs of approximately RM1.12 million, covering manpower deployment for site clearance, pothole repairs and the handling of flooded containers. Across both sites, the aggregate financial impact was assessed to be immaterial to the Group. **Anticipated Impacts** Under both RCP 4.5 and 8.5 scenarios, in the medium and long term, these events may cause operational disruptions in IJM's sites, including work stoppages, blocked site access, and road closures, which may lead to project delays and stakeholder concerns. Beyond physical asset damage and infrastructure degradation, flooding poses critical worker health and safety risks.	Following the flooding events at Kuantan Port in FY2026, a detailed flood risk assessment was initiated, incorporating guidance from *Manual Saliran Mesra Alam (MSMA)* with an applied climate change factor. The findings have informed a multi-year phased drainage upgrading programme, with capital expenditure of RM0.85 million incurred in FY2026 as the first phase of works commences, and further capital expenditure of RM0.70 million anticipated in the short term, RM7.71 million anticipated in the medium term and RM4.71 million anticipated in the long term for the structural upgrading of the drainage infrastructure. For NPE, toll operations team remains in ongoing engagement with the relevant authorities and stakeholders, as the areas most affected are typically due to adjacent developments. Infrastructure upgrading along the affected corridor is also being considered over the medium term, which is estimated to amount to RM2.75 million. Flood protection is embedded within project planning and design processes, with periodical drainage maintenance conducted to mitigate operational and site disruption. The operational cost[4] of drainage maintenance across the Group amounted to RM0.30 million in FY2026, with expenditure anticipated at RM0.60 million per annum in the short term, RM0.56 million per annum in the medium term and RM0.60 million per annum in the long term. It should be noted that these figures reflect costs that are directly identified while the total expenditure attributable to flood protection may be higher. For some divisions, certain costs are embedded within broader operational expenditure and are not separately itemised.

[4] These figures reflect costs directly identified. The total expenditure attributable to climate adaptation may be higher, as for some divisions, certain costs are embedded within broader operational expenditure and are not separately itemised.

Climate-related Risks and Opportunities

Physical Risks	Impact to Business and Value Chain	IJM's Responses
Coastal Flood	**Anticipated Impacts** Coastal flooding may impact IJM through potential asset damage, work stoppages and worker safety hazards. In the short to medium term, this risk remains manageable as all active coastal sites are designed with adequate elevation clearance above mean sea level. However, in the long term, medium risk under RCP 4.5 and high risk under 8.5, the Group identifies one of its developments in the Southern Region as requiring attention, with parts of the development sitting on average 2-3 metres above mean sea level, potentially requiring an estimated allocation of RM4.70 million in the medium term and RM4.94 million in the long term, subject to the overall masterplan.	Sea level rise remains one of the most consequential climate risks for low-lying infrastructure, with exposure compounded by storm surges and extreme tidal events that can amplify coastal flood impacts well beyond baseline projections. To maintain this resilience, the Group's long-term strategy for all future sites mandates a minimum elevation of 3 meters above mean sea level, in alignment with the IEM's (Institution of Engineers Malaysia) recommendations. While this threshold is considered adequately resilient under current recommendations, emerging science points to the need for continued assessment. The IPCC's Sixth Assessment Report (AR6) presents higher sea level rise projections than the AR5, particularly under high-emissions scenarios, and more recent findings on the accelerating pace of ice sheet and glacier melt suggest that these projections may themselves be conservative. As the science evolves, the Group recognise the need to integrate the most current data into the climate risk assessments, ensuring that the Group's standards keep pace with the latest understanding rather than anchoring to thresholds that may no longer reflect the full range of plausible futures.
Landslide	While assessment was conducted at all relevant locations, landslide risk poses operational challenges primarily to IJM's quarry operations, where the nature of excavation activities and terrain exposure elevates susceptibility to slope failure. **Current Year Impact** In FY2026, a landslide incident occurred at a quarry operated by a lessee of the Group, resulting in one fatality, minor injuries to the operator's workers and damage to the operator's machinery. There was no material financial impact to the Group, as the remediation and liabilities cost were borne by the operator. **Anticipated Impacts** Under both RCP 4.5 and 8.5, materialisation of this risk may result in project delays, asset damage, work stoppages, and access blockages, alongside critical worker health and safety risks and broader stakeholder concerns. However, while landslide risk may be exacerbated by intensifying rainfall, it is recognised that slope instability is not solely attributable to climate-related factors.	The Group has implemented slope stabilisation measures alongside regular drainage and slope monitoring, supported by systematic rainfall data tracking. The operational and capital cost of these measures across the Group amounted to RM0.43 million and RM0.07 million in FY2026 respectively, with expenditure anticipated at RM0.08 million per annum in the short term, RM0.01 million per annum in the medium term and long term. Control measures include fortnightly monitoring, inspections and vegetation maintenance, complemented by annual condition reports. Cascade drain capacities are also being upgraded to accommodate higher water volumes in anticipation of more intense rainfall events.

FINANCIAL EFFECTS

The following table presents the costs incurred and anticipated by the Group in responding to the identified climate-related risks and opportunities, and their expected effects on IJM's financial performance and cash flows over the current, short, medium and long term. Outlined in table below are financial impacts arising from CRROs that have been assessed to be material to IJM.

Financial Effects of Climate-related Risks and Opportunities (RM)

Climate-related Risks and Opportunities	FY2026	Short	Medium	Long
Revenue from green projects/products	**4,659.38 mil**			
• Revenue from projects with green certifications[1] – Construction (% Green Revenue/Total Construction Revenue)	2,949.89 mil (84.3%)	Nil[2]	Nil[2]	Nil[2]
• Revenue from GreenRE-certified development – Property (% Green Revenue/Total Property Revenue)	781.78 mil (63.9%)	Nil[2]	Nil[2]	Nil[2]
• Revenue from Green Mark/SIRIM Eco-Label products – Industry (% Green Revenue/Total Industry Revenue)	927.71 mil (74.8%)	Nil[2]	Nil[2]	Nil[2]
Reducing Scope 1 and Scope 2 GHG emissions	**23.17 mil**			
• Capital expenditure for the installation of Solar PV – Referencing ASEAN Taxonomy[3] – CCM 68[004]: Renewable Technologies	5.59 mil	Nil[2]	Nil[2]	Nil[2]
• Capital expenditure for the EV passenger cars and bikes – Referencing ASEAN Taxonomy[3] – CCM 492[002]: Transport by motorbikes, passenger cars and light commercial vehicles	Nil	0.14 mil	Nil[2]	Nil[2]
• Capital expenditure for EV trucks	Nil	0.93 mil	Nil[2]	Nil[2]
• Capital expenditure for the implementation of zero steaming programme	17.58 mil	Nil[2]	Nil[2]	Nil[2]
Managing and responding to physical climate risks	**6.26 mil**			
• Capital expenditure to mitigate current and future physical climate risks	2.03 mil[4]	0.72 mil[4]	10.71 mil[4]	12.68 mil[4]
• Operational expenditure to manage physical climate risks	3.14 mil[4]	4.20 mil[4]	4.32 mil p.a.[4]	4.60 mil p.a.[4]
• Property development cost to manage physical climate risks	1.09 mil[4]	1.10 mil[4]	11.68 mil[4]	10.19 mil[4]

Note:

1 Green certifications include GBI, LEED, GreenRE, MyGHI and Sustainable INFRASTAR.

2 Currently there are none planned/budgeted for this time horizon.

3 Expenditure classified under the ASEAN Taxonomy for Sustainable Finance Version 4 references to the relevant Environmental Objectives only. Essential Criteria have not yet been assessed.

4 These figures reflect costs directly identified. The total expenditure attributable to climate adaptation may be higher, as for some divisions, certain costs are embedded within broader operational expenditure and are not separately itemised.

Metrics and Targets

EMISSIONS-RELATED METRICS

Calculation Methodology, Assumptions and Inputs

GHG emissions assessment has been carried out in line with the principles and guidelines provided by the GHG Protocol Corporate Accounting and Reporting Standard. The Group applies the operational control approach in defining its organisational boundary, whereby 100% of emissions are accounted for from operations over which IJM exercises operational control. This includes wholly-owned subsidiaries and operations where IJM has the authority to introduce and implement operating policies.

Scope 1

Calculation Boundary

Scope 1 emissions are accounted for all divisions including IJM Corporation. The direct emissions from IJM's businesses mainly contributed by company-owned or controlled combustion emission sources, including both stationary and mobile combustion sources.

The mobile combustion sources are on-road vehicles and mobile equipment owned or controlled by IJM. These include company vehicles, mobile gensets, forklifts and other machineries used on site. Examples of stationary combustion sources are the natural gas, and diesel-fired boilers at ICP factories, the diesel-fired emergency generators, cranes, cargo handling equipment, harbour vessels and other petrol-based equipment owned or controlled by IJM.

Air conditioning units commonly used at IJM's offices, buildings and site cabins are sources of fugitive emission due to refrigerant leaks. Additionally, industrial gases (carbon dioxide, CO_2 and acetylene gas, C_2H_2) used for processes such as welding as well as from carbon dioxide fire extinguishers are also sources of fugitive emissions, where emissions may occur through leakage or discharge.

Exclusions

Emission arising from employee-owned vehicles, e-hailing services, vehicle rentals are excluded and shall be reported under Scope 3 Category 6 (Business Travel) or Category 7 (Employee Commuting) if deemed necessary. Process emissions from production in Industry Division are insignificant. Refrigerated containers ("reefers") at Kuantan Port are not owned by the company, and as such the associated emission is excluded from Scope 1. Exclusions apply to fuel usage by third parties operating at sites owned by IJM. Production activities for quarries and sand mining sites under Industry Division are not accounted as these activities are leased to third parties. Instead, the emissions will be reported under Scope 3 Category 13 (Downstream Leased Assets), if reliable data is obtainable. At project sites, Construction and Property Divisions do not account for fuel used and paid for by sub-contractors. Emissions by sub-contractors will be reported under Scope 3 Category 1 (Purchased Goods and Services) using the combustion (tank-to-wheel) emission factor.

Calculation Methodology

Where the actual record of fuel consumed is available, the emissions are calculated using the fuel- specific emission factors (e.g. petrol, diesel and natural gas).

The emission from company vehicles is calculated based on the amount of fuel purchased using the corresponding emission factors by fuel- specific calculation approach.

Sources of Activity Data

For company-owned vehicles, the raw data is sourced from fuel cards and employees' claims as company expenses. These data are extracted from IJM's internal systems, such as the Accounts Department.

Diesel fuel tanks at the respective sites under Construction, Property, Industry, Toll and Port Divisions are manually monitored for tank levels on monthly basis. The diesel consumption is obtained from the fuel delivery record minus the amount of fuel dispensed from the tanks.

Monthly natural gas supply data is reported by certain ICP factories of the Industry Division, based on the actual billing by the gas provider.

Where actual maintenance record of refrigerant top-up amount (in kg) is available, then this measured data will be used to calculate the fugitive emissions. In the absence of maintenance record, this emission might be estimated based on the rule of thumb of 0.3 kg of refrigerant per horsepower (hp) of air conditioning system, and assumed 10% refrigerant leaks on annual basis. For CO_2 fire extinguisher stored, the emissions from the leaks annually are assumed to be 3.5% of the total capacity of the units.

Sources of Emission Factors

The emission factors of fuel-based calculation approaches are sourced from the *GHG Conversion Factors for Company Reporting ver. 2.0*, published by UK Department for Environment, Food & Rural Affairs (DEFRA) in 2025. The emission factors of global warming factors and common refrigerants are sourced from *IPCC's Sixth Assessment Report 2021 (AR6)*.

Scope 2

Calculation Boundary

Scope 2 emissions are accounted for all divisions. The electricity consumption of business operation offices of Construction, Property and Industry Divisions at Main and Annexe Buildings of Wisma IJM are reported under Group Services. Electricity purchased by IJM's business in Peninsular Malaysia is supplied by Tenaga Nasional Berhad (TNB), while in Sabah and Sarawak, the electricity suppliers are Sabah Electricity Sdn Bhd and Sarawak Energy respectively.

There is no other form of energy purchased by IJM, such as chilled water or steam. Apart from electricity consumption for office buildings and factories, other equipment owned or controlled by IJM that consumes electricity, including cargo handling equipment such as container cranes, rubber tyre gantry (RTG) cranes at Kuantan Port are reported under Scope 2. For Toll Division, the electricity consumption includes lighting systems at toll plazas, rest and services area (RSA), lay-bys and operation of Traffic Control System equipment (VMS, ET).

For Construction and Property Divisions, the electricity consumption should be reported on project-by-project basis and consolidated accordingly. At each project site, the electricity used at site offices and consumed by site machineries that are controlled by IJM should be directly reported. In some instances, where sub-metering is not available, this should be estimated based on the area space occupied by IJM workforce, unless the data is deemed to be insignificant.

Exclusions

Electricity consumed by tenants of IJM should not be accounted for under Scope 2 emissions. For example, tenants at the rest and service areas along the highways managed by Toll Division, tenants at Kuantan Port, and tenants occupying the leased units under Property Division and IJM Corporation (i.e., Menara Prudential). Exclusions apply to electricity used by third parties operating at sites owned or controlled by IJM. At project sites, Construction and Property Divisions do not account for electricity used and paid for by sub-contractors. Emissions by sub-contractors will be reported under Scope 3 Category 1 (Purchased Goods and Services).

Calculation Methodology

The emission associated with electricity purchased (location-based) is calculated based on the electricity consumption (in kWh) and the corresponding emission factors in Peninsular Malaysia, Sabah, Sarawak and India.

Sources of Activity Data

Monthly electricity consumption data is obtained from electricity bills by the person-in-charge of each division. Where sub-metering is available, the electricity consumption by building, zone or equipment/ system are provided. For example, at Kuantan Port, the separate electricity billing is available for KP1 and KP2 New Deep Water Terminal (NDWT); while at the Toll Division, there are sub-metering for the office buildings, RSAs, streetlights and other remote electrical-powered systems.

Where sub-metering is not available, the estimated data and basis of estimation shall be reported based on proportion of gross floor area occupied.

Sources of Emission Factors

The emission factors of electricity grids for Peninsular Malaysia, Sabah and Sarawak are sourced from the Energy Commission Malaysia's *Grid Emission Factor (GEF) in Malaysia, 2022-2024 (Provisional)* published in 2026.

For entities in India, the corresponding emission factor is sourced from the India Central Electricity Authority (2025). The same emission factors are used to calculate the emissions avoidance in lieu of the solar energy harvested by the rooftop solar PV.

Scope 1 and 2 Emissions

Emissions are reported on an absolute basis, with Scope 2 currently disclosed using both the location-based and market-based methodologies, which are currently equivalent as no renewable energy instruments have been procured to date. Market-based methodology will be updated to reflect the impact of contractual instruments in future reporting periods as IJM starts to procure renewable energy.

Metrics and Targets

In FY2024, the Group strengthened its data collection and reporting processes, enabling emissions from construction activities undertaken by subcontractors to be separately identified and reported under Scope 3 Category 1 (Purchased Goods and Services). In FY2023, these emissions were reported under Scope 1 and Scope 2, contributing to the significant reduction in Scope 1 emissions from FY2024 onwards. Compared to the FY2023 baseline year, Industry Scope 1 emissions decreased by approximately 38%, driven by zero-steaming initiatives at ICP factories and ongoing energy efficiency improvements. Industry Scope 2 emissions also declined by approximately 27% compared to our baseline year FY2023, primarily due to the expansion of solar energy generation and utilisation across our plants.

IJM Scope 1 and 2 GHG Emissions by Division (tCO_2e)

GHG Emissions	FY2026	FY2025	FY2024	FY2023 (Baseline)
Scope 1				
Consolidated accounting group[1]	**24,042.2**	**21,444.7**	**20,820.2**	**39,681.4**
Construction	5,621.9	4,919.5	2,691.7	14,830.5
Property	684.7	588.8	602.7	531.5
Industry	12,295.1	10,742.7	12,501.0	19,782.5
Toll	4,868.4	4,613.4	4,362.8	3,872.9
Port	315.0	381.5	359.8	452.6
Group Services	257.1	198.8	302.2	211.5
Other investees[1]	**Nil**[2]	**Nil**[2]	**Nil**[2]	**Nil**[2]
Scope 2 – Market-based				
Consolidated accounting group[1]	**47,609.6**	**49,471.8**	**51,429.5**	**54,201.9**
Construction	4,715.1	7,124.8	4,140.4	2,563.7
Property	4,543.1	3,441.4	2,977.9	3,471.7
Industry	20,201.3	20,073.6	21,623.6	27,487.5
Toll	7,340.8	7,363.4	10,635.9	9,724.4
Port	9,386.8	9,971.2	10,811.7	9,446.3
Group Services	1,422.5	1,497.4	1,240.0	1,508.5
Other investees[1]	**Nil**[2]	**Nil**[2]	**Nil**[2]	**Nil**[2]
Scope 2 – Location-based				
Consolidated accounting group[1]	**47,609.6**	**49,471.8**	**51,429.5**	**54,201.9**
Construction	4,715.1	7,124.8	4,140.4	2,563.7
Property	4,543.1	3,441.4	2,977.9	3,471.7
Industry	20,201.3	20,073.6	21,623.6	27,487.5
Toll	7,340.8	7,363.4	10,635.9	9,724.4
Port	9,386.8	9,971.2	10,811.7	9,446.3
Group Services	1,422.5	1,497.4	1,240.0	1,508.5
Other investees[1]	**Nil**[2]	**Nil**[2]	**Nil**[2]	**Nil**[2]

Note:

1 Consolidated Accounting Group = Consolidated subsidiaries of IJM Corporation Berhad, Other Investees = Associates, joint ventures and other unconsolidated subsidiaries.

2 IJM utilises the operational control approach for GHG emissions consolidation. Accordingly, emissions from all consolidated entities are fully included in our Scope 1 and 2 emissions under our operational control, while emissions from other investees, including Joint Operation are accounted for under Scope 3 Category 15 (Investments).

IJM Scope 1 and 2 GHG Emissions by Country (tCO_2e)

GHG Emissions	FY2026	FY2025	FY2024	FY2023 (Baseline)
Scope 1	**24,042.2**	**21,444.7**	**20,820.2**	**39,681.4**
Malaysia	21,275.6	20,772.8	19,159.8	36,856.1
India	2,766.6	671.9	1,660.4	2,825.3
Scope 2 – Market-based	**47,609.6**	**49,471.8**	**51,429.5**	**54,201.9**
Malaysia	39,344.3	44,183.6	44,075.0	46,462.1
India	8,265.3	5,288.2	7,354.5	7,739.8
Scope 2 – Location-based	**47,609.6**	**49,471.8**	**51,429.5**	**54,201.9**
Malaysia	39,344.3	44,183.6	44,075.0	46,462.1
India	8,265.3	5,288.2	7,354.5	7,739.8

OTHER CLIMATE-RELATED METRICS

Climate-related Metrics	FY2026
Amount and percentage of assets or business activities vulnerable to climate-related transition risk	Nil (0.0%)[1]
Amount and percentage of assets or business activities vulnerable to climate-related physical risk	Nil (0.0%)[2]
Amount and percentage of business activities[3] aligned with climate-related opportunities	RM4,659.38 million (69.0% of total revenue)

Note:

[1] The Group reports nil vulnerable assets or business activities for FY2026, as current initiatives remain within a manageable trajectory. Vulnerability is anticipated to increase in the medium to long term as remaining decarbonisation actions involve higher-capital, low-carbon technology transitions.

[2] The Group reports nil vulnerable assets or business activities for FY2026 on a net risk basis. Certain assets carry high or very high gross risk exposure; however, these are assessed as manageable under existing mitigation and adaptation measures, resulting in no assets remaining at high or very high risk on a net basis.

[3] 'Business activities' is defined as revenue generated.

INTERNAL CARBON PRICES

IJM has not implemented an internal carbon pricing mechanism, as IJM continues to monitor the development of Malaysia's carbon tax framework. In the interim, the Group has conducted an internal Marginal Abatement Cost (MAC) Curve analysis to identify and prioritise cost-effective emissions reduction opportunities across our operations.

SASB INDUSTRY-BASED DISCLOSURE

Construction and Engineering

The following SASB metrics for Construction and Engineering only covers data from Construction Division.

Topic	Metrics	FY2026
Climate Impacts of Business Mix	Amount of backlog for (1) hydrocarbon related projects and (2) renewable energy projects	Nil
	Amount of backlog cancellations associated with hydrocarbon-related projects	Nil
	Amount of backlog for non-energy projects associated with climate change mitigation	Nil
	Activity Metrics	**FY2026**
	Number of active projects	27
	Number of commissioned projects	14
	Total backlog (RM)	14,653.7 million

Metrics and Targets

Home Builders

The following SASB metrics for Home Builders only covers data from Property Division.

Topic	Metrics	FY2026
Land Use and Ecological Impact	Number of lots and homes delivered on redevelopment sites	1 lot
	Number of lots and homes delivered in regions with High or Extremely High Baseline Water Stress	0
	Total amount of monetary losses as a result of legal proceedings associated with environmental regulation	Nil
	Discussion of process to integrate environmental considerations into site selection, site design and site development and construction	Environmental considerations are integrated throughout site selection, design, and construction in accordance with Malaysia regulatory standards and GreenRE requirements, prioritising low-impact site selection, minimising ecological and biodiversity disturbance. During construction, environmental management practices are implemented to control erosion, pollution, waste and hazardous materials.
Design for Resource Efficiency	(1) Number of homes that obtained certified residential energy efficiency rating (2) Average rating	17 projects obtained certified energy efficiency rating. Average rating of 54%.
	Number of homes delivered certified to a third-party multi-attribute green building standard	17 residential projects certified by GreenRE.
	Description of risks and opportunities related to incorporating resource efficiency into home design, and how benefits are communicated to customers	• **Risks:** - Falling behind industry peers in sustainable design may reduce market competitiveness. - Insufficient buyer education on green benefits may limit willingness to pay a premium. • **Opportunities:** *GreenRE-certified developments* - Energy and water-efficient features reduce long-term homeownership costs, strengthening the buyer value proposition. - Enhanced property value and market appeal as buyers increasingly prioritise sustainability, lower maintenance costs and environmentally responsible living. - Improved living comfort through better thermal performance, natural lighting, and ventilation. - Green-certified homes enhance property value and attract environmentally conscious buyers. • **Communication to Customers:** - Green features and GreenRE ratings are highlighted in sales galleries and show units. - Sales consultants communicate projected utility cost savings and certification benefits to prospective buyers. - Incorporation into marketing collaterals such as product brochures, advertisements, emails, phone calls, website, etc.

Topic	Metrics	FY2026
Climate Change Adaptation	Number of lots located in 100-year flood zones	4
	Description of climate risk exposure analysis, degree of systematic portfolio exposure, and strategies for mitigating risks	Climate Risk Assessment was done across the Group's Peninsular Malaysia development portfolio. The assessment covers key physical climate risks, including extreme heat, pluvial flooding, landslides and coastal flooding. The analysis considers asset-level and portfolio-level exposure to identify developments located in high-risk geographies, including the site sensitivity to climate hazards, infrastructure resilience, and etc. Climate risk indicators are mapped against the Group's landbank and the ongoing developments, enabling identification of clusters of assets with elevated exposure. To manage and mitigate these risks, climate resilience measures are integrated into the planning, design and construction stages. These include sustainable drainage systems, elevation planning, heat-reducing landscape design, energy efficiency measures and green building standards, which are progressively embedded into project specifications.

Construction Materials

The following SASB metrics for Construction Materials only covers data from Industry Division.

SASB Metrics		FY2026
Greenhouse gas emissions	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	0
	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Initial implementation will commence with selected ICP factories. The focus will be on Scope 1 emissions reduction through boiler fuel optimisation initiatives, including zero steaming practices. A structured roadmap will subsequently be developed to scale these efforts across medium-term and long-term horizons.
Air Quality	Air emissions of the following pollutants: (1) NOx (2) SOx (3) Particulate matter (PM^{10}) (4) Dioxins/Furans (5) Volatile Organic Compounds (VOCs) (6) Polycyclic aromatic hydrocarbons (PAHs) (7) Heavy metals	Air emissions monitoring across IJM Industry operations demonstrates compliance with the Environmental Quality (Clean Air) Regulations 2014, with all measured parameters consistently maintained within the prescribed regulatory limits.
Energy Management	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage alternative (4) Percentage renewable	(1) 306,055.7 GJ (2) 32.4% (3) 0.0% (4) 6.0%
Waste Management	(1) Amount of waste generated, percentage hazardous and percentage recycled	9,112.6 tonnes, 0.8% and 0.3%

BSI External Verification Report

Verification Opinion

Verified as Satisfactory	
Based on the process and procedures conducted, there is no evidence that the GHG statement contained in the following report "IJM Corporation Berhad Greenhouse Gas (GHG) FY2026 Report Version 1.2" produced by IJM Corporation Berhad	• is not materially correct and is not a fair representation of GHG data and information. • has not been prepared in accordance with ISO14064-1 and its principles.
The verification was conducted in accordance with the GHG Statement's intended use	
Lead Verifier	Salmiah Hasbullah
Verifier	Nurulashida Mohd Saad
Independent Reviewer	Vo Hong Kiet
Signed on behalf of BSI	Evelyn Chye - Managing Director, Malaysia
Issue Date	30 June 2026
BSI Malaysia Suite 29.01, Level 29, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.	
NOTE: BSI Malaysia is independent to and has no financial interest in IJM Corporation Berhad. This 3rd party Verification Opinion has been prepared for IJM Corporation Berhad only for the purposes of verifying its statement relating to its GHG emissions more particularly described in the scope above. It was not prepared for any other purpose. In making this Statement, BSI Malaysia has assumed that all information provided to it by IJM Corporation Berhad is true, accurate and complete. BSI Malaysia accepts no liability to any third party who places reliance on this statement.	

Verification Opinion Reference CFV 845196 30062026

ANAB
ANSI National Accreditation Board
ACCREDITED
ISO 14065
VALIDATION AND VERIFICATION BODY

Note:
The full Verification Opinion Statement can be found on www.ijm.com/sustainability/environment.

1

By Royal Charter

Verification Engagement

Organization	IJM Corporation Berhad
Responsible party	IJM Corporation Berhad
Verification Objectives	To express an opinion on whether the organizational GHG Statement which is historical in nature: • Is accurate, materially correct and is a fair representation of GHG data and information • Has been prepared in accordance with ISO14064-1: 2018 the criteria used by BSI to verify the GHG Organizational Statement
Materiality Level	5 %
Level of Assurance	Limited
Intended Use	The intended use of the GHG Statement and Verification Opinion is to communicate IJM Corporation Berhad's FY2026 emissions to internal stakeholders. The results and details of the report shall be communicated externally through the Group's external communication channels, including but not limited to, annual reports, press releases, social media publications, public engagements, etc.
Verification evidence gathering procedures	• Evaluation of the monitoring and controls systems through interviewing employees observation & inquiry • Verification of the data through sampling recalculation, retracing, cross checking and reconciliation
The verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification	
Verification Standards	The verification was carried out in accordance with ISO 14064-3: 2019, ISO 14065: 2020 and ISO 17029:2019
Note: IJM Corporation Berhad is responsible for the preparation and fair presentation of the GHG statement and report in accordance with the agreed criteria. BSI is responsible for expressing an opinion on the GHG statement based on the verification.	

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IJM CORPORATION BHD

IFRS S1

Date & Time: 2026-07-22_16:37:18

Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
N/A	N/A	N/A	N/A	N/A	N/A	No assurance	N/A

IJM CORPORATION BHD

IFRS S2

Date & Time: 2026-07-22_16:37:18

Main Market | Group 1 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	21,444.7	24,042.2	Net-zero by 2050	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	49,471.8	47,609.6	Net-zero by 2035 via 100% renewable electricity	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 2 Market-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	49,471.8	47,609.6	Net-zero by 2035 via 100% renewable electricity	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 3 Cat.1: Purchased goods and services	Metric tonnes of carbon dioxide equivalents (tCO2e)	957,053.3	* 885,941.3	Engage with supply chain for low-carbon plans by 2027	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
Footnote 2026	Figure updated to reflect the deduction of intra-group emissions.						
GHG emissions	Scope 3 Cat.4: Upstream transportation and distribution	Metric tonnes of carbon dioxide equivalents (tCO2e)	5,438.3	6,876.9	Net-zero by 2050	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 3 Cat.5: Waste generated in operations	Metric tonnes of carbon dioxide equivalents (tCO2e)	6,901.6	6,473.7	Net-zero by 2050	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	7,872.0	3,646.1	Net-zero by 2050	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	4,535.6	4,532.7	—	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 3 Cat.11: Use of sold products	Metric tonnes of carbon dioxide equivalents (tCO2e)	2,394.4	2,247.6	—	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard
GHG emissions	Scope 3 Cat.13: Downstream leased assets	Metric tonnes of carbon dioxide equivalents (tCO2e)	20,244.1	5,909.0	—	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-22_16:37:18

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
GHG emissions	Scope 3 Cat.15: Investments	Metric tonnes of carbon dioxide equivalents (tCO2e)	1,900.4	4,450.4	—	No assurance	Independent verification in accordance with the ISO14064-1:2018 standard

Sustainability Statement (Part B)

The Club at IJM Rimbayu

Commitment to Sustainability

At IJM, sustainability has always been at the core of our business and forms an important part of our long-term strategy. In the pursuit of creating sustainable value for our stakeholders, we continue to ensure that Economic, Environment and Social principles are accounted for in our business model and decisions made. These three principles are a culmination of all the material matters most relevant to our business and stakeholders. IJM's sustainability priorities and initiatives are aligned with the United Nations Sustainable Development Goals (UN SDGs) which supports the national and global sustainability movement. Our commitment to transparent, balanced and meaningful sustainability reporting has never changed. In FY2026, IJM has embarked on our IFRS S1 and S2-aligned reporting journey, and is committed to enhance the quality of our sustainability disclosures in the coming years.

STATEMENT OVERVIEW

Reporting Standards, Frameworks and Principles

The Sustainability Statement (Part B) comprises IJM's voluntary sustainability disclosures, prepared with reference to the sustainability reporting standards and frameworks below:

- Global Reporting Initiative (GRI)
- FTSE4Good Bursa Malaysia (F4GBM) – FTSE Russell ESG Ratings
- UN Sustainable Development Goals (UN SDGs)
- MSCI ESG Ratings
- S&P Global Corporate Sustainability Assessment (CSA)
- CDP

IJM has been a participating member of the United Nations Global Compact (UNGC) since 2021. The disclosures in the Sustainability Statement is supplemented by our annual Communication on Progress (CoP) that outlines our unwavering commitment to The Ten Principles of UNGC, covering human rights, labour, environment and anti-corruption dimensions.

The Global Reporting Initiative (GRI) principles of reporting, namely completeness of information, balance, comparability, accuracy, timeliness, reliability and clarity, guided the development of this Sustainability Statement.

The GRI Content Index can be found on pages 232 to 235 of this Statement.

Reporting Period, Scope and Boundary

The Sustainability Statement (Part B) covers IJM Group's sustainability performance data for the financial year 1 April 2025 to 31 March 2026 (FY2026), unless otherwise stated. Historical data from the preceding years have been included for comparison, where applicable.

The Sustainability Statement (Part B) covers the Group's sustainability performance on all of our material matters except for those material matters that have been covered in the ISSB-aligned Sustainability Statement (Part A). Hence, the Sustainability Statement (Part B) should be read alongside the Sustainability Statement (Part A), other sections of the Integrated Annual Report 2026 and other sustainability disclosures available on our website.

The ISSB-aligned Sustainability Statement (Part A) can be found on pages 143 to 168 of this Statement.

The boundary of the Sustainability Statement (Part B) includes all of IJM's subsidiaries in Malaysia and India, collectively accounting for 99.8% of the Group's total operating revenue. The Sustainability Statement (Part B) excludes data from associates and joint ventures outside management control. We also intend to incorporate IJM UK into the Group's reporting boundary by FY2027, providing a more comprehensive review of our sustainability performance.

Industry Associations

We actively participate in industry associations and collaborate with stakeholders to learn, develop and contribute to a collective voice towards best practices for the industries we serve, including sustainability-related aspects. The table below lists out the associations where our Group and divisions are active members and partners.

Division	Association Membership and Stakeholder Collaboration
Group	• Institute of Internal Auditors (IIA) Malaysia • Malaysian Indian Business Council (MIBC) • Malaysia South-South Association (MASSA) • Malaysia-Japan Economic Association (MAJECA) • Perdana Leadership Foundation (PLF) • The Malaysian Institute of Certified Public Accountants (MICPA)
Construction	• Master Builders Association Malaysia (MBAM) • Malaysia Rail Industry Corporation (MARIC)
Property	• International Real Estate Federation (FIABCI) Malaysia • Real Estate and Housing Developers' Association Malaysia (REHDA) • REHDA Johor • REHDA Negeri Sembilan • REHDA Penang • REHDA Selangor • REHDA Wilayah Persekutuan • Sabah Housing and Real Estate Developers Association (SHAREDA) • Sarawak Housing and Real Estate Developers' Association (SHEDA)
Industry	• Federation of Malaysian Manufacturers (FMM) • Malaysian Employers Federation (MEF) • Malaysian Institute of Human Resource Management (MIHRM) • Malaysian Institute of Management (MIM) • Malaysia Quarries Association (MQA) • National Ready-Mixed Concrete Association of Malaysia (NRMCA)
Toll	• Persatuan Syarikat-Syarikat Konsesi Lebuhraya Malaysia (PSKLM) • Chartered Institution of Highways and Transportation (CIHT)
Port	• Malaysian Employers Federation (MEF) • ASEAN Ports Association Malaysia (MAPA) • Gebeng Emergency Mutual Aid (GEMA) • University Malaysia Terengganu (UMT)
IJM India	• Construction Industry Development Council (CIDC) • Rotary Club • International Road Federation (IRF) • Delhi Wheelchair Cricket Association (DWCA)

Commitment to Sustainability

Assurance

IJM is committed to continuously enhance the quality of our Sustainability Statement. To uphold the integrity of the data and information of the Sustainability Statement (Part B), thorough internal reviews have been carried out by the Group's Internal Audit Department to ensure its reliability and credibility. This Sustainability Statement is made in accordance with a resolution of the Board of Directors dated 10 July 2026.

Restatements of Information

During the reporting year, IJM restated previously reported sustainability information under the Community Investment as well as Health and Safety material matters, covering FY2024 and FY2025. The restatements were made due to correction of error.

The affected indicators are (i) total amount (RM) invested for Community Investment, (ii) Lost Time Injury Frequency Rate and (iii) Lost Time Injury Severity Rate. The restatements resulted in an increase to the figures reported under those affected indicators. Comparative figures have been updated accordingly to ensure consistency and comparability with the current reporting period.

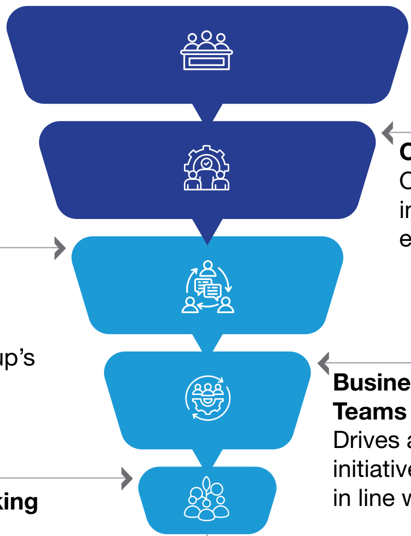
The restated information is indicated in the respective sections of the Statement.

Feedback

We value our stakeholders' feedback as it is essential for us in enhancing our reporting disclosures and addressing their expectations. Your feedback ensures that we remain steadfast to our sustainability commitments. Any queries and feedback can be submitted to sustainability@ijm.com.

SUSTAINABILITY GOVERNANCE

IJM has a robust sustainability governance structure that ensures the integration of sustainability into all facets of our business and decision making. Our sustainability governance is driven by a top-down approach with the Group Risk Management and Sustainability Committee ("RMSC") overseeing sustainability implementation throughout the Group, supported by the Operating Committee ("OpCo"), Group Sustainability Steering Team and Divisional Sustainability Steering Teams.



Risk Management and Sustainability Committee
Oversees the overall sustainability framework and provides strategic direction for sustainability-related initiatives across the Group

Operating Committee
Oversees the execution of sustainability initiatives to ensure best practices are embedded across the Group

Group Sustainability Steering Team
Oversees the delivery of the Group's Sustainability Roadmap and Climate Strategy and the production of the Group's Sustainability Statement

Business Division Sustainability Steering Teams
Drives and implements sustainability-related initiatives within respective business divisions in line with the Group's sustainability strategy

Business Division Sustainability Working Teams
Provides support in implementing and monitoring sustainability-related initiatives within respective business divisions. Dedicated task forces have been set up to support the Construction and Property Divisional Steering Teams in developing and implementing IJM's Climate Strategy and Sustainability Roadmap

- **Construction**
  Sustainability Roadmap Task Force
- **Property**
  Regional Sustainability Task Force
- **Industry**
- **Toll**
- **Port**

Further information on IJM's Sustainability Governance can be found in the ISSB-aligned Sustainability Statement (Part A) on pages 145 to 146 of this Statement.

STAKEHOLDER ENGAGEMENT

Engaging Our Stakeholders

At IJM, we believe in building long-term, purposeful and transparent relationships with our stakeholders. Through proactive engagements with our stakeholders, we gain valuable understanding of their expectations, gather market insights and subsequently deliver on our sustainability goals. We are guided by our six-step approach in engaging and establishing strong connections with our stakeholders.

Identify
Identify and prioritise stakeholders based on mutual shared values and issues to be addressed

Engage
Conduct engagement with prudence and mutual respect in an appropriate and fair manner

Feedback
Receive feedback on issues and identify opportunities to enhance mutual shared values

Action
Generate action plans and review goals

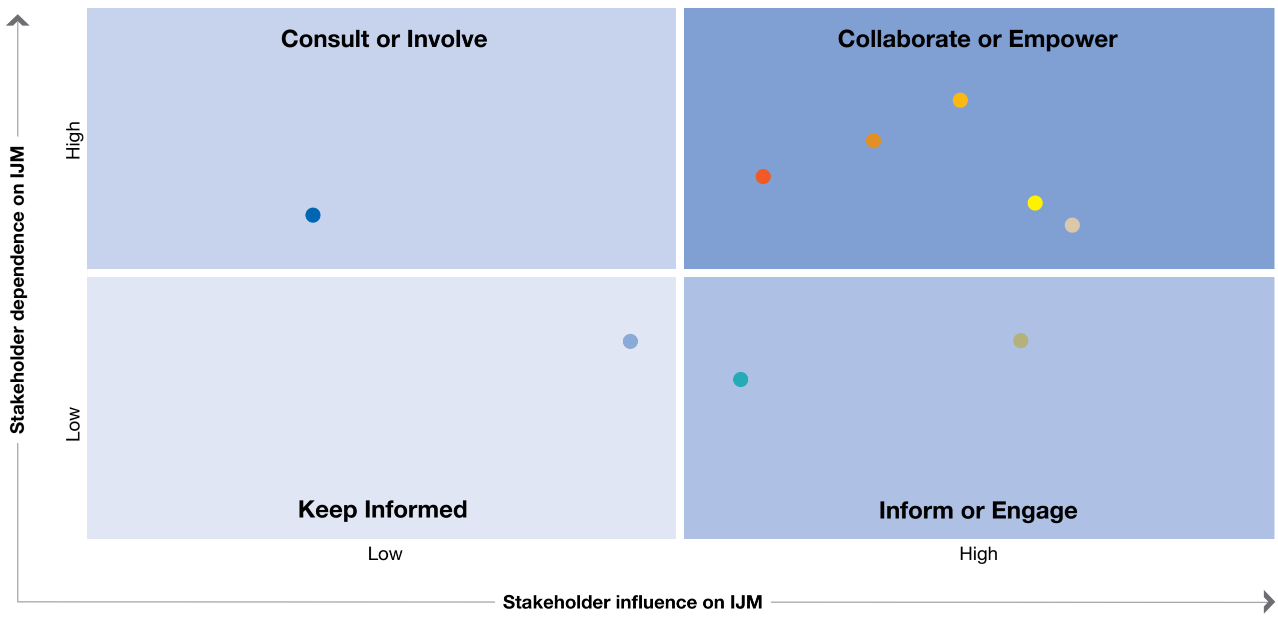
Follow-Up
Continuous engagement with affected stakeholders

Review
Review material issues, risks and opportunities

Stakeholder Matrix

The list of our stakeholders was last reviewed and validated in FY2025 and no changes were made to the stakeholder list in FY2026. The broad coverage of different stakeholder groups ensures that the multi-faceted views of our stakeholders are considered in the planning and execution of our sustainability initiatives and targets.

Stakeholder groups are prioritised based on their impact and interest in the Group's business activities. Our stakeholder prioritisation matrix below outlines the relative significance of each stakeholder group to IJM, which informs our engagement approach for each stakeholder group.



Consult or Involve
- Industry Associations and Academia

Keep Informed
- Local Community and NGOs

Inform or Engage
- Media
- Regulators and Government Authorities

Collaborate or Empower
- Employees
- Business Partners
- Subcontractors and Suppliers
- Clients/Customers
- Shareholders, Investors and Lenders

Commitment to Sustainability

Stakeholder Group	Why We Engage	Key Concerns and Areas of Interest	Strategic Responses	Engagement Channels
Shareholders, Investors and Lenders	Shareholders, investors and lenders provide us with the financial capacity to sustain growth. We work to ensure they have a strong understanding of our strategy, performance and business fundamentals.	• Business outlook and strategy • Financial and operational performance • Impact of government policies and regulations • Sustainability practices and commitments • Risk management	• Ensure transparent and timely disclosure to build investor confidence • Drive consistent business performance and sustainability outcomes • Uphold strong corporate governance and accountability • Adhere to regulatory and corporate reporting requirements	• Annual general meetings • Bi-annual analyst briefings • Investor conferences • One-on-one/Small group meetings • Site visits • Emails/Phone communication • Corporate website • Integrated annual reports
Clients/ Customers	Focusing on customers' needs is a core value. We engage with our customers to understand their needs and identify opportunities to improve our products and services.	• Product/Service quality and support • Customer service and experience • Customer satisfaction and engagement • Project management • Sustainability practices and commitments • Dissemination of information • Facilities provided	• Deliver high-quality solutions aligned with international/ local standards • Provide distinctive value propositions across diverse customer segments • Ensure rigorous adherence to budget, timeline and performance requirements • Embed sustainability and product stewardship in our offerings	• Customer satisfaction surveys • Dedicated customer services teams • Customer satisfaction platforms, e.g. phone calls, emails and social media • Events and site visits • Emails/Phone communication
Subcontractors and Suppliers	Our broad range of subcontractors and suppliers support many aspects of our business. We encourage them to adhere to high standards of professionalism and collaborate with us to ensure we can continually improve our operations and deliver mutual benefits.	• Legal compliance and contractual commitments • New equipment/ technology reliability and performance • Product/Service quality and delivery • Sustainability practices and commitments • Subcontractors/ Suppliers performance • Management assessment	• Enforce ethical conduct and anti-bribery compliance • Promote fair labour and human rights practices • Uphold HSE standards • Strengthen accountability through clear compliance expectations	• Annual subcontractor and vendor HSE performance evaluations • Briefings, e.g. product and technology briefings • Events and trainings • Tender sessions • Emails/Phone communication

Stakeholder Group	Why We Engage	Key Concerns and Areas of Interest	Strategic Responses	Engagement Channels
Regulators and Government	Regulators and the government set the legal framework for our business operations. We engage with them to ensure we comply with existing legislations.	• Certifications and awards • Compliance with laws and regulations • Corporate governance • Sustainability practices and commitments • Industry updates and best practices, e.g. Construction Industry Transformation Programme, visits by officials • Prompt resolution of issues • Highway operations and maintenance	• Ensure full compliance with all legal and regulatory requirements • Maintain transparent and constructive communication with authorities • Proactively manage governance and compliance risks across business units • Active engagements in industry committees for policy advocacy	• Integrated annual reports • Company representations at industrial association initiatives and technical working groups • Compliance, certification exercises and policies • Consultations, briefings and trainings • Site visits, engagements, collaborations and audits • Forums and meetings
Media	The media is our primary channel of communication across a wide variety of key stakeholders. They disseminate information such as our Group's financial performance and provide us with valuable feedback and insights about our business environment.	• Group's financial and non-financial performance • Group's strategy for growth and value creation • Transparency and timely information • Customer-inspired thought leadership	• Foster open, accurate and timely communication with media stakeholders • Respond promptly to media enquiries and information requests • Build and maintain positive relationships through regular engagements • Promote transparency in sharing business developments and corporate milestones	• Corporate events • Integrated annual reports • Corporate website • Media relations, e.g. press releases, press statements, emails, phone calls and interviews • Site visits

Commitment to Sustainability

Stakeholder Group	Why We Engage	Key Concerns and Areas of Interest	Strategic Responses	Engagement Channels
Employees	We work to create a diverse and inclusive workplace where every employee is encouraged to reach their full potential. This enables us to retain and develop best talents.	• Employee engagement and development opportunities • Regular health and safety practices • Sustainability practices and commitments • Health management • Human capital competency and capabilities • Information sharing by Management • Promoting teamwork	• Provide fair and competitive remuneration and benefits • Foster a diverse, inclusive and respectful workplace culture • Ensure a safe and healthy work environment through stringent OSH practices • Promote continuous learning and professional development opportunities • Uphold ethical conduct and compliance with the Code of Conduct and Ethics • Support employee wellbeing, including mental health initiatives	• Annual performance appraisals • Employees' wellness initiatives • Regional forums, committee meetings and webinars • Social programmes via *Kelab Sukan IJM* and IJM Toastmasters Club • Training and development workshops and knowledge sharing sessions • Workvivo and intranet
Local Community and Non-Governmental Organisations (NGOs)	We engage with local communities and NGOs to foster positive change by addressing social, economic and environmental challenges as we understand the crucial role that community initiatives play in advancing sustainable development. Through our engagements with local communities, we address social, economic and environmental challenges while fostering positive change.	• Community investment programmes and partnerships • Sustainability practices and commitments, including climate action commitments • The Group's branding and reputation • Industry-related issues of concern, developments, research and knowledge sharing • Governance system • Matters pertaining to highway alignment near residential areas	• Empower communities through initiatives that promote social cohesion, entrepreneurship and support networks • Enhance access to education via scholarships, resources and partnerships that support youth development and lifelong learning • Improve community infrastructure by developing safe, inclusive and sustainable public spaces in collaboration with local stakeholders	• Integrated annual reports • Community engagements, e.g. partnerships, dialogues, seminars and conferences • Community outreach and development programmes • Corporate website • Events

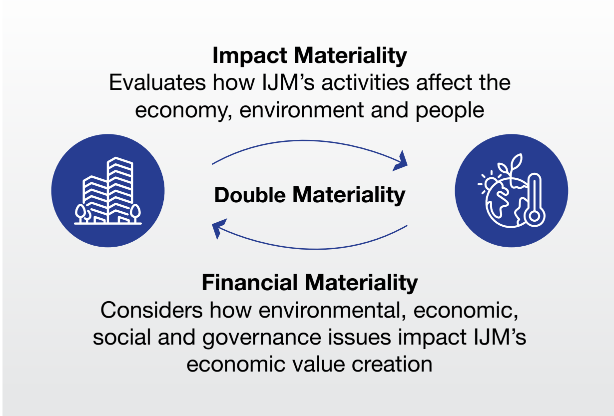
Stakeholder Group	Why We Engage	Key Concerns and Areas of Interest	Strategic Responses	Engagement Channels
Industry Associations and Academia	We actively participate in industry association activities to learn, develop and contribute to a collective voice towards best practices for the industries we serve continuously and successfully.	• Industry-related issues of concern, developments, research and knowledge sharing	• Collaborate with industry peers to support a collective transition towards industry best practices • Participate in sector-wide dialogues, workshops and policy discussions to promote progressive industry standards • Establish partnerships with academic institutions for research, innovation and talent development aligned with our business goals	• Integrated annual reports • Industry association engagements, e.g. partnerships, dialogues, seminars and conferences • Committee meetings • Corporate website and advertisements
Business Partners	We collaborate with business partners in a business venture to achieve mutual goals, by sharing resources, responsibilities, risks and profits.	• Governance and decision making • Financial arrangements • Risk management and liability • Intellectual property and confidentiality • Operational performance • Legal and regulatory compliance • Exit strategy and duration • Strategic alignment and long-term value	• Establish clear governance structures • Develop a robust financial framework • Implement comprehensive risk management • Protect intellectual property and data • Align operational plans and KPIs • Ensure regulatory and legal compliance • Define exit and contingency plans • Maintain strategic alignment and communication milestones	• Emails • Video conferencing • Phone calls • In-person meetings • Collaborative platforms, e.g. Microsoft Teams • Joint steering committees • Integrated annual reports • Site visits

MATERIALITY AND MATERIAL MATTERS

Managing Our Material Matters

As a company operating in the Construction, Property, Industry and Infrastructure sectors, we are cognisant that our businesses can have significant impacts on the economy, environment and society. Therefore, as a responsible corporate entity, materiality becomes our guiding principle when it comes to managing our sustainability-related impacts, risks and opportunities. We prioritise the management of material matters that hold the greatest significance and relevance to our business and stakeholders. This ensures that stronger emphasis is placed on material matters that are of IJM's and our stakeholders' utmost interest while creating sustainable value.

We last conducted our materiality assessment in FY2025, guided by the principles of double materiality, which considers both impact and financial materiality, aligned to international standards, and considered the evolving stakeholder expectations. Internal and external stakeholders were engaged to gather insights on their expectations and views. Aligning with best practices, we will be reviewing our material matters in FY2027 through a refreshed materiality assessment.



Double Materiality Assessment Approach

Our materiality assessment consists of five steps: material matter identification, stakeholder engagement, stakeholder prioritisation, material matter prioritisation as well as materiality matrix validation and approval. This process assesses the actual and potential impacts, risks and opportunities arising from each identified material matter on our business performance, the environment and society.

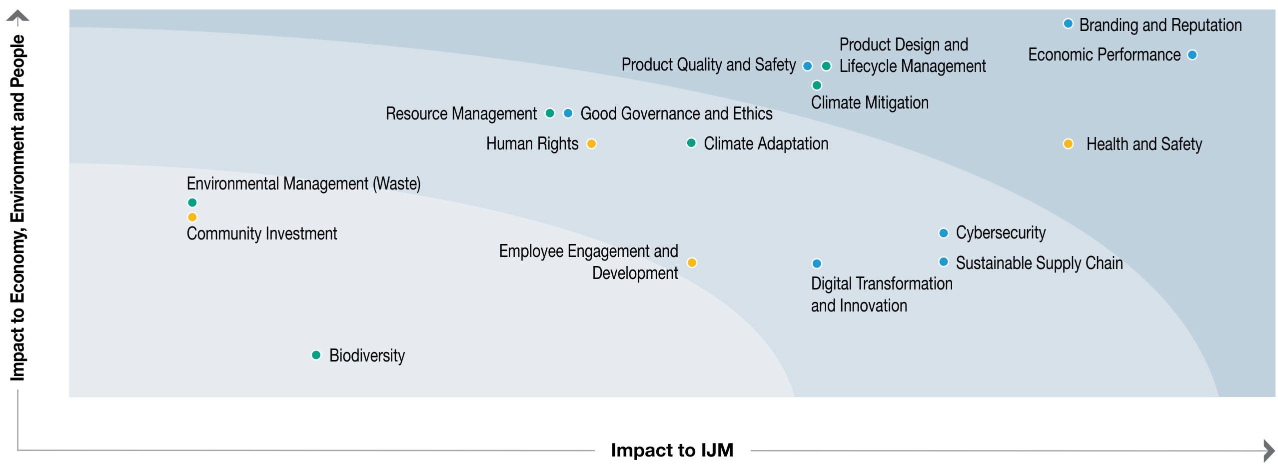
The outcome of this assessment then informs our strategy development, risk management and sustainability reporting processes. They also form the foundation of our sustainability initiatives and disclosures outlined in this Statement, to clearly highlight the linkages between our initiatives and progress to the material matters identified.

1 Identification of Material Matters	2 Stakeholder Engagement	3 Prioritisation of Stakeholders	4 Prioritisation of Material Matters	5 Validation and Approval
Identified preliminary stakeholder groups and material topics for IJM by: • Reviewing local and global reporting requirements (e.g. Bursa Malaysia, GRI, SASB) • Benchmarking against industry peers • Analysing emerging sustainability trends, risks and opportunities	Collected internal and external stakeholders' input through engagement methods such as online surveys and workshops	Identified and prioritised IJM's key stakeholder groups by assessing their influence and dependence	• **Financial Materiality** Assessed the likelihood and potential impact of issues on business operations, as well as their significance to stakeholders • **Impact Materiality** Assessed topics based on their effect on the economy, environment and people and their importance to stakeholders	Validated the outcome of the materiality matrix with senior management and approved by the Board of Directors

Double Materiality Matrix

The materiality matrix below, endorsed by the Board, shows the 17 material matters mapped based on their relative materiality, reflecting both the material matters' impact to IJM (financial materiality) and its impact to the economy, environment and society (impact materiality). This matrix forms the basis for sustainability considerations to be embedded within the Group's integrated decision-making processes, resource allocation and long-term value creation.

Double Materiality Matrix



Economic	Environment	Social
• Economic Performance • Good Governance and Ethics • Sustainable Supply Chain • Digital Transformation and Innovation • Cybersecurity • Product Quality and Safety • Branding and Reputation	• Climate Mitigation • Climate Adaptation • Resource Management • Environmental Management (Waste) • Biodiversity • Product Design and Lifecycle Management	• Employee Engagement and Development • Human Rights • Health and Safety • Community Investment

Sutera @ S2 Heights Aman

Material Matter Definition

Material Matter	Definition
Economic	
Economic Performance	Economic performance reflects the economic value generated and distributed by IJM, encompassing revenues and costs incurred through our operations. This aligns with our mission to deliver sustainable value to stakeholders and supports our commitment to maximising stakeholder returns as outlined in the IJM Charter.
Good Governance and Ethics	Good governance and ethics reflect IJM's commitment to integrity, transparency and accountability, fostering trust and ensuring compliance. This aligns with our core value of integrity and the IJM Charter principles of ethical conduct and good corporate governance.
Sustainable Supply Chain	A sustainable supply chain at IJM involves managing processes from sourcing raw materials to delivering final products or services by prioritising responsible procurement, efficient material use and evaluating suppliers' environmental and social performance. This approach aligns with the IJM Charter principles of social responsibility and good corporate governance and reflects our core value of integrity. Poor supply chain management can disrupt operations, increase sourcing costs, delay production and compromise efficiency and customer satisfaction.
Digital Transformation and Innovation	Digital transformation and innovation involve integrating cutting-edge technologies into IJM's operations to enhance value delivery, stakeholder engagement and efficiency. By embracing innovation, we drive growth and deliver significant value, reflecting our core value of innovation and supporting our mission to deliver sustainable value to stakeholders with the IJM Mark of Excellence.
Cybersecurity	Cybersecurity focuses on safeguarding IJM's digital systems, data and stakeholder information from unauthorised access, breaches and cyber threats. By ensuring data privacy, robust security protocols and regulatory compliance, we protect stakeholder trust, aligning with the IJM Charter principles of safety, health and environment, while upholding our core value of integrity.
Product Quality and Safety	Product quality and safety assess the excellence, reliability and safety of IJM's offerings, ensuring they meet or exceed customer expectations, industry standards and safety requirements. This aligns with our customer focus core value and the IJM Charter principles of quality products and services.
Branding and Reputation	Branding and reputation focus on building stakeholder trust by shaping IJM's identity, enhancing our industry standing and reflecting our commitment to trusted client relationships, as outlined in the IJM Charter. This supports our mission to deliver sustainable value with the IJM Mark of Excellence.

Material Matter	Definition
Environment	
Climate Mitigation	Reducing our Scope 1, 2 and 3 GHG emissions through energy optimisation and supply chain decarbonisation efforts. Through innovation, IJM continuously explores cutting-edge technologies to optimise energy use and achieve decarbonisation.
Climate Adaptation	Building resilience to both physical and transition risks and leveraging associated opportunities. Physical risks include impacts from global weather changes, rising temperatures, extreme weather events and sea level rise. Transition risks and opportunities stem from evolving policies, markets, regulations, technologies and reputational dynamics as the economy shifts towards a low-carbon reality and net-zero emissions.
Resource Management	Minimising environmental impacts by managing energy consumption and raw materials or minerals used is central to our approach. This includes optimising resource efficiency, promoting the use of renewable energy and reducing reliance on non-renewable materials. In line with IJM's Charter, we focus on maximising stakeholder returns through sustainable resource management and adherence to safety, health and environment principles. By embracing innovation, we explore new technologies to improve efficiency. Inefficient use of raw materials can lead to financial consequences, such as increased procurement costs, supply chain disruptions due to resource scarcity and higher expenses for waste management and disposal.
Environmental Management (Waste)	IJM aims to reduce pollutants generated by organisational activities, focusing on minimising air, water and soil contamination. This involves adherence to environmental standards, sustainable resource use, proper waste management and mitigation of environmental impacts during project development. Aligned with IJM's Charter, these efforts reflect safety, health and environment, social responsibility, good corporate governance and reflecting our core value of integrity to ensure strict compliance with environmental regulations and ethical practices.
Biodiversity	Protecting and enhancing local ecosystems by recognising the impact of IJM's operations on flora and fauna. IJM strives to minimise ecological impacts, preserve biodiversity and support sustainable development through responsible practices that protect natural ecosystems. In accordance with IJM's Charter, we prioritise social responsibility and safety, health and environment to protect biodiversity.

Commitment to Sustainability

Material Matter	Definition
Environment	
Product Design and Lifecycle Management	Focusing on the entire lifecycle of IJM's projects and infrastructure, from design to end-of-life. This includes integrating resource efficiency, using sustainable materials to minimise climate impacts and addressing community effects of new developments, while ensuring responsible and sustainable management at every stage of the project lifecycle. **IJM Construction *(SASB: Engineering and Construction Services)*** IJM Construction encompasses the evaluation and mitigation of environmental impacts throughout the lifecycle of buildings and infrastructure projects by integrating sustainable practices in design, construction and operational phases to reduce resource consumption and emissions. Aligned with IJM's Charter of quality products and services, safety, health and environment and social responsibility, this approach addresses climate-related challenges and promotes resilient, environmentally conscious development. By leveraging innovation to set new sustainability benchmarks, integrity to uphold ethical practices. **IJM Property Development *(SASB: Home Builders)*** The designing of homes and communities for resource efficiency, minimising or improving the environmental and social impacts of IJM's new developments. Optimising energy and water consumption while considering the long-term impacts on surrounding communities is central to our approach. This aligns with IJM's Charter by focusing on social responsibility and quality products and services. By embracing our core value of innovation, we deliver sustainable, resource-efficient homes that exceed customer expectations. **IJM Manufacturing and Quarrying *(SASB: Construction Materials)*** Focuses on advancing product innovation to support sustainable construction by developing materials that are resource-efficient, minimise health impacts and reduce emissions during manufacturing. By creating building materials that use recycled inputs, require less energy to produce, or reduce water consumption, IJM ensures long-term growth and competitiveness while aligning with consumer and regulatory trends. This approach reflects IJM's Charter of quality products and services and reflecting our core value through innovation, we drive continuous improvement in sustainable manufacturing practices.
Social	
Employee Engagement and Development	Fostering an inclusive and supportive workplace where employees feel valued and motivated. It focuses on enhancing wellbeing, developing skills and providing continuous learning to prepare employees for current and future roles within IJM.
Human Rights	Upholding the highest standards of human rights to ensure a safe, ethical and respectful environment. This includes promoting diversity, preventing discrimination and maintaining zero tolerance for child and forced labour across our operations, especially in our foreign labour workforce.
Health and Safety	Protecting the wellbeing of IJM's employees, workers and stakeholders by ensuring safe working conditions, preventing harm through robust measures and continually improving safety practices.
Community Investment	IJM is committed to positively impacting local communities by driving economic growth, enhancing livelihoods and supporting sustainable development, reflecting IJM's dedication to social responsibility.

SUSTAINABILITY FRAMEWORK

IJM Group Sustainability Framework acts as our north star for sustainability principles to be operationalised throughout all facets of the Group's operations. It aligns the Group's strategic direction and performance management mechanisms to ensure sustainability is weaved into IJM's business model. The Framework is aligned with internationally recognised standards and benchmarks, including the UN SDGs, The Ten Principles of the UNGC, the IFRS S1 & S2 and Malaysia's national climate agenda.

IJM has always been a trusted partner in nation-building, especially on the infrastructure development front. As such, we believe that our business success is intricately related to the overall wellbeing of the environment, people and markets where we are present. The Sustainability Framework guides us in balancing both financial and sustainability performances by ensuring sustainability aspects are considered in our decision-making, risk management and stakeholder engagement processes. It also empowers our divisions to identify emerging sustainability-related impacts, risks and opportunities while remaining accountable to sustainability targets and requirements.

Our sustainability performance and progress are tracked via an internal sustainability scorecard, which is reviewed annually to ensure strategic alignment with the Group's direction. Our climate performance, particularly our GHG reduction targets, are monitored through a joint KPI system. Each division will deploy tailored GHG reduction initiatives and improve green credentials within their respective operations to meet IJM's GHG reduction targets.

Further details on IJM's sustainability governance framework can be found in our Risk Management and Sustainability Committee Terms of Reference on our corporate website.

Economic: Doing Good Business

At IJM, we create value by connecting economic progress with responsible growth. Through disciplined execution, sustainable investments and trusted partnerships, we deliver solutions that strengthen resilience, support communities and contribute to long-term prosperity for our stakeholders and the economies in which we operate.

IJM's presence at Tun Razak Exchange (TRX), Kuala Lumpur

Economic: Doing Good Business

Amid global economic realignment, digitalisation and AI advancements, geopolitical uncertainty, and sustainability-driven investment flows, the Group demonstrated resilience, adaptability and strategic foresight. This chapter outlines how IJM continued to create long-term value while upholding strong governance, stakeholder trust and sustainability commitments.

Across Construction, Property, Industry and Infrastructure, IJM acted as a real-economy enabler by participating in themes shaping the global economy, including digital infrastructure, industrial buildings, urban mobility, logistics and sustainable development. As demand accelerated for data centres, industrial ecosystems and connectivity-led infrastructure, we strengthened our position in high-value, future-facing segments while preserving balance sheet flexibility and delivery discipline. This enabled the Group to support customers with integrated capabilities and reinforce stakeholder confidence even as the operating conditions remained uneven.

FY2026 Performance Highlights

Financial Resilience

Record revenue of **RM6.75 billion,** up **8%** from FY2025; **core PBT** of **RM671.22 million** excluding non-operational items

Capital Discipline

New dividend payout policy of at least **40%** of **core PATMI**; target distribution of **RM3.0 billion** over three years through capital recycling and value realisation initiatives

Construction Growth

RM9.3 billion in **new Construction order** wins in FY2026; all-time high order book; strong data centre and industrial pipeline

Industry Strength

Industry Division **achieved** its **fourth consecutive record year**, supported by demand for piles, quarry products, ready-mixed concrete and precast IBS components

Property Momentum

Property sales rebounded; IJM Land continued to communicate its role in **sustainable** and **connected communities**

Toll Monetisation

NPE2 commenced **construction, priming matured concessions** for monetisation opportunities

Port Diversification

Diversification into **new liquid cargo streams, readying** for **ECRL**

Governance Confidence

The year reinforced the importance of **transparency, accountability** and **independent processes amid heightened public scrutiny**

Economic: Doing Good Business

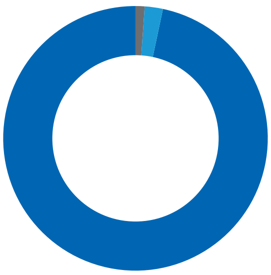
ECONOMIC PERFORMANCE

Operationally, FY2026 was characterised by strong top-line momentum and a visibly expanding project pipeline. For the first quarter ended 30 June 2025, IJM recorded revenue of RM1.73 billion and profit after tax and minority interest of RM95.60 million, supported mainly by the Construction and Industry Divisions. By the first half ended 30 September 2025, Group revenue had grown 16.7% year-on-year to RM3.41 billion, while the Construction Division's outstanding order book reached RM14.4 billion. For the nine months ended 31 December 2025, Group revenue increased further to RM5.01 billion, with construction revenue rising 53.7% to RM2.65 billion and the construction outstanding order book strengthening to RM15.3 billion. For the full financial year, revenue increased 8% from FY2025 to RM6.75 billion. These results reflected healthy execution momentum, even as reported profit was moderated by foreign exchange effects and investment gestation costs.

The quality of this momentum is especially significant. Rather than relying on a narrow revenue source, IJM's performance in FY2026 was underpinned by diversification. Construction benefited from a stronger flow of civil, industrial and data centre jobs, Industry continued to ride underlying demand for construction materials, Property maintained a steady unbilled sales base and Infrastructure provided recurring cash flow support.

FY2026 Total Value Generated

RM **1.14** billion



RM1,104 million
Net Operating Income

RM13 million
Share of Profits from Associates

RM26 million
Share of Profits from Joint Ventures

- Net Operating Income
- Share of Profits from Associates
- Share of Profits of Joint Ventures

FY2026 Total Value Distributed

RM **1.14** billion

RM373 million
To employees in salary and other staff costs

RM499 million
To capital providers (dividends, non-controlling interest and financial cost)

RM301 million
To governments (taxation)

(RM30 million)
Retained for future reinvestment and growth

While the Port Division experienced softer throughput from customer maintenance activity and the Toll Division was affected by traffic mix and overseas concession dynamics in the first half, the overall portfolio remained balanced to withstand short-term volatility while keeping the Group on a strategic growth path.

This diversification remains one of IJM's core economic strengths. It enables the Group to remain responsive to changing market conditions, redeploy capital and capabilities toward better-yielding opportunities and sustain business continuity through cycle shifts. Equally important, the Group's strong cash reserves and moderate net gearing gave us room to pursue sizeable projects and invest in long-term growth areas without compromising prudence.

Strategic Outlook

Looking ahead, IJM enters the next phase of growth from a position of greater strategic clarity. The economic landscape is increasingly being shaped by structural rather than purely cyclical drivers: the growth of digital infrastructure, supply chain diversification into Southeast Asia, the build-out of industrial ecosystems, demand for urban connectivity and the transition toward more sustainable assets. IJM is already present across each of these themes, giving the Group an important strategic advantage as public and private investment continues to realign around them.

The Group's expanding exposure to data centres is particularly notable. During FY2026, IJM secured and progressed several major data centre related contracts, including a RM1.4 billion fast-track facility in Johor and a RM2.1 billion hyperscale data centre contract at Elmina Business Park as well as continued delivery of multiple data centre projects in Johor. These projects do more than enlarge the order book. They deepen IJM's credentials in technically demanding, time-sensitive and sustainability-linked construction segments, positioning the Group as a capable delivery partner in one of the region's fastest-growing infrastructure classes.

At the same time, the Group is building around the broader investment wave unfolding in Johor. Through its participation in strategic developments linked to the Johor-Singapore Special Economic Zone, including the RM1.96 billion industrial park joint venture in Sedenak, and through active involvement in the RTS Link ICQ Complex and industrial-related supply needs, IJM is aligning itself with one of Malaysia's most compelling multi-year growth corridors. This gives the Group exposure not only to construction revenues, but also to land monetisation, industrial development demand, materials offtake and long-duration ecosystem value creation.

Artist's impression of IJM's data centre project in Elmina, Selangor

PURSUING GREEN CREDENTIALS

IJM views green credentials as a strategic enabler of long-term value creation, supporting the Group's transition towards a lower-carbon, resource-efficient and future-ready business model. In FY2026, sustainability continued to be embedded across the design, delivery and operation of its businesses through green-certified developments, low-carbon construction practices, sustainable township planning, resource-efficient building materials, green highway initiatives and environmentally responsible port operations. These initiatives strengthen climate resilience, operational efficiency and stakeholder confidence while reinforcing the Group's competitiveness in an increasingly sustainability-driven market. This approach aligns with the FTSE Russell Green Revenues Classification System and reflects the Group's commitment to integrating sustainability into business strategy and long-term value creation. In FY2026, IJM continued to advance the use of green materials across the Group, with green concrete accounted for 20% of all concrete used, underscoring our commitment to embedding sustainable practices across our portfolio.

Construction

For the Construction Division, green credentials remain an integral part of delivering sustainable, resilient and future-ready infrastructure. During FY2026, the Division continued to expand its portfolio of developments certified under recognised sustainability rating systems, with approximately 84.3% of its revenue from projects certified or provisionally certified under the GreenRE, GBI, LEED, MyCREST, EDGE Advanced, Green Highway Index and Sustainable INFRASTAR. This diverse certification portfolio reflects the Division's commitment to responsible construction, resource efficiency and Malaysia's low-carbon development agenda.

The Division's FY2026 portfolio demonstrates the breadth of its sustainable construction capabilities across multiple sectors. GreenRE Certification continued to underpin key township and mixed-use developments, including IJM Rimbayu, Seremban 2, The Light City and Merione Residences, while industrial and logistics facilities such as United Logistic Hub, Shah Alam International Logistics Hub (SAILH) and Exio Logistics in Elmina achieved certifications under GreenRE, EDGE Advanced, GBI and LEED. The Division further strengthened its presence in digital infrastructure through multiple data centre projects certified under LEED and GBI, alongside sustainable public infrastructure projects such as the RTS ICQ (GBI) and NPE2 (Green Highway Index), as well as Hospital Kapar (MyCREST). Collectively, these projects reflect IJM's capability to deliver sustainable infrastructure across diverse sectors while supporting Malaysia's low-carbon and digital economy aspirations.

Property

The Property Division continued to strengthen its position as a creator of sustainable, connected and future-ready communities, guided by IJM Land's vision of developing self-sustaining townships where living, working and leisure seamlessly converge. The Division expands its portfolio of GreenRE-Certified developments and incorporates sustainable design features across its projects. These initiatives include solar-powered compound lighting, electric vehicle charging point readiness, rainwater harvesting systems, solar panel installations and enhanced walkability features designed to encourage active and healthier lifestyles.

Economic: Doing Good Business

Rimbun Harmoni, S2

Green building certification remains a key strategy for product differentiation and sustainable value creation, with all new projects targeting a minimum GreenRE Bronze rating and an ambition for Silver or Gold where feasible. Initiatives such as the use of sustainable building materials (e.g. green concrete) and EV bikes support our ambition to achieve green building certification. In FY2026, 20 GreenRE Certificates were awarded, with 13 projects granted provisional certifications, which account for 63.9% of the total revenue, reflecting strong pipeline momentum.

Through thoughtful master planning, integrated amenities and sustainable design principles, IJM Land shapes vibrant communities that foster social connectivity, economic activity and environmental stewardship by incorporating meaningful green spaces into project planning and design, where over 10% of land area will be allocated for green zones across residential developments. This is achieved through a systematic process involving the early identification and planning of green areas, integration into master plan layouts, submission for regulatory approval and implementation in accordance with approved plans. Menara Prudential, the Group's investment property, retains its LEED Gold certification and continues to demonstrate commitment to sustainable built environments. The building is equipped with advanced energy-efficient lighting, smart metering and intelligent cooling systems, all integrated within a building management system that enables real-time energy performance monitoring.

GreenRE-Certified Projects

4 GreenRE Gold Certified Project

4 GreenRE Silver Certified Project

12 GreenRE Bronze Certified Project

Gold Rating

- Pantai Sentral Park – Enlace CO I
- Pantai Sentral Park – Enlace CO II
- Pantai Sentral Park – Enlace Suites
- The Light City – Lightwater Residences

Silver Rating

- IJM Bayouri – Ayra
- IJM Bayouri – Sales Gallery
- IJM Rimbayu – Meta Residence
- Permatang Sanctuary – Sanctuary Suria

Bronze Rating

- Alam Suria – Phase 1B
- Alam Suria – Phase 3A & 3B
- Alam Suria – Phase 4A (Sovana) & 4B
- Austin Duta – Phase 11A
- Austin Duta – Phase 11B
- Austin Duta – Phase 11C
- IJM Rimbayu – Avela
- IJM Rimbayu – Roam
- IJM Bayouri – Emeri Place
- Riana Dutamas – Stellaris
- Seremban 2 – Nexus
- Setapak – Riana Star Park Sales Gallery


Installation of Bubbledeck® slab

Industry

Beyond its strong operational and financial performance, the Industry Division continued to strengthen its role in supporting the transition towards a more sustainable built environment. As demand grows for lower-carbon infrastructure and buildings, the Division is increasingly focused on developing and supplying construction materials that contribute to improved environmental performance across the project lifecycle.

The Industry Division continues to innovate in reducing embodied carbon across its product offerings. By substituting cement with industrial by-products such as fly ash, ground granulated blast-furnace slag (GGBS) and calcium carbonate powder (CCP), alongside the use of admixtures to improve curing efficiency, the Division has reduced emissions through the reduction of steaming process and the embodied emissions of concrete. Complementing this, IJM IBS has continued to achieve success with the deployment of BubbleDeck®, an advanced precast voided slab system that eliminates non-structural concrete, reducing concrete volume by up to 40% and structural weight by up to 35% compared to conventional slabs.

In recognition of these sustainability efforts, the Division has attained several green certifications across its product range, underscoring the Division's commitment to delivering environmentally responsible building solutions that meet rigorous sustainability benchmarks across both domestic and regional markets.

Certification	Product
Singapore Green Label - Cement and Concrete Products Category 22	• ICP Piles
SIRIM Eco Labeling – Eco 033	• ICP Piles • IJM IBS
SIRIM Eco Labeling – Eco 065	• SMC Ready-mixed Concrete
MGTC MyHijau Mark	• ICP Piles • IJM IBS • SMC Ready-mixed Concrete

Innovative offerings like the BubbleDeck® slab system significantly reduce concrete consumption by using plastic voids, while high-tech power trowels produces smooth finishes that eliminates the need for secondary painting. By streamlining production and logistics, IJM IBS not only reduces its environmental footprint but also lowers the physical demands of heavy labour for its workforce while delivering high-quality, affordable housing solutions for a rapidly urbanising world. This positions the Industry Division not only as a supplier of essential construction materials, but as a strategic partner in enabling low-carbon growth, resource efficiency and climate-resilient development across the markets in which IJM operates.

Economic: Doing Good Business

Infrastructure - Toll

As a provider of mature infrastructure assets, the Toll Division delivers stable recurring revenue and cash flows while supporting safer, more efficient and sustainable mobility across key urban and regional corridors. Beyond facilitating the movement of people and goods, the Division contributes to socio-economic development through enhanced connectivity, road safety and responsible highway operations. This reflects the Group's commitment to delivering infrastructure that creates lasting economic and social value.

The Division continues to integrate sustainability into its highway operations through environmentally responsible maintenance practices, operational efficiency initiatives and community-focused programmes. This commitment was reinforced by recognition under the Malaysia Green Highway Index (MyGHI) and external accolades including the Sustainability & CSR Malaysia Awards 2025, where NPE received the Company of the Year (Highway Management) – Sustainability & Community Care Award, while LEKAS was recognised with the Company of the Year (Highway Management) – Community & Social Care Award. LEKAS was also awarded Silver in the Crisis or Issues Management category at the Malaysia Public Relations Awards 2025, recognising the Division's commitment to transparent stakeholder communication and effective public engagement. These recognitions affirm the Division's efforts to balance operational excellence with environmental stewardship, community wellbeing and responsible infrastructure management.

By integrating sustainability, safety and stakeholder engagement into its operations, the Toll Division continued to strengthen customer confidence, enhance operational resilience and reinforce its position as a trusted highway operator supporting Malaysia's sustainable development agenda. This integrated approach demonstrates how responsible infrastructure management contributes to long-term value creation for road users, communities and stakeholders.


ECRL Spur Line to Kuantan Port 2

Infrastructure - Port

The Port Division continues to strengthen Malaysia's trade competitiveness by positioning Kuantan Port as a strategic logistics gateway supporting industrial development, regional connectivity and resilient supply chains. Serving key sectors including petrochemicals, steel, energy and manufacturing, the port facilitates the efficient movement of cargo while supporting investment, trade and economic growth across the East Coast Economic Region and beyond. This reflects the Group's contribution to strengthening economic infrastructure and regional value chains.

Guided by the Green Port 2030 ambition and the Green Port Policy 2021–2030, the Division continues to integrate sustainability, digitalisation and operational excellence into its port operations. Through investments in sustainable infrastructure, operational innovation and environmentally responsible practices, Kuantan Port is enhancing service reliability, improving operational resilience and supporting customers' sustainability aspirations. This integrated approach reinforces the Port Division's role as a future-ready logistics hub that contributes to Malaysia's low-carbon transition, sustainable trade and long-term economic resilience.


Sungai Besi Expressway (BESRAYA)

INTEGRITY AND GOVERNANCE

Strong governance remains fundamental to IJM's ability to deliver sustainable long-term value and respond effectively to an increasingly dynamic business environment. In FY2026, the Group continued to strengthen its governance framework in response to evolving regulatory expectations in a rapidly changing business landscape. A good governance framework enables effective oversight, supports informed decision-making and enhances the Group's ability to manage risks and opportunities across its operations.

Guided by the Malaysian Code on Corporate Governance (MCCG), Bursa Malaysia's Sustainability Reporting Guide and the Group's governance framework, IJM upholds the highest standards of integrity, accountability and ethical conduct across its operations. Governance is embedded across the organisation through robust policies, effective oversight, conflict of interest management, anti-bribery and corruption controls, and transparent stakeholder engagement. These practices strengthen ethical decision-making, support effective risk management and sustainable value creation, and reinforce stakeholder confidence and trust.

The Board and Management continued to demonstrate leadership in fostering a culture of integrity and ensuring effective implementation of the Group's Anti-Bribery and Corruption System. Periodic corruption risk assessments continue to inform the enhancement of preventive controls and mitigation measures across business operations. This commitment to continuous improvement enabled the Group to strengthen governance maturity, promote consistency in governance practices across its operations and reinforce compliance with applicable laws, regulations and internal standards. By maintaining a proactive and adaptive approach to governance, IJM remains well positioned to uphold high standards of corporate conduct in an increasingly complex operating environment.

Anti-Bribery and Corruption Measures

IJM maintains a zero-tolerance stance towards bribery and corruption, recognising that integrity is fundamental to responsible business conduct, stakeholder confidence and sustainable long-term value creation. The Group's Anti-Bribery and Corruption System (ABCS), Code of Conduct and Ethics for Employees and Code of Business Conduct for Third Parties provide the foundation for ethical decision-making across employees, directors, suppliers, contractors and business partners. These governance frameworks reinforce accountability, transparency and ethical conduct throughout the Group's operations and value chain.

During FY2026, the Group continued to strengthen its integrity framework by enhancing governance processes, reinforcing preventive controls and promoting ethical business conduct across the organisation. Key initiatives focused on strengthening conflict-of-interest management through an enhanced digital declaration platform, improving third-party due diligence processes and reinforcing governance controls to support transparency, accountability and responsible business practices.

The Group communicates its anti-bribery and corruption policies through induction programmes, periodic awareness campaigns, internal communications, supplier engagement and mandatory acknowledgements. These initiatives included the development of interactive anti-bribery, e-learning modules, the inaugural IJM Integrity Day and ongoing employee awareness campaigns. Collectively, these efforts reinforced the Group's zero-tolerance stance on bribery and corruption while strengthening employees' understanding of their roles and responsibilities in upholding ethical business conduct.

Together, these initiatives reinforce a culture where integrity is embedded in the Group's everyday operations, guiding behaviours, decisions and business relationships. By continuously strengthening its governance practices and fostering ethical leadership, IJM not only safeguards the interests of its stakeholders but also enhances organisational resilience and long-term business sustainability. As the Group continues to evolve, integrity will remain a defining principle that underpins responsible growth, strengthens corporate reputation and supports the delivery of enduring value.

Indicator	Construction	Property	Industry	Toll	Port	Group Services	IJM India
Employees completed ABCS training	949	598	593	497	551	168	231
Percentage of completion rate (%)	100	100	100	100	100	100	100
Confirmed corruption incidents	0	0	0	0	0	0	0
Fines, penalties or settlements related to corruption	0	0	0	0	0	0	0

Economic: Doing Good Business

Dato' Lee Chun Fai, IJM GCEO & MD; Tan Sri Krishnan Tan, IJM Chairman; Datuk TPj Ahmad Nizam bin Ismail, Director of the Community Education Division of MACC, displaying the newly signed Corruption-Free Pledge

The IJM Board of Directors pledging their commitment to anti-corruption during the Group's inaugural Integrity Day on 10 December 2025, symbolising the Group's top-down commitment to transparency and high ethical standards

Conflict of Interest and Decision Integrity

IJM is committed to ensuring that all business decisions are made objectively, impartially and in the best interests of the Group. Conflict of interest management forms an integral component of the Group's overall integrity framework and supports objective decision-making at all organisational levels.

To reinforce decision integrity, the Group continued to strengthen its conflict of interest management framework through enhanced governance controls, periodic declarations and oversight by the Conflict of Interest Management Committee ("COIMC"). During FY2026, the Group reviewed and enhanced its Conflict of Interest Policy to provide clearer guidance on identifying and managing potential conflicts, while upgrading its digital declaration platform to improve tracking, monitoring and reporting. These enhancements streamlined the annual declaration exercise, strengthened accountability and promoted the timely, transparent and consistent management of conflict of interest, reinforcing ethical decision-making and responsible governance across the Group.

During FY2026, the Board exercised enhanced oversight in response to enquiries by the Malaysian Anti-Corruption Commission (MACC) involving certain individuals associated with the Group. Supported by a Special Independent Board Committee, the Board provided oversight of the Group's response, while Management extended its full cooperation to the authorities. The Board closely monitored the matter to safeguard governance and operational integrity and assess any potential impact on the Group's risk management and internal control systems.

On 24 March 2026, the Group was informed that no further action would be taken against IJM as a corporate entity, and no wrongdoing by the Group was established. The Board noted that the Group's governance, risk management and internal control systems remained effective throughout the financial year and reaffirmed its commitment to continuously strengthening the Group's governance, compliance and anti-bribery and corruption frameworks in upholding the highest standards of integrity, accountability and corporate governance.

SUSTAINABLE SUPPLY CHAIN

IJM recognises that a resilient and responsible supply chain is fundamental to operational excellence, business continuity and sustainable value creation. The Group continues to prioritise local sourcing where appropriate, supporting domestic businesses, strengthening industry capabilities and contributing to job creation, SME development and inclusive economic growth. By embedding responsible procurement practices across its value chain, IJM creates shared value for suppliers, communities and the wider Malaysian economy.

ECONOMIC

Ethics and governance

We expect our suppliers, service providers and contractors to adhere to integrity and ethical business practices as outlined in the Group's Code of Conduct and Ethics.

ENVIRONMENT

Environmental compliance

We expect our suppliers, service providers and contractors to be respectful in their interactions with the environment by adhering to all applicable environmental legislation, preventing pollution and adopting best practices in accordance with the Group's Environmental Management Systems.

SOCIAL

Health and safety

We expect our suppliers, service providers and contractors to have the necessary health and safety measures in place to minimise workplace risks and hazards.

Human rights and labour

We expect our suppliers, service providers and contractors to demonstrate their commitment to human rights standards and laws.

Supporting Robust Supply Chain

RM **4.9** billion
spent on local suppliers

5,902
suppliers and subcontractors

86%
average QLASSIC score

Against a backdrop of geopolitical uncertainty, inflationary pressures, supply chain disruptions and growing sustainability expectations, the Group continued to strengthen supplier engagement as a strategic resilience initiative. Beyond procurement, IJM collaborates with suppliers, contractors and business partners to improve transparency, enhance operational preparedness and address environmental, social and governance (ESG) priorities across the value chain. This approach strengthens the Group's ability to identify sustainability-related risks and opportunities while supporting responsible and resilient supply chain management.

Supplier engagement is guided by four interconnected priorities: ethical business conduct and governance, occupational safety and labour practices, environmental stewardship including climate-related considerations, and quality and delivery resilience. These focus areas encourage responsible business practices, strengthen supplier capabilities and support the delivery of reliable products and services that meet the expectations of customers, regulators and other stakeholders. Embedding these principles across the supply chain enhances transparency, strengthens relationship capital and reinforces long-term business resilience.

The Group views its supply chain as a strategic partnership that extends beyond commercial transactions. By fostering collaboration, responsible sourcing and continuous capability development, IJM is building a future-ready supply ecosystem that supports sustainable growth, strengthens stakeholder trust and contributes to long-term economic resilience.

CYBERSECURITY AND DATA PRIVACY

As digitalisation continues to transform IJM's businesses, cybersecurity and data privacy remain fundamental to safeguarding operational resilience, stakeholder trust and business continuity. Across the Group's Construction, Property, Industry and Infrastructure operations, digital technologies are increasingly integrated into project delivery, customer engagement, procurement and enterprise systems, reinforcing the need for strong governance over information assets and critical digital infrastructure. Protecting data and digital systems is integral to managing sustainability-related risks and maintaining stakeholder confidence in an increasingly connected business environment.

During FY2026, the Group continued to strengthen its cybersecurity framework through governance oversight, multi-layered security controls, vulnerability assessments, penetration testing and incident response preparedness. Employee awareness programmes and cybersecurity training remain key components of the Group's defence strategy, reinforcing a culture of shared responsibility and proactive cyber risk management. These measures enhance the confidentiality, integrity and availability of critical information while supporting secure and reliable business operations.

IJM views cybersecurity as an enabler of digital trust, supporting secure customer interactions, resilient operations and responsible governance. As digital platforms become increasingly embedded across the Group's businesses, maintaining stakeholder confidence depends not only on technological safeguards but also on continuous monitoring, capability building and effective governance. By integrating cybersecurity into its digital transformation journey, the Group strengthens organisational resilience, protects stakeholder interests and supports sustainable long-term value creation.

PRODUCT QUALITY AND SAFETY

Quality and safety remain fundamental to IJM's Mark of Excellence and are integral to delivering trusted products, reliable infrastructure and sustainable long-term value. Across the Group's Construction, Property, Industry, Port and Toll businesses, quality management systems are embedded throughout the project and operational lifecycle to safeguard customers, employees, communities and the environment while reducing defects, operational disruptions and lifecycle costs. This reflects the Group's commitment to operational excellence, stakeholder protection and responsible business practices.

The Group continues to uphold internationally recognised management systems, such as ISO 9001, complemented by industry-specific standards such as QLASSIC, CIDB quality requirements, port operational protocols and toll maintenance programmes. In FY2026, IJM further strengthened its "Quality by Design, Quality by Data" approach by integrating digital monitoring, automated production controls, real-time inspections and data-driven quality management to support right-first-time delivery, operational reliability and continuous improvement across its businesses. Embedding quality into planning, execution and operational oversight enhances resilience, improves stakeholder confidence and supports sustainable value creation.

As projects and operations become increasingly complex, IJM remains committed to strengthening its quality and safety culture through innovation, disciplined execution and continuous improvement, reinforcing its reputation for excellence while delivering lasting value to customers and stakeholders.

Economic: Doing Good Business

Topping out ceremony of the RTS Link ICQ Complex

Quality Monitoring Systems and Certifications

Construction Division	Property Division	Industry Division	Infrastructure Division – Port and Toll
• Operates under ISO 9001:2015 Quality Management System and ISO 45001:2018 Occupational Health and Safety • Adopts the MyIJM, IJMeDMS and site digitalisation tools (drones, sensors, CCTV) to monitor site quality and safety in real-time • All projects undergo rigorous internal quality audits and third-party verifications • Focus on buildability, design for safety and right-first-time execution to reduce rework and defects • Zero major construction defects reported in FY2026 • Health and safety KPIs embedded into project performance metrics and subcontractor evaluations • Workforce trained regularly on CIDB and OSHA-compliant safety practices	• Certified with ISO 9001:2015 and ISO 14001:2015 • All developments comply with QLASSIC and SHASSIC ratings – continuous year-on-year improvement targeted • Emphasis on quality through design efficiency, material specification and vendor compliance • Properties undergo multi- stage quality checks from raw material assessment to final handover • Reliable post-handover customer care with digital defect reporting tools and service recovery SOPs • Use of GreenRE-certified materials and smart home solutions to enhance environmental and product safety • Focus on sustainable construction to meet the expectations of increasingly EES-conscious homeowners	• Operates under ISO 9001:2015, ISO14001:2015, ISO45001:2018, SS EN206:2014 and MS1314:Part 4:2004 certified systems for precast production quality • Manufacturing plants adhere to stringent product testing, batch control and traceability procedures • Integration of IBS technology reduces on-site defects, accelerates timelines and improves safety • Materials tested regularly for strength, durability and compliance with CIDB, BS EN and MS EN standards • Digitally monitored curing chambers and automated casting methods improve consistency and reduce error margins • All personnel are regularly trained to meet CIDB and OSHA standards, ensuring safety and continuous improvement	• Ongoing maintenance of roads and port infrastructure follows planned quality control schedules • Both Port and Toll Divisions are certified with ISO 9001:2015 and ISO 45001:2018 • Safety audits conducted periodically on toll road surfaces, signages and roadside infrastructure • Customer satisfaction surveys on road conditions and safety performance help shape improvement plans • Port implements strict cargo handling protocols to ensure equipment safety and operational efficiency • Environmental safeguards to minimise contamination or safety risks at operational sites, such as drainage control emergency preparedness

CUSTOMER SATISFACTION

Customer satisfaction remains central to IJM's commitment to creating long-term value. Across its businesses, the Group seeks to deliver quality products, services and experiences that strengthen customer trust and foster lasting relationships. Customer feedback is gathered through structured surveys, digital service platforms, customer care channels, defect reporting systems and direct stakeholder engagement, providing valuable insights that support continuous improvement and informed decision-making. This reflects the Group's commitment to meaningful stakeholder engagement and customer-centric value creation.

As digitalisation continues to enhance customer engagement, platforms such as the IJM-Connex App, together with digital customer service channels and online feedback systems, provide greater accessibility, transparency and responsiveness. Through this approach, customer insights are translated into service recovery actions, operational improvements and enhancements to project delivery, quality management and customer experience. Embedding customer feedback into business decisions strengthens relationship capital, reinforces service excellence and supports sustainable long-term value creation.

Across the Group, customer insights continue to shape innovation, improve operational performance and strengthen service reliability. By anticipating evolving customer expectations and responding proactively, IJM continues to reinforce its reputation as a trusted partner while supporting long-term business resilience and sustainable growth.

FY2026 Customer Satisfaction Score

Construction
Target 80%; achieved **90%**

Property
Target 80%; achieved **86%**

Industry
Target 90%; achieved **95%**

Toll and Port
Target 80%; achieved **90%**

Economic: Doing Good Business


ICP Piles is the largest spun pile manufacturer in Southeast Asia

BRANDING AND REPUTATION

IJM's reputation has been built over decades through the successful delivery of projects, responsible governance and the creation of long-term value for customers, investors, employees, business partners and communities. As one of Malaysia's leading infrastructure and property groups, the Group recognises reputation as a strategic asset that underpins stakeholder confidence, business resilience and sustainable growth. This reflects the Group's commitment to creating long-term value through responsible business conduct, effective governance and proactive stakeholder engagement.

The Group's reputation continues to be anchored by three reinforcing strengths: proven execution of complex infrastructure and construction projects, the development of sustainable communities, and a strong governance framework founded on integrity, transparency and accountability. Together, these strengths reinforce stakeholder trust, strengthen organisational resilience and support the Group's long-term value creation objectives. This reflects the integration of governance, strategy and stakeholder interests in line with the principles of Integrated Reporting and IFRS S1.

The Group also continued to strengthen its employer brand by engaging future talent through initiatives such as the GRADUAN Aspire Career Fair 2026 and the GRADUAN Brand Awards 2026 campaign. These initiatives reflect IJM's commitment to attracting, developing and retaining talent capable of delivering projects that shape communities and drive sustainable growth. Investing in people and organisational capability remains fundamental to sustaining long-term business performance and value creation.


UOB Tower 2

StarProperty Awards 2025

The Edge Malaysia Property Excellence Awards 2025

During FY2026, the Group further enhanced its reputation as a trusted property developer through its continued focus on quality, innovation and customer-centric developments. This commitment was recognised through IJM Land's strong performance at the StarProperty Real Estate Developer Awards 2025, where it was ranked among Malaysia's leading listed property developers. Such recognition reflects market confidence in the Division's ability to consistently deliver high-quality developments while reinforcing the Group's broader brand and reputation capital. Beyond awards and industry recognition, the Division's success is measured by its ability to create enduring value for homeowners, investors and communities through developments that balance commercial viability with sustainability considerations.

Environment: Our Environmental Stewardship

We believe that operating responsibly means caring for the environment as conscientiously as we care for our people and our business. Across our operations, we are committed to reducing our environmental footprint, extending good environmental practices beyond our own operations, and playing an active role in preserving the natural world for generations to come.

Saujana Duta, Seremban 2

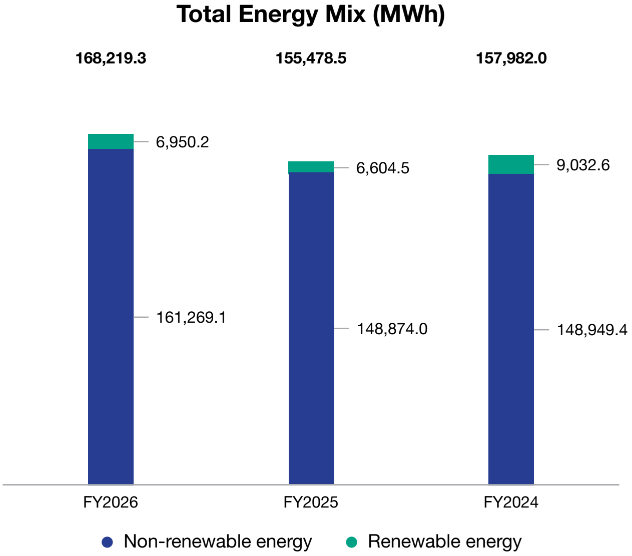
Environment: Our Environmental Stewardship

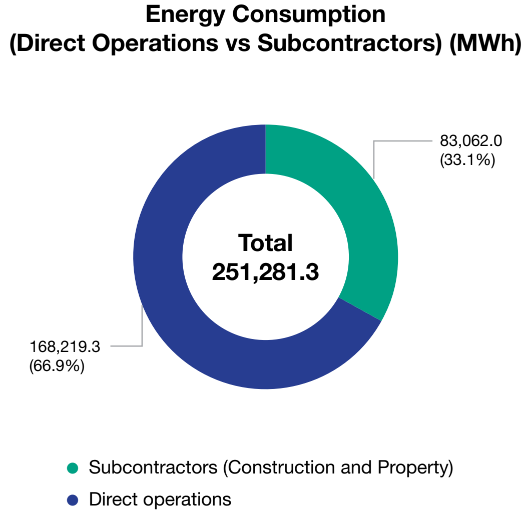
We recognise our fundamental dependency on the environment. Guided by our Environmental Policy, we maintain robust procedures to identify environmental risks and implement effective controls, spanning energy consumption, water use, pollution prevention and waste management. These measures are reinforced through regulatory compliance and industry best practices, ensuring our operations are conducted responsibly and with care for the natural environment.

MANAGING OUR ENVIRONMENTAL IMPACTS

Energy Management

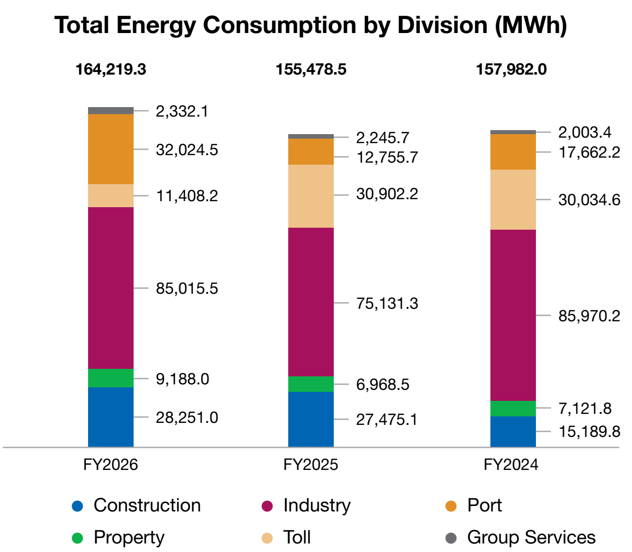
Aligned with our R_2O strategy, we remain committed to advancing energy optimisation by enhancing efficiency and reducing reliance on fossil fuels. In FY2026, our total energy consumption was 168,219.3 MWh, which is an 8.2% increase compared to last year. 83,062.0 MWh was consumed by subcontractors at project sites.





Note:

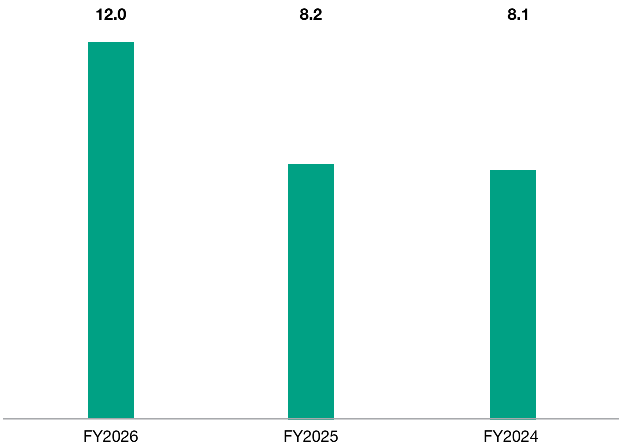
- Renewable energy: Energy consumption from renewable sources generated from own solar PV panels.
- Non-renewable energy: Energy consumption from non-renewable sources such as petrol, diesel, natural gas and conventional electricity purchased from the grid.
- Energy consumption presented in the Total Energy Mix only includes direct operations.




Solar PV panels installed at the Seremban 2 Sales Gallery

Our renewable energy generation capacity has grown to 12.0 MWp through the installation of solar PV systems across project sites, factories and highways, with four newly installed solar PV panels in ICP Bestari Jaya, IBS Factory, IJM Land Centre of Excellence ("ICE") Gallery and Seremban 2 Sales Gallery. Renewable sources accounted for 6,950.2 MWh, or 4.1% of total energy consumption. Having installed solar PV panels on almost all of our rooftops, we are actively exploring complementary mechanisms to reduce our Scope 2 emissions, as discussed in the Sustainability Statement (Part A) on page 152.

Total Solar Generation Capacity (MWp)



IJM Group Total Energy Consumption by Division (MWh)

	FY2026	FY2025	FY2024
Total Energy Consumption	**168,219.3**	**155,478.5**	**157,982.0**
Construction	28,251.0	27,475.1	15,189.8
Property	9,188.0	6,968.5	7,121.8
Industry	85,015.5	75,131.3	85,970.2
Toll	11,408.2	12,755.7	17,662.2
Port	32,024.5	30,902.2	30,034.6
Group Services	2,332.1	2,245.7	2,003.4

Beyond expanding renewable energy capacity, we continue to strengthen our energy reduction efforts through energy-efficient technologies and passive design strategies across our operations and building designs. In FY2026, these combined efforts have contributed to improved energy performance, lower operational costs and progress toward our broader decarbonisation goals.


Solar PV panels installed at the new ICP Bestari Jaya factory

Environment: Our Environmental Stewardship

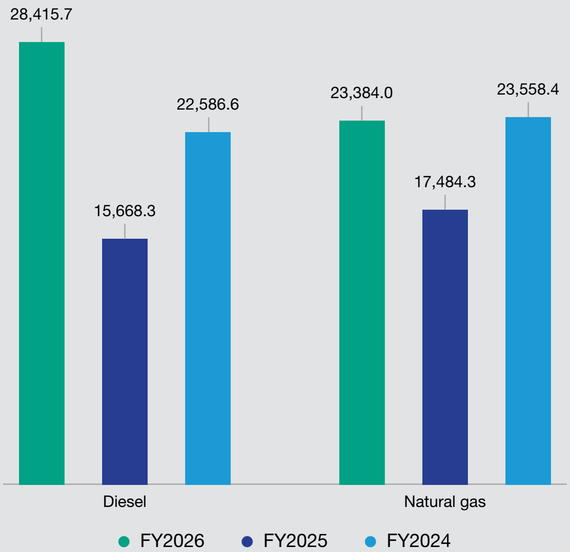
Zero-Steaming Programme to Reduce Reliance on Fossil Fuels

Since FY2024, the Industry Division has made good progress in implementing the zero-steaming programme to reduce reliance on the energy-intensive boiler steaming process in spun pile manufacturing, specifically for diesel-powered boilers. This has contributed to a 12.0% reduction in diesel consumption intensity for boilers in FY2026 compared to FY2025.

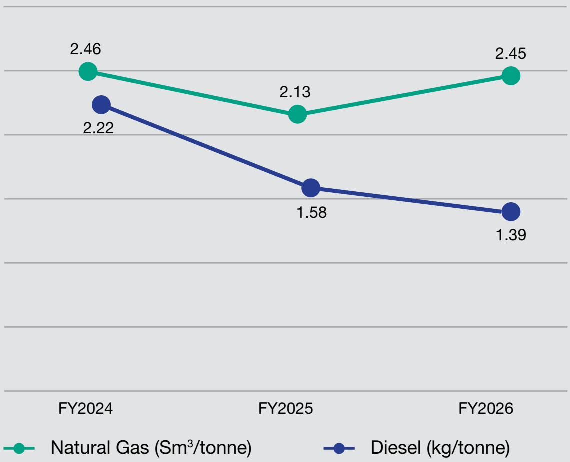
The increase in overall diesel (81.4%) and natural gas (33.7%) consumption in FY2026 compared to FY2025 was primarily driven by higher production output. Natural gas intensity increased over the same period due to urgent production requirements for certain piles, while diesel intensity continued to improve.

Building on this progress, the newly operational ICP Bestari Jaya Factory is designed for zero-steaming of spun pile production and eliminating fossil fuel used in the curing process entirely and setting a new benchmark for sustainable manufacturing. For more information on Zero-Steaming Programme, please refer to Sustainability Statement (Part A), page 152.

Fuel Consumption by Type (MWh)



Fuel Consumption Intensity (Consumption/Production Tonnage)



ICP spun piles produced using zero-steaming method

Water Management

IJM remains committed to using water as efficiently as possible across all operations. In FY2026, the Group's total water withdrawal was 1,325,082.5 m³, which represents an increase of 13.0% compared to the prior year, driven primarily by increase at the Property Division.

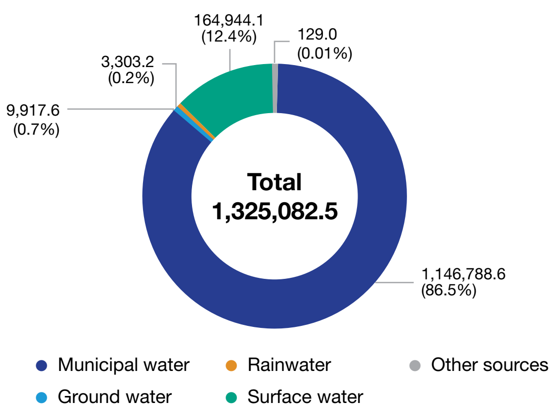
We enforce effective control measures to ensure compliance with applicable water quality and quantity permits, standards and regulations. Notably, in FY2026, there were no recorded instances of non-compliance with water quality standards. Where discharge volumes are significant, water treatment facilities are installed to manage wastewater in adherence to both regulatory and voluntary environmental standards. At sites with lower discharge volumes, conventional methods such as silt traps and sedimentation ponds are employed. Where feasible, treated water is recycled and reused across project sites and manufacturing facilities.

To reduce our reliance on ground, surface and municipal water sources, we continue to collect rainwater across our Property, Industry, Toll and Port Divisions.

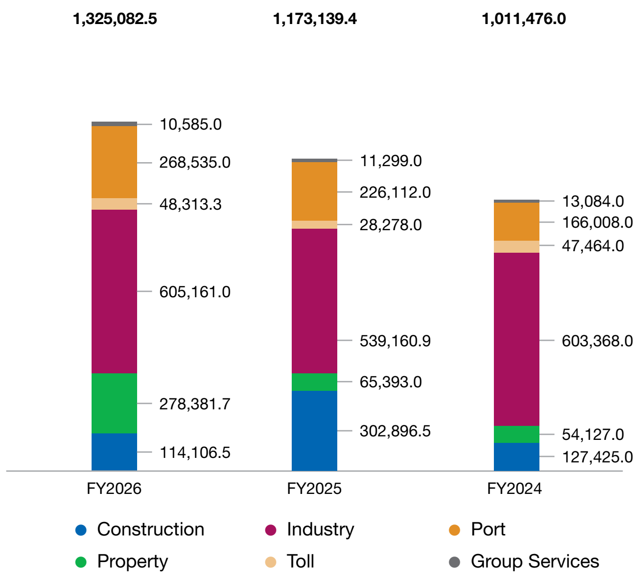
In FY2026, we harvested 3,303.2 m³ of rainwater for non-potable uses. Industry Division continues to thoughtfully integrate water management systems into their sites through installing 2-Star Rated Water Efficient Products Labelling Scheme (WEPLS) water fittings, and dedicated rainwater harvesting systems in certain factories. In ICP Bestari Jaya factory, rainwater harvesting and water-efficient fittings help conserve water and support landscape irrigation, while a water recycling pond collects and treats used water for reuse.

In Toll Division, we continue to implement rainwater harvesting to support non-potable use such as cleaning the New Jersey barrier, watering landscaping areas and general site cleaning. At Kuantan Port, we have continued our collaboration with tenants to enhance water efficiency through the reuse of treated water, where in FY2026, we optimised our consumption by reusing 30,570.0 m³ of water, achieved through the strategic collection of surface water and the recycling of treated water from our tenants.

Total Water Consumed by Type (m³)



Total Water Consumption by Division (m³)

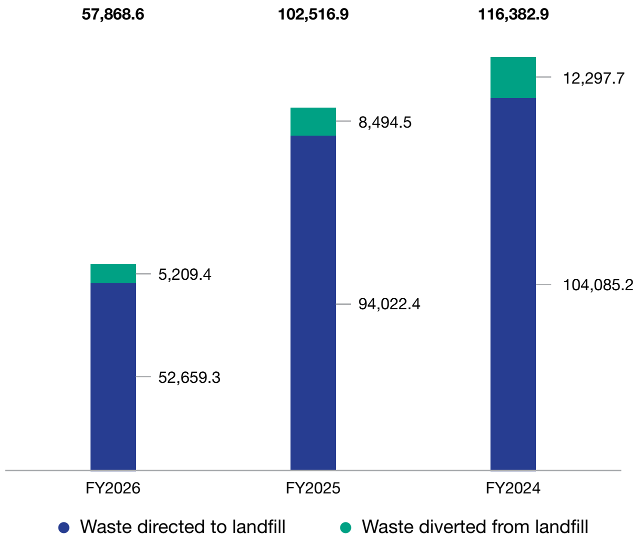


Environment: Our Environmental Stewardship

Material and Waste Management

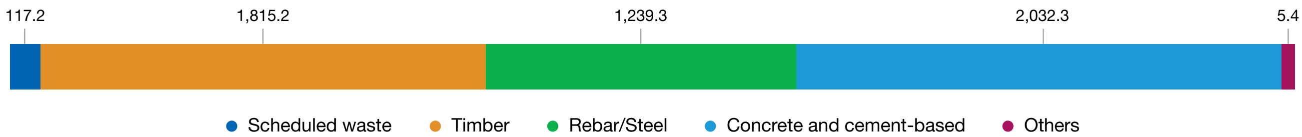
The Group recognises that our operations across our businesses generate a range of waste streams. Managing these responsibly is a core commitment, and we aim to reduce, reuse and recycle waste wherever feasible, while complying with applicable local waste regulations and striving to go beyond minimum compliance thresholds. Waste reduction also forms a key pillar of our climate strategy, directly contributing to our Scope 3 emissions reduction goals, which we pursue through enhanced process efficiency and the progressive adoption of circular economy principles. The waste we generate stems directly from the physical nature of our activities and spans our own operations as well as our broader value chain.

Total Waste Generated (Tonnes)



Across the Group, we implement proactive measures to minimise waste directed to disposal by prioritising recycling and reuse across our operations, where feasible. Non-scheduled waste is segregated at source, with dedicated collection zones established at all sites, and licensed contractors are engaged for disposal and recycling at certified facilities. Where feasible, construction waste is reused on-site. For example, crushed concrete debris is repurposed to reinforce temporary road access at project sites, reducing the need for new materials. In FY2026, a total of 57,868.6 tonnes of waste were generated and 9.0% diverted from disposal through recycling, reuse and on-site and off-site treatment initiatives. The types of waste diverted from disposal include waste reused, recycled, scheduled waste and e-waste sent to licensed treatment facilities by licensed contractors.

Waste Diverted from Landfill by Type (Tonnes)



The Construction Division continues to implement its Waste Reduction Framework that was introduced in FY2023, which systematically guides the management and reduction of solid waste across construction operations. Beyond our own sites, the Division extends this commitment through industry-academia collaboration, engaging the next generation of practitioners on themes of sustainability and recycling in construction.

IJM x ICEUMSC Case Study Competition 2026 under the theme "Sustainability & Recycling in Construction"

BubbleDeck® Technology to Reduce Raw Material Usage

IJM IBS has advanced sustainable construction through the deployment of BubbleDeck®, an innovative voided precast slab system that eliminates non-structural concrete. The system reduces concrete volume by up to 40% and structural weight by up to 35%, while enhancing load-bearing capacity. This results in lower foundation demands, reduced transportation costs and a smaller overall environmental footprint which delivers a lighter, stronger and more resource-efficient alternative to conventional slab construction.

In addition, IJM IBS champions sustainable product stewardship by leveraging Industry 4.0 to achieve a waste level of less than 1%. This efficiency is driven by precision automation and a Digital Factory model, integrating Building Information Modelling (BIM), Enterprise Resource Planning (ERP) and Manufacturing Execution System (MES) software to ensure 100% transparency and optimal resource planning.


BubbleDeck® slab system by IJM IBS

Pollution Management

IJM is committed to preventing air, noise, waste and water pollution across our operations. In FY2026, all divisions have maintained ISO 14001:2015 Environmental Management Systems certification, covering 100% of our operations in Malaysia. Our Group's Health, Safety and Environment (HSE) Management System guides the implementation of Environmental Management Procedures and Operation Specific Plans, enabling us to identify, evaluate and mitigate pollution risks while minimising our impact on the environment and surrounding communities.

To manage erosion and sedimentation, we employ groundcover, turfing, vegetation and hydroseeding, alongside temporary dams, silt traps and fences check to protect water sources. Noise and vibration are continuously monitored on-site, with vibration meters at quarries ensuring compliance with the Environmental Quality Act 1974. Air pollution is managed through ongoing site inspections, dust barriers, fog cannons, washing bays, road sweepers and water trucks at our port and construction sites.

At one of the Industry Division ICP factories, a Zero Liquid Discharge (ZLD) system is utilised to manage wastewater generated from production processes containing highly alkaline water and suspended solids. The closed-loop recycling system treats and recovers wastewater for reuse within the factory, significantly reducing freshwater consumption and eliminating industrial effluent discharge to the environment. This approach helps ensure compliance with the Environmental Quality (Industrial Effluent) Regulations 2009 and reinforces our commitment to safeguarding the quality of surrounding water bodies. In FY2026, there were no major incidents or penalties due to spillage.

Environment: Our Environmental Stewardship

ENVIRONMENTAL STEWARDSHIP IN OUR VALUE CHAIN

Our most significant environmental footprint does not end at our fenceline. It extends across the entire value chain, from the raw materials sourced by our suppliers to the buildings and infrastructure we deliver to our clients and communities. We also recognise that meaningful environmental action cannot be achieved in isolation. Decarbonising our value chain requires collective effort with our suppliers, partners, clients and the broader industry moving in the same direction.

Our R_2O Strategy dedicates a pillar specifically to Supply Chain Advocacy, Industry Engagement and Product Stewardship. Through this pillar, we work to influence and collaborate beyond our operations, embedding sustainability expectations upstream and downstream and driving systemic change across the sectors we operate in. For IJM, this means engaging our supply chain, rethinking material choices and progressively expanding the boundary of our emissions accounting.

Scope 3 Emissions

Scope 1 and Scope 2 emissions are disclosed in Part A of the Sustainability Statement, in accordance with the mandatory ISSB requirements, which can be found on page 160. Disclosure of Scope 3 emissions is voluntary at this stage, as IJM exercises the available transitional relief.

Addressing Scope 3 is increasingly central to credible climate action. Investors, clients, and regulators are placing greater scrutiny on value chain emissions as they recognise that net zero commitments must account for more than what happens within a company's own walls. As such, IJM has set a Scope 3 target to guide our decarbonisation journey across the value chain.

Scope 3 Target	
Category 4, 5 and 6: Net-zero by 2050	Category 1: Engage with supply chain for low-carbon plans by 2027

Emissions under this scope include all other indirect emissions generated across our value chain that accounted for 95.0% of our total emissions. For FY2026, we have collated data for 8 out of the 15 categories under Scope 3 in the table below.

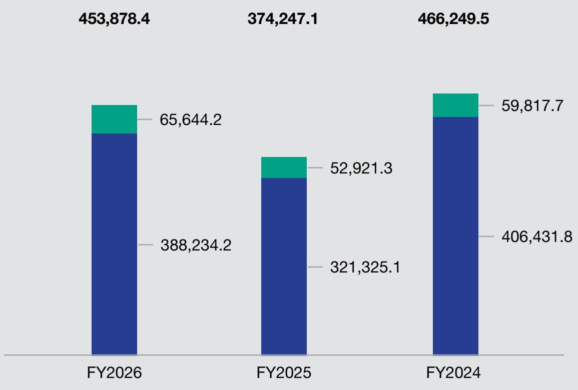
IJM Group Scope 3 GHG Emissions by Categories (tCO_2e)

	FY2026	FY2025	FY2024
Total GHG Emissions Scope 3	**920,077.7**	**1,006,339.7**	**837,683.9**
Category 1 – Purchased Goods and Services	885,941.3	957,053.5	828,064.2
Category 4 – Upstream Transportation and Distribution	6,876.9	5,438.3	1,237.5
Category 5 – Waste Generated in Operations	6,473.7	6,901.6	6,889.9
Category 6 – Business Travel	3,646.1	7,872.0	6,073.1
Category 7 – Employee Commuting	4,532.7	4,535.6	4,817.3
Category 11 – Use of Sold Products	2,247.6	2,394.4	983.3
Category 13 – Downstream Leased Assets	5,909.0	20,244.1	17,781.2
Category 15 – Investments	4,450.4	1,900.4	1,838.4

Reducing Scope 3 Emissions via Cement Substitution

Carbon emissions from cement consumption constituted approximately 47.8% of the Group's total Scope 3 GHG emissions in FY2026. The Industry Division made notable progress by increasing the substitution of cement with non-cementitious alternatives to 14.5%, an increase from 14.1% in FY2025 and 9.1% in FY2023. This initiative led to emissions avoidance of 56,098.6 tCO_2e compared to total emissions without cement replacement. This avoidance is equivalent to approximately 9.2% of the Industry Division's total Scope 3 emissions and 6.0% of the Group's total Scope 3 emissions.

Cement Consumption by Industry Division (Tonnes)



Value Chain and Industry Engagement

To further strengthen the accuracy and transparency of our environmental reporting, we have continued to deepen our engagement with suppliers to obtain product-specific emission factors and pinpoint high-impact opportunities for decarbonisation across the value chain. In FY2026, we have obtained an Environmental Product Declaration (EPD) from one of our main suppliers, enabling us to apply a product-specific emission factor to the corresponding purchased product. Through sustained collaboration with our supply chain partners, we aspire to integrate actual product-specific data into our reporting framework, enhancing data quality, reinforcing the comprehensiveness of our climate-related disclosures, and advancing our broader decarbonisation agenda.

We recognise that embedding responsible supply chain practices requires meaningful collaboration and open dialogue with our suppliers. Building on this commitment, we have incorporated sustainability-related considerations into our supply chain evaluation process, laying the groundwork for a more structured and accountable approach to supplier sustainability over time. In FY2026, 170 new suppliers were screened using environmental criteria.

Product Stewardship

We continue to strengthen our commitment to sustainable building and construction principles, driving environmentally responsible developments and fostering the creation of resilient communities. Across the Group, we are advancing our efforts to minimise the environmental footprint of our developments by embracing green materials, sustainable design solutions and progressive construction methods. The Group's investment property, Menara Prudential retains its LEED Gold certification and continues to demonstrate our commitment to sustainable built environments. The building is equipped with advanced energy-efficient lighting, smart metering and intelligent cooling systems, all integrated within a building management system that enables real-time energy performance monitoring.

In line with this commitment, our divisions have continued to pursue green credentials across their respective businesses. The Property Division ensures that all new developments are certified GreenRE Bronze at a minimum, embedding sustainability considerations from the design stage onwards. The Construction Division has been securing new order book wins that are designed in accordance with green certification requirements, reflecting growing market demand for sustainable construction solutions. Meanwhile, the Industry Division continues to obtain green certification for its products, reinforcing the Group's holistic approach to sustainability across the value chain.

Further information can be found on the Pursuing Green Credential section on pages 187 to 190 of this Statement.

Environment: Our Environmental Stewardship

NATURE STEWARDSHIP

Biodiversity

Our environmental responsibilities extend beyond our operations to the ecosystems and communities around us. In response, we are committed to minimising our ecological footprint by protecting sensitive habitats and integrating biodiversity safeguards into project design and execution.

In FY2026, Industry Division's ICP Lumut Factory collaborated with QUEST International University (QIU) and Majlis Perbandaran Manjung (MPM) to organise the "Seed of Sustainability: Mangrove Tree Planting Drive" Programme at Changkat Keruing, Ayer Tawar, Perak, on 31 January 2026. Through this initiative, a total of 1,000 mangrove saplings were planted to support the restoration of mangrove ecosystems while promoting environmental awareness and encouraging active community participation in conservation efforts.

As part of our commitment to biodiversity conservation and community engagement, Kuantan Port commemorated World Maritime Day through a Biodiversity Conservation Programme at Pantai Chendor, engaging more than 200 volunteers from local universities, community organisations and the port workforce. The initiative included the planting of over 3,000 mangrove trees, a beach clean-up that removed 241.7 kg of marine debris, and the release of approximately 100 turtle hatchlings, helping to restore coastal ecosystems while raising awareness of the importance of biodiversity conservation.

Following the completion of a biodiversity assessment last financial year, which covered terrestrial and aquatic ecosystems adjacent to Sebana Cove Resort and its surrounding areas, the Property Division continued to advance its master plan review with ecological considerations. Where feasible, the assessment's recommendations will be incorporated into planning and design decisions, with fuller integration anticipated upon the master plan's finalisation. This nature-sensitive approach to planning reflects a broader evolution in how Property Division conceives its developments.

Pantai Sentral Park Integrating Community, Wellness and Nature

At Pantai Sentral Park ("PSP"), the master plan has been redrawn to prioritise community-led, mixed-use environments that respond to how people live, including the integration of wellness and green spaces as core components rather than afterthoughts. Bordering the 200-acre Bukit Kerinchi Forest Reserve, the development exemplifies our ambition to create places where the natural environment is not merely preserved at the margins, but integrated into the fabric of the community. In addition, there will be a network of walkways and bike paths connecting every development within PSP, which is called the Ribbon of Life. Enlace Urban Park, which is inspired by a Japanese garden, will be a placemaking venue where community building activities can be held.

This approach underpins the Property Division's broader development philosophy: that long-term value is created by integrating environmental, social and community considerations into the planning and design of our developments from the outset.


The Enlace Urban Park inspired by a Japanese garden linked to the Bukit Kerinchi Forest Reserve

Social: Empowering Our People and Communities

Operating across diverse businesses, our ability to deliver sustainable outcomes is also intrinsically linked to the wellbeing of our workforce, the resilience of our supply chain and the trust we build within the communities we serve.

IJM joins the classroom for Teach for Malaysia week

Social: Empowering Our People and Communities

Delivering long-term sustainable value requires us to uphold responsible and ethical business practices that support employee wellbeing and development, prioritise occupational safety and health, protect human rights, strengthen community resilience and foster inclusive socioeconomic growth across the areas in which we operate.

OVERVIEW OF SOCIAL SUSTAINABILITY APPROACH

Defining Social Sustainability at IJM

In FY2026, we continued to strengthen our commitment to social sustainability as a core pillar of long-term value creation. To ensure that our efforts align with our strategic objectives, our approach includes clear policies and procedures, frameworks, initiatives and regular assessments.

The Group's social priorities are anchored on four material topics, Employee Engagement and Development, Health and Safety, Human Rights and Community Investment.

We are further guided by internationally recognised frameworks and standards, including the principles of the International Labour Organisation (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Business for Societal Impact (B4SI) Framework.

Social Topics	Policies
Employee Engagement and Development	Diversity and Inclusion Policy Board Diversity Policy
Health and Safety	Occupational Safety and Health Policy
Human Rights	Human Rights Policy Code of Conduct and Ethics for Employees Code of Business Conduct for Third Parties Whistleblowing Policy Privacy Policy
Community Investment	Community Investment Policy

Our Social Performance

As social expectations and regulatory landscapes continue to evolve, IJM remains committed to embedding social sustainability considerations into decision-making processes across the Group. Throughout FY2026, the Group remained focused on achieving our social efforts.

Social Topics	Performance Indicator	FY2026	FY2025	FY2024
Employee Engagement and Development	Group employee turnover rate (%)	12.7	15.0	12.3
	Minimum training hours	16	16	16
Health and Safety	Fatalities across the Group for employees and subcontractors	1	Zero	2
Human Rights	Confirmed incidents on human rights violation	Zero	Zero	Zero
Community Investment*	Contribute 1% of profit after tax and minority interests (PATMI) (%)	92.6	1.0	0.7

*Data covers Malaysia operations.

EMPLOYEE ENGAGEMENT AND DEVELOPMENT

People are the foundation of IJM's long-term value creation. Underpinned by the Group's Employer Value Proposition of "Empowering Talent, Expanding Possibilities", our People Strategy connects every employee to a sense of purpose that extends beyond their individual role, supported by structured pathways for career growth, a reimagined approach to how and where work gets done and a recognition framework that values contribution at every level.

Together, these pillars reflect a people-centred philosophy in which trust, opportunity and support are the conditions through which individuals thrive and through which IJM builds a workforce that is engaged, resilient and future-ready.

Our pulse as an employer is anchored in four pillars: purposeful work, enabled growth, a co-created work experience and meaningful recognition. Together, these pillars form the heartbeat of our culture, empowering our people and fueling performance, innovation and long-term success.

Sense of Purpose

Growth and Development

Work Reimagined

Reward and Recognition

Representatives from the Industry Division receiving multiple accolades at the HR Asia awards ceremony

Prestigious Employer Branding Awards

The Industry Division received five HR Asia and two Malaysian Institute of Human Resource Management (MIHRM) awards in FY2026, including *Best Companies to Work for in Asia, Most Caring Company, DEI Award, Sustainable Workplace Award* and the *Tech Empowerment Award.* Toll Division's BESRAYA highway was recognised as *Employer of Choice* at the 25th Malaysia-International HR Awards.

Property Division's regional workforce coming together to enhance team synergy

Team Building

Team building programmes provide employees the experiences to develop collaborative skills and strengthen interpersonal bonds. The Property Division's MOJO 2.0 regional team building programme at various locations across the regions, attended by over 170 employees, shows the social capital investment in our workforce.

Social: Empowering Our People and Communities

Workforce Profile and Composition

With a geographically and operationally diverse workforce across Divisions and subsidiaries in Malaysia and India, the Group's human capital base spans professional, technical, operational and administrative functions, reflecting the multi-disciplinary nature of an integrated business model.

Our workforce composition includes employees at all levels of seniority, from junior executives and site personnel to middle management, senior leadership and the Group's C-suite. The Group's operations also include a significant proportion of skilled and semi-skilled workers engaged in construction and industrial manufacturing activities.

As of 31 March 2026, IJM Group had **3,600** employees

FY2025: 3,603
FY2024: 3,502

74.5% permanent full-time employees

FY2025: 71.3%
FY2024: 75.6%

25.5% contract full-time employees

FY2025: 28.7%
FY2024: 24.4%

IJM Group Workforce by Ethnicity

58.9% Bumiputera
FY2025: 57.0%
FY2024: 53.9%

24.9% Chinese
FY2025: 25.8%
FY2024: 23.7%

6.3% Indian
FY2025: 6.2%
FY2024: 6.3%

0.2% Others
FY2025: 0.3%
FY2024: 0.3%

9.7% Non-Malaysian: Indian and Chinese nationals
FY2025: 10.7%
FY2024: 15.8%

IJM Employees by Gender

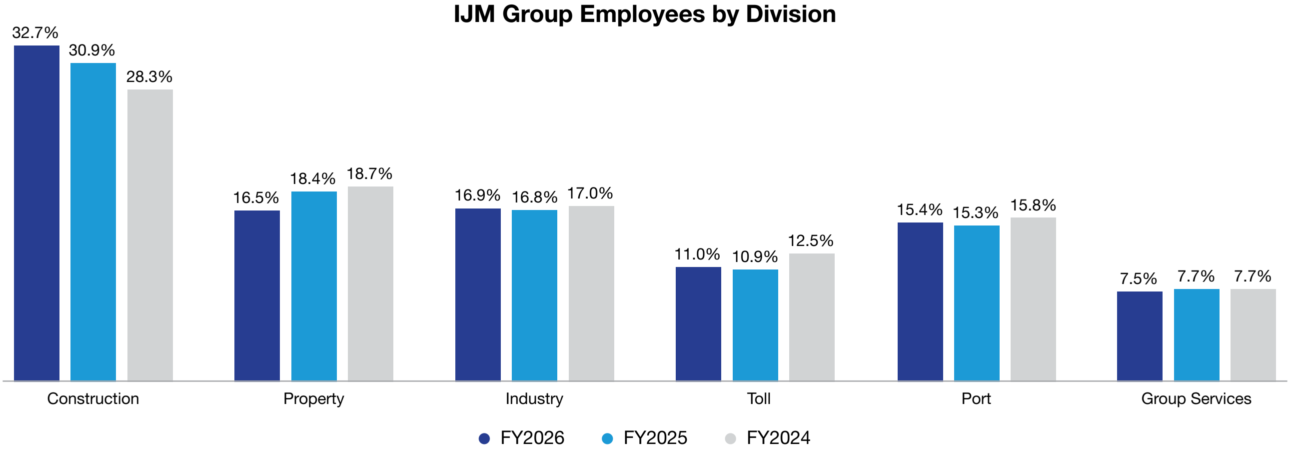
66.4% Male
FY2025: 66.3%
FY2024: 68.5%

33.6% Female
FY2025: 33.7%
FY2024: 31.5%

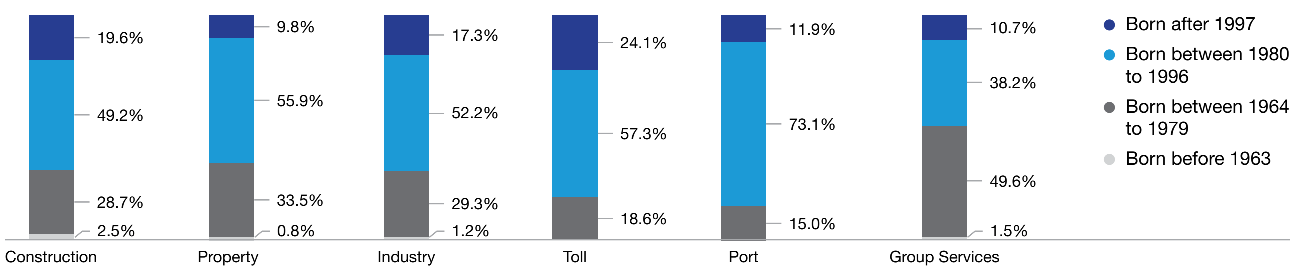
IJM Employees with Disability

0.1% Employees
FY2025: 0.1%
FY2024: 0.1%

IJM Group Employees by Division



IJM Group Employees by Generation as at 31 March 2026



A selection of initiatives that shaped the IJM employee experience in FY2026:

Employees at a Group-wide engagement booth exploring the newly launched Workvivo platform

Digital Engagement

Workvivo was launched in August 2025 as IJM's central employee communications platform with engagement booths across the Group, onboarding employees at every level onto the Group's new digital engagement platform. The platform consolidates company news, divisional updates, collaborative spaces and resource libraries into a single accessible environment available via desktop and mobile.

Chinese New Year celebration at Wisma IJM with Dato' Lee Chun Fai, GCEO & MD

Festive Celebrations

The festive celebrations held across the Group brought employees across ethnic and religious communities together for shared cultural experiences, including *yee sang* tossing, *iftar* gatherings and festive performances.

The Port Division celebrates team engagement and family unity at Family Day 2025

Culture and Community

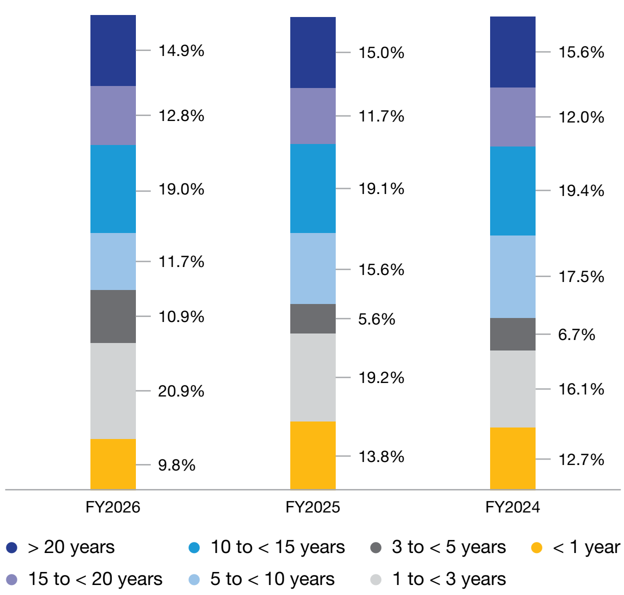
The Port Division's Family Day 2025 at Swiss Garden Beach Resort united approximately 800 employees and their families across four sports houses. The inaugural *Challenge Trophy* was introduced, reflecting the Division's commitment to competitive team engagement that extends beyond the workplace.

Social: Empowering Our People and Communities

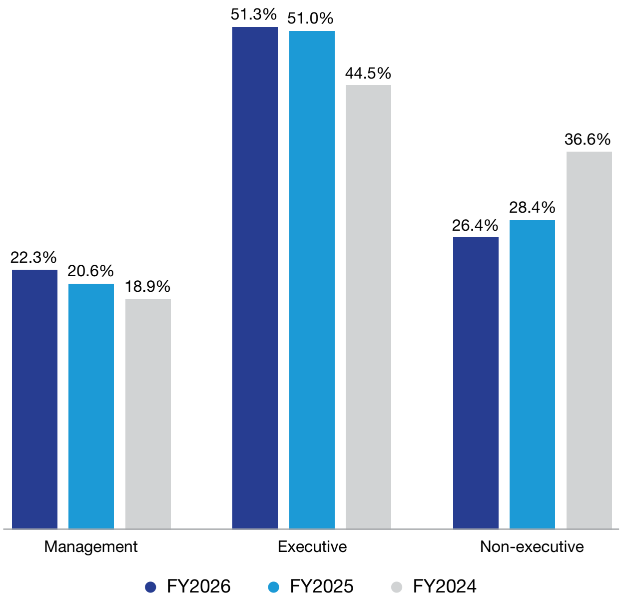
Talent Attraction, Retention and Succession Planning

The Group adopts an integrated talent strategy that combines employer branding, graduate talent pipeline development, structured career pathways and performance-based recognition to build a sustainable talent pipeline, enhance employee development and support long-term organisational capability.

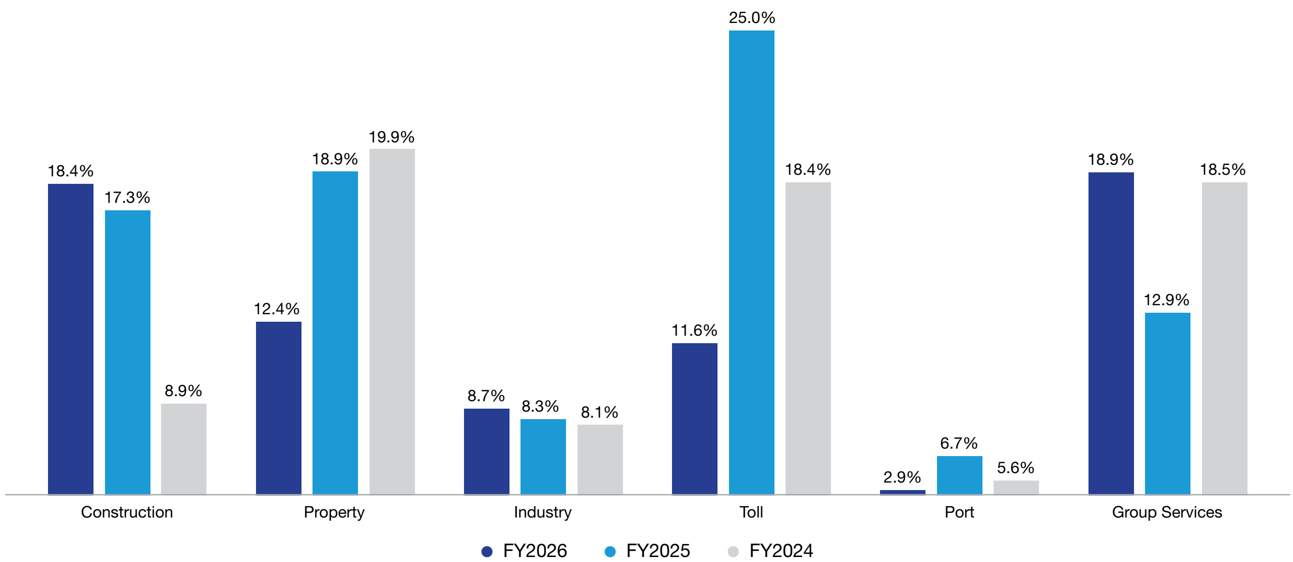
IJM Group Workforce by Length of Service



IJM Group New Employee Hires by Employment Category



IJM Group Turnover Rate by Division



Our compensation and benefits framework is designed to support employees at every stage of their employment. Covering both permanent and contract employees, these benefits focus on key areas that contribute to a better quality of life.

Compensation and Benefits

- Performance-based bonuses
- Group term life and personal accident coverage
- Parental leave allocation that exceeds the minimum legislation requirement
- Additional employer contribution to the Employees Provident Fund
- Staff purchase discount for IJM residential properties
- Outpatient and inpatient medical coverage
- Annual leave allocation that exceeds the minimum legislation requirement
- Annual leave, blocked leave, marriage leave, parental leave, family care leave, bereavement leave, medical leave, hospitalisation leave, prolonged illness leave, study and examination leave and compassionate leave
- Medical health screening, medical vaccination, dental and optical, Traditional Chinese Medicine (TCM), chiropractic and mental health treatments
- Flexible working hours, flexible lunch hours (based at office), two Saturdays off (for on-site employees) and overtime
- Business travel reimbursements and business-related claims
- Car park facility, retirement benefits, long service award and IJM academic excellence award

Undergraduate interns immersed in professional development opportunities across our diverse business operations

Graduate and Early Career Pipeline

Consistent investment in early-career engagement programmes, such as the internship programme, is designed to bridge academic knowledge with practical, on-site exposure, placing young talents across Divisions for hands-on technical and professional development.

Recognising multi-decade contributions from dedicated employees at the Long Service Award, held during the Annual Dinner 2025

Employee Recognition and Retention

The Group's *Long Service Award* institutionalises the recognition of multi-decade employee contributions, building a culture of pride and continuity across the organisation while the IJM Academic Excellence Award recognises outstanding results achieved by employees' children across SPM, STPM and A-Level examinations, extending the Group's commitment to investing in the broader success of our employees' families.

Social: Empowering Our People and Communities

Employee Engagement and Feedback Mechanisms

The Group recognises that sustained engagement requires consistent investment in feedback mechanisms, inclusive leadership behaviours and forums that give employees visibility of and a voice in the organisation's direction.

IJM's multi-channel employee engagement framework is designed to ensure that communication flows both top-down and bottom-up across the organisation. Insights derived from these channels informed targeted interventions aimed at improving workplace satisfaction, retention and productivity.

FY2026's SMF convened 455 managers and senior leaders from across the Group under the theme "Next Level Growth, New Frontiers"

Property Division ensuring project-level updates and quality benchmarks match Group-level strategic direction

Senior Management Forum

The annual Senior Management Forum ("SMF") serves as the Group's primary platform for strategic alignment, providing leaders from all Divisions and operations with an opportunity to align on organisational transformation and encourage talent through active participation, dialogue and visibility across Divisions.

Regional Alignment Forums

The Property Division's Regional Alignment Forum series addresses company-wide strategic direction, project-level updates, quality and operational excellence priorities and sustainability roadmap progress, ensuring that leaders and managers at all levels of the Divisions understand and are aligned with Group-level priorities.

Port Division's senior management engaging with employees at their annual townhall

The Industry Division's Coffee Session, conducted across factories in Malaysia, including Klang, Kapar, Nilai, Senai, Ulu Choh and the headquarters, Wisma Annexe

Townhalls and Open Dialogue Forums

The two-way nature of these internal sessions include the sharing of strategic updates by management, question and answer segments and post-session feedback reviews by junior and senior employees alike.

Diversity, Equity and Inclusion

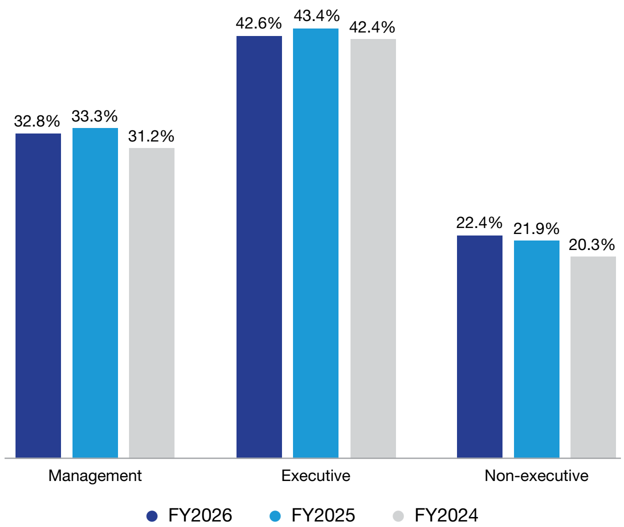
The Group recognises that an inclusive workplace, one that values diverse perspectives, ensures equitable access to opportunity and creates a sense of belonging for all employees, is both a social responsibility and a source of competitive advantage.

Women at Work

In FY2026, women made up 33.6% of our workforce where 32.8% of our management positions were held by women, ensuring diverse voices are part of our decision-making processes, while inspiring other women to pursue advancement opportunities within the Group.

We had four women Directors representing 36.4% of the Board composition, meeting the 30% women Director threshold recommended by the Malaysian Code on Corporate Governance (MCCG). Further details of our Board Diversity are covered under the Corporate Governance Overview Statement of this Annual Report on page 108.

IJM Group Women Representation by Employment Category



Distinct honours for the Industry and Toll Divisions reflecting the Group's commitment to progressive workplace culture

A special tribute to the inspiring women shaping the success and growth of the Group

Diversity Recognition

The Industry Division won the *Diversity, Equity and Inclusion Award* and *Sustainable Workplace Award* from HR Asia and *Diversity in Employment Award* from MIHRM. Ts. Hajah Wan Salwani Wan Yusoff, CEO of the Toll Division, received the HR Champion Award at the 25th Malaysia-International HR Awards, recognising her role in building a purpose-driven, people-centred workplace.

International Women's Day 2026

In conjunction with International Women's Day 2026, we launched curated learning sessions and organised gift-giving in recognition and acknowledgement of the impact that women employees make across operational and functions of the Group.

Social: Empowering Our People and Communities

Learning and Leadership Development

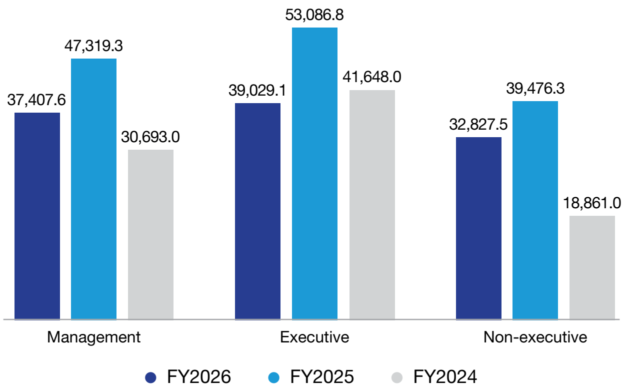
Employee development initiatives at IJM addresses both current operational needs and future industry demands. The Group adopts a layered approach to learning and development, combining classroom learning, experiential on-the-job development and applied project-based challenges to ensure that development is both theoretically grounded and practically relevant.

Employees are required to complete a minimum of 16 learning hours in a year. In FY2026, we invested RM2.2 million on our employees' learning and development, clocking more than 109,000 training hours.

Training programmes continued to focus on foundational engineering excellence, project management and compliance, while expanding into digital construction and sustainability. To build modern technical capabilities, we also launched targeted Artificial Intelligence (AI) courses, such as Unlocking AI Potentials, Ethics in the Age of Generative AI, Practical AI Tools for the Modern Workplace, Leveraging Excel Advanced with Co-Pilot and a two-part series on Office Productivity Using Generative AI.

This phased integration of emerging technology and sustainability modules illustrates our iterative approach to workforce capability development, ensuring our talent evolves alongside industry trends.

IJM Group Training Hours by Employment Category



IJM Group Training Hours by Type

External **28,357** training hours	FY2025: 38,981 FY2024: 15,390	
Internal **73,479** training hours	FY2025: 89,553 FY2024: 64,467	
On-the-job **10,490** training hours	FY2025: 14,488 FY2024: 13,830	


Future supervisory leaders building operational capability through hands-on, project-based learning

Progressive Development Programmes

The Port Division's Junior Development Programme and Wharf-in-Charge Development Programme builds operational and leadership capability by incorporating project-based learning with final presentations to senior management. The programmes aim to create a pipeline of competent supervisory leaders. In FY2026, the six-month Junior Development Programme concluded the latest cohort of 18 participants.


LEAD participants developing cross-functional solutions to drive strategic organisational value

The LEAD Programme

The two-year LEAD Programme targeted high-potential middle managers across the Group. Designed to transition these talents beyond functional roles into strategic leaders, the programme embedded best practices like cross-functional projects, senior mentorship and escalating scope of responsibilities. As a result, participants created direct organisational value through enhanced governance, digital cost optimisation, new revenue streams and strategic inputs embedded into Divisional plans.

HEALTH, SAFETY AND WELLBEING

Safety Governance and Management Systems

The Group's occupational safety and health (OSH) framework is governed by OSH policies, implemented through ISO 45001:2018 certified management systems. Certification covers all active Construction Division projects, ICP factories within the Industry Division, the Toll Division and the Port Division. Safety and health data are independently audited and verified by SIRIM.

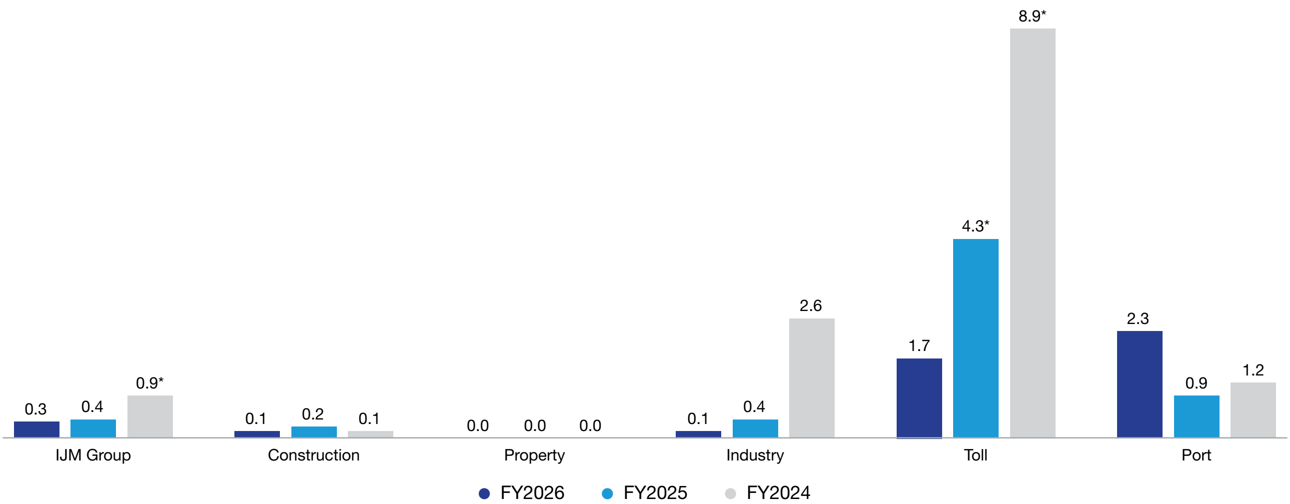
In FY2026, a fatality involving a subcontractor worker took place within the quarry operations during drilling and blasting works. DOSH was notified and this incident was classified under our contractor safety performance indicators.

In response, on-duty personnel will enhance rock face movement monitoring. In addition to awareness and incident preparedness briefings, site-wide siren systems and prominent "Rockfall" hazard signages will also be implemented.

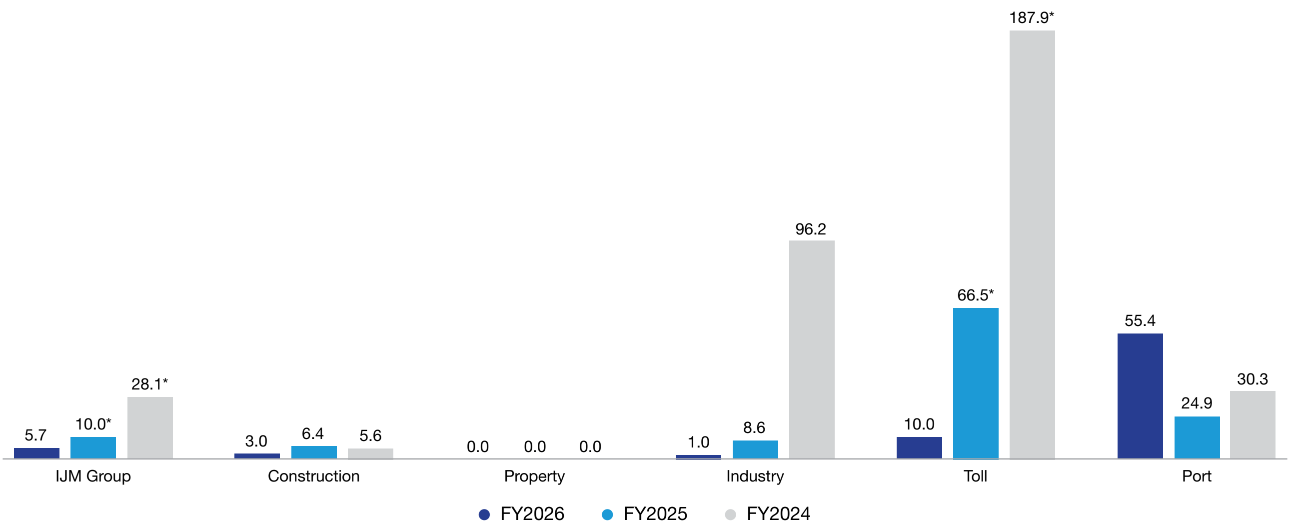
The Group is dedicated to achieving zero accidents through continuous monitoring of safety and health standards and implementing necessary corrective actions.

External recognition and internal awards programmes serve as platforms for benchmarking, knowledge-sharing and reinforcing safety standards across the Group's operations.

Frequency Rate (Per 1 Million Man-Hours Worked)



Severity Rate (Per 1 Million Man-Hours Worked)



Note: Property Division incidences are accounted for by its contractors.

**Data has been restated due to correction of error.*

Social: Empowering Our People and Communities

Construction Division won the HSE Excellence Award at Sime Darby Property Partners Dialogue 2025

HSE Excellence Award

The Construction Division received the *HSE Excellence Award Integrated Development Contractor* at the Sime Darby Property Partners Dialogue 2025, recognising the integration of safety and sustainability throughout project planning and execution.

Property Division receiving the QLASSIC and SHASSIC awards

QLASSIC and SHASSIC Awards

The Property Division received multiple Quality Assessment System in Construction (QLASSIC) and Safety and Health Assessment in Construction (SHASSIC) awards from Construction Industry Development Board (CIDB) Malaysia across developments in Penang, Johor and Sabah, affirming consistently high standards of construction quality and workplace safety.

Industry Division's HSE Awareness Competition award ceremony

HSE Awareness Competition

The Industry Division's annual HSE Awareness Competition recognised factories, quarries and operational sites for exemplary health, safety and environment (HSE) commitment, serving as a platform for operational knowledge-sharing and continuous improvement across the Division.

HSE Culture – Zero Harm Across Operations

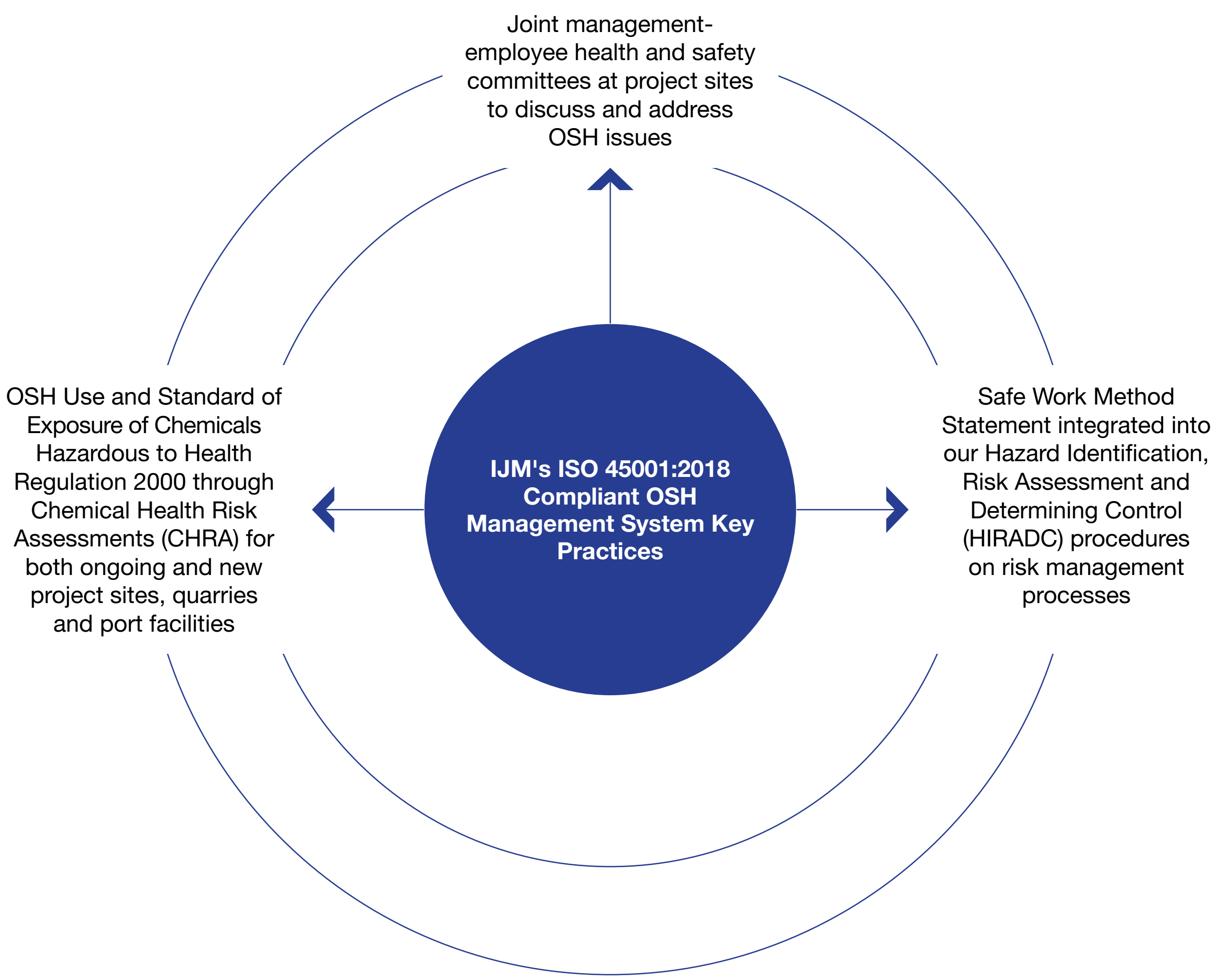
Across all Divisions, the HSE agenda is anchored on the principle that safety is a shared value embedded in daily operations, not a standalone compliance function. Campaigns, engagement activities and capability-building programmes were designed collectively to shift safety from procedural awareness to instinctive behaviour, with visible leadership participation central to this effort.

HSE campaigns across the Group brought together project leadership teams, HSE personnel and employees through leadership addresses, safety sharing sessions and a pledge-signing ceremony.

The Divisions strengthen cross-functional alignment through regular HSE Committee meetings to review regulatory developments, operational risks and continuous improvement measures, including personal protective equipment (PPE) effectiveness, safety engagement practices and ESG data integrity. More than 1,600 employees were trained on health and safety standards in FY2026.

Recognising the critical role of subcontractors within the Group's operational ecosystem, particular emphasis was placed on enhancing contractor and supply chain safety management, including:

- **Stricter onboarding requirements**
- **Enhanced supervision**
- **Integration of safety performance into contractor evaluations**



Social: Empowering Our People and Communities

Employee Awareness, Training and Emergency Preparedness

The Group maintained a strong focus on risk identification, incident prevention and continuous improvement, supported by regular audits, training and awareness programmes. Targeted awareness and capability-building programmes were delivered across the Group throughout FY2026, covering emergency response, first aid competency, fire safety and near-miss reporting.


Wong Heng Wai, Construction Division CEO and Tan Ling Jin, COO engaging with project teams during a leadership site walk

Leadership Site Walks

In FY2026, top management of the Construction Division conducted leadership site walks at project sites, promoting proactive hazard identification, risk mitigation and continuous improvements at the operational level, through direct interaction with project teams.


Industry Division's HSE officers collaborating on regulatory updates, PPE standards and ESG data accuracy

Quarterly HSE Officers' Meeting

The Industry Division's quarterly HSE Officers' Meeting convened safety leaders from factories, quarries and sites to align on regulatory updates, PPE standards, ESG data accuracy and operational risk mitigation.


Employees undergoing hands-on Basic Occupational First Aid, CPR and AED training

Strengthening Workplace Emergency Preparedness

Employees completed Basic Occupational First Aid, cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) training, alongside fire prevention briefings and simulated evacuation exercises.


Port Division personnel executing coordinated emergency response protocols during a simulated live drill

Driving Emergency Readiness Across Port Operations

The Port Division conducted fire drill simulations, testing multi-department emergency response and rescue procedures. Fire safety awareness sessions were also held for management teams.

Employee Health and Wellbeing

The Group's wellbeing programmes are designed to be accessible across employee segments and are delivered through a combination of programmes and recreational facilities, encompassing physical health, mental wellness and social connectivity.

Empowering our workforce with personalised AI health insights and proactive care at Health and Wellness Day 2025

Health and Wellness Day 2025

The event featured a range of preventative healthcare services, including posture, vitamin and vision screenings, alongside personalised AI health assessments. To promote holistic self-care, interactive wellness talks provided practical strategies for stress management, while experiential features such as a custom therapeutic herbal pouch workshop and a Nintendo Switch e-sports challenge successfully blended health education with social bonding and stress relief.

Employees taking part in a diverse range of fitness disciplines to boost physical wellbeing

Highway to Fitness

The Toll Division's eight-week Highway to Fitness programme engaged employees in a progressive schedule of fitness activities including Tabata and kickboxing training, CrossFit sessions, aqua workouts and a Hyrox Simulation bootcamp.

Employees unwinding and bonding at the dedicated *Santai-Santai* recreational space at IJM Rimbayu

Recreational Facilities and Social Connectivity

Property Division’s *Santai-Santai* room at IJM Rimbayu provides employees with a dedicated recreational space offering a range of leisure activities including American pool, darts, PlayStation 5, board games and a private cinema room. The facility, available outside of office hours, supports social bonding, post-work recovery and reduces work-related stress.

Employees attending an interactive health talk focused on mental and physical wellbeing

Mental Health and Physical Wellbeing

Port Division’s *Hari Jantung dan Kesihatan Mental Sedunia* programme, organised in conjunction with World Heart Day and World Mental Health Day in collaboration with Poliklinik Ar-Razi and Universiti Sultan Zainal Abidin (UniSZA), addressed both mental and physical health dimensions through informative health talks and interactive sessions.

Social: Empowering Our People and Communities

HUMAN RIGHTS

Governance and Alignment with International Standards

IJM remains committed to upholding human rights across operations and our supply chain. Our approach to protecting the rights, dignity and wellbeing of all employees and workers across our operations and value chain is anchored by the Group's policies.

ZERO human rights violation reports in FY2026

< 2% employees covered by collective bargaining agreements

ALL operational sites have whistleblowing posters displayed

These policies govern ethical employment practices, responsible working conditions and vendor engagement across all Divisions and the supply chain. Compliance with all applicable labour laws, including the Minimum Wages Order 2024, working hours regulations, overtime provisions and living conditions standards is a baseline requirement across all operations.

The Group's human rights governance model:

Policies	Guiding Frameworks	Operational Scope
• Human Rights Policy • OSH Policy • Diversity and Inclusion Policy • Whistleblowing Policy • Responsible Supply Chain Policy	• UN Global Compact Ten Principles • Universal Declaration of Human Rights • UN Guiding Principles on Business and Human Rights • International Labour Organisation Core Conventions	• All Divisions • Project Sites • Contractors and Vendors • Supply Chain Partners

Our practices are aligned with applicable local labour laws and internationally recognised principles, including the UN Global Compact Ten Principles, the Universal Declaration of Human Rights (UDHR), the UN Guiding Principles on Business and Human Rights (UNGPs) and International Labour Organisation (ILO) Core Conventions, that promotes ethical employment practices, responsible working conditions and respect for fundamental human rights.

Human Rights Due Diligence Approach

We recognise the risk of forced labour across migrant worker populations and multi-tier subcontracting chains and are progressively strengthening our human rights due diligence practices.

Our labour and workers' welfare practices are:

No Forced Labour and No Child Labour

- We implement policies and procedures to prevent discrimination and maintain a zero-tolerance policy for forced and child labour, particularly within our foreign labour workforce
- We allow workers to return to their home countries upon completion of their contracts or earlier upon resignation with reasonable notice and to apply for holiday leave during their tenure
- We strictly prohibit child labour at all workplaces. All workers must hold a valid work permit and a Construction Personnel Registration Card, both of which require age verification

Safe and Conducive Accommodation

- We provide a safe working environment and ensure that workers' accommodations comply with the Workers' Minimum Standards of Housing, Accommodations and Amenities (Amendment) Act 2019 (Act 446)

Fair Compensation and Excessive Working Hours

- We ensure fair compensation for all workers by meeting Malaysia's Minimum Wage Order 2024 requirements and providing equitable pay for overtime hours
- We comply with the statutory requirements on working hours, overtime and rest days under the Employment (Amendment) Act 2022

Collective Bargaining

- 1.8% of our employees are covered by collective bargaining agreements
- Our foreign workers are briefed on company policies, their rights and benefits, and any grievances regarding working conditions or employment terms are addressed through engagement sessions

Grievance Mechanism and Remedy Process

We maintain an accessible and confidential grievance mechanism for employees and external stakeholders, with the Chief Audit Executive responsible for reviewing and escalating reported concerns, and the Audit Committee providing Board-level oversight. The process is designed to ensure that concerns are appropriately received, independently assessed and resolved in a timely, accountable and transparent manner. Whistleblowing posters setting out the submission steps are displayed throughout operational sites.

IJM's grievance management process from anonymous submission to resolution:

Social: Empowering Our People and Communities

COMMUNITY INVESTMENT AND ENGAGEMENT

OUR COMMITMENT

We commit to allocating 1% of Group's PATMI annually towards Community Investment ("CI"), guided by the Group's CI Policy and CI Framework and Strategy. This approach ensures that community investments are strategically aligned with stakeholder needs, sustainability priorities and long-term socioeconomic development.

CONTRIBUTION

Invested RM3,008,672

FY2025: RM4,052,279*
FY2024: RM1,717,104

BENEFICIARIES

93,678 beneficiaries

FY2025: 55,942
FY2024: 32,152

EMPLOYEE VOLUNTEERING

Volunteered 11,966 hours

FY2025: 9,784 hours
FY2024: 8,321 hours

INITIATIVE MOTIVE

65.3% strategic initiatives

FY2025: 73.9%
FY2024: 93.8%

34.7% charitable initiatives

FY2025: 26.1%
FY2024: 6.2%

LOCATION

- Johor
- Kedah
- Negeri Sembilan
- Pahang
- Penang
- Perak
- Selangor
- Terengganu
- Sabah
- Sarawak
- Kuala Lumpur

COMMUNITY ENGAGEMENT

Engaged communities along the 6.4km New Pantai Expressway Extension (NPE2) alignment through Social Impact Assessment (SIA) and continuous outreach to support responsible project delivery.

Moving forward, we aim to strengthen our transition towards an impact-driven approach through the adoption of social value and impact measurement methodologies to better quantify long-term value created for communities and society.

**Data has been restated due to correction of error.*

Governance, Strategy and SDG Alignment

Guided by the B4SI Framework, all Divisions plan and report CI initiatives in alignment with IJM's CI policy and CI Framework and Strategy, ensuring that our community contributions are strategic, responsible and measurable rather than ad hoc or reactive.

Initiatives are delivered in partnership with government agencies, academic institutions, non-governmental organisations (NGOs), healthcare providers and corporate peers, significantly amplifying reach and credibility.

Our CI governance model:

1. **CI Policy**
   Guided by enhanced form launched in FY2026, sets objectives, governance and do's and don'ts.
2. **CI Framework and Strategy**
   Three pillars: Community Development, Education, Built Environment.
3. **Division Alignment**
   All Divisions plan and report initiatives consistent with CI Policy and CI Framework and Strategy.
4. **Reporting and Review**
   Outputs and outcomes are captured via digital reporting platform and reported in Sustainability Statement.

Guided by the B4SI input-output-outcome-impact chain, IJM is progressively moving beyond output reporting towards impact measurement.

Our social value measurement framework:

INPUTS	OUTPUTS	OUTCOMES AND IMPACT
• CI spend (RM) • Employee volunteer hours • In-kind contributions • Partner resources • Management time	• Beneficiaries reached • Programmes delivered	• Community health awareness • Coastal biodiversity restored • Youth skills and career readiness • Social cohesion strengthened

Our initiatives can be mapped to the United Nations Sustainable Development Goals and Malaysia's national development priorities, including the 12th Malaysia Plan and the MADANI Economy framework.

The Sekolah Angkat MADANI Programme, where the Group adopted six schools, advances SDG 4 and 10 by directing corporate resources towards closing the urban-rural education gap. The Port Division's biodiversity conservation initiatives including mangrove planting, beach clean-ups and turtle egg protection support SDG 13, 14 and 15. Community health and the MyHome Rehabilitation Programme contributes to SDG 3 and 11.

Social: Empowering Our People and Communities

Employee Volunteering

Employee volunteering is an integral dimension of IJM's CI execution model. Volunteering serves a dual purpose as it extends the reach and authenticity of IJM's CI initiatives while strengthening employee engagement, team cohesion and sense of organisational purpose.

In FY2026, alongside charitable partners, our volunteering mechanism mobilised more than 1,400 employees in volunteering initiatives spanning food distribution, environmental conservation, community clean-ups, school engagements, home restoration, donation drives and festive community outreach.

Volunteers at the Kechara Food Hub before commencing a food bank distribution session

Delivering Food Aid

In collaboration with Kechara Soup Kitchen, 56 employee volunteers dedicated 168 hours over five months to distribute essential food aid to 90 B40 families. This initiative reflects IJM's commitment to addressing food insecurity while fostering a strong culture of community care among our workforce.

IJM employees at the conclusion of the *gotong-royong* activity at The Light Waterfront Penang

Community Clean-up Activity

Demonstrating a shared commitment to environmental stewardship, 63 employee volunteers dedicated 126 hours to a *gotong-royong* to maintain a cleaner environment at The Light Waterfront Penang. The initiative blended environmental action with teamwork, fostering a strong sense of community spirit among the participants.

Runners at the starting line of the IJM Allianz Duo Highway Challenge 2025

The Driving Force Behind the Race

A dedicated team of 188 employee volunteers formed the backbone of the IJM Allianz Duo Highway Challenge 2025. Contributing their time across race operations, participant support and logistics, their collaborative efforts ensured a seamless and memorable experience for over 13,000 runners while championing community wellbeing.

Community Development

RM1,151,580
contributed

70,593
beneficiaries

6,667
employee volunteering hours

Guided by the belief that the places we build must also be the communities we nurture, our Community Development pillar initiatives focuses on building long-term community resilience, providing disaster relief, improving health and wellbeing and fostering social inclusion. Investments under this pillar activate the communities around our infrastructure assets and business operations, while reinforcing our identity as a committed, long-term community partner.


Young players showcase teamwork and sportsmanship at the COBRA 10s Mini Tournament

COBRA 10s: Nurturing Future Rugby Talent

We continued our support as the sponsor of the 52nd COBRA 10s International and Mini Tournaments, providing a competitive platform for both local and international athletes. The event advanced grassroots sports development, nurturing future rugby talent while instilling core values of teamwork, discipline and resilience in young athletes.

Aspiring junior players competing across eight age-group categories to earn their spot representing Selangor on the national stage

Investing in Youth Badminton Excellence

IJM sponsored the IJM Selangor Junior Closed 2025 badminton tournament, attracting more than 900 junior participants across eight age-group categories. The tournament served as a talent identification platform, with selected players representing Selangor at National Junior Tournaments in 2026.


Children settling into their seats before the screening of Zootopia 2 at TGV Cinemas

Creating Magical Holiday Memories

IJM brought festive cheer to 45 children from a shelter home in Petaling Jaya through a movie outing and Christmas dinner. Supported by 18 employee volunteers, the initiative created a memorable celebration while fostering care, inclusion and meaningful connections.

Social: Empowering Our People and Communities

Education

RM1,260,029
contributed

6,841
beneficiaries

1,394
employee volunteering hours

Education is the cornerstone of IJM's CI framework. The Group's education investments span scholarships and bursaries, school adoption under the national MADANI programme, vision care for school students, digital access initiatives, science, technology, engineering and mathematics (STEM) outreach and industry-academia collaboration, operating across IJM's principal regions in Peninsular Malaysia, Sarawak and Sabah.

Students engaged in an interactive anti-bullying awareness workshop at Petaling Jaya to promote a safer, more supportive school environment


Teachers participating in a team-building session to foster teamwork and a positive school environment


SMART interactive boards utilised in a classroom, expanding digital literacy and modernising classroom learning


A mock cheque presentation ceremony, driving infrastructure upgrades and educational enhancements


Students engaged in a PlaySmart Day, in collaboration with Petrosains

The Sekolah Angkat MADANI Programme

Benefiting schools across five states, IJM invested more than RM380,000 to modernise learning environments and bolster school safety. The deployment of SMART interactive boards, projectors, STEM facilities and CCTV networks expanded digital literacy while ensuring a safer school. This transformation was maximised with development programmes, including targeted tuition sessions, anti-bullying awareness, STEM experiential learning and teacher team-building sessions.

Undergraduate teams presenting green engineering solutions during the sustainability and recycling case study competition with ICEUMSC

IJM ICEUMSC Case Study Competition 2026

The Construction Division partnered with the Institution of Civil Engineers Universiti Malaya Student Chapter (ICEUMSC) to host a case study competition focused on sustainability and recycling in construction. The event successfully engaged 24 university teams, challenging future engineers to develop innovative, eco-friendly solutions for the construction sector.

Dato' Lee Chun Fai, GCEO & MD co-teaching business and money management at a Batu Caves primary school

Teach for Malaysia Week with GCEO & MD

As part of Teach for Malaysia Week, Dato' Lee Chun Fai, GCEO & MD co-taught a Year 5 English class at a Batu Caves school. Utilising real-world insights from IJM's business operations, the interactive session introduced young minds to practical financial literacy, leadership concepts and diverse career opportunities within the corporate sector.

Empowering promising undergraduates in engineering, architecture, surveying and IT through the annual IJM Scholarship Award

IJM Scholarship Programme

The IJM Scholarship Award recognised 11 outstanding scholars in FY2026 pursuing degrees in Civil Engineering, Quantity Surveying, Architecture and IT. This cohort joins a legacy of over 380 young Malaysians supported since 1994, many of whom have successfully transitioned into senior leadership roles within the Group.

Social: Empowering Our People and Communities

Built Environment

RM597,063
contributed

16,244
beneficiaries

3,905
employee volunteering hours

Across all Divisions, our environmental community initiatives focused on biodiversity conservation, coastal rehabilitation, waste reduction and improving access to safe public recreational spaces.

A refurbished home, before and after, under the MyHome Rehabilitation Programme

MyHome Rehabilitation Programme, Rebuilding Lives

Celebrating 16 years of community impact, the Property Division's MyHome Rehabilitation Programme continued to transform lives by delivering critical structural repairs, electrical upgrades and essential household donations to underprivileged families across Malaysia. These interventions directly restored safety, dignity and long-term wellbeing to households in need.

Volunteers planting mangrove saplings, supporting the restoration of Sijangkang's coastal ecosystem

Operasi Paya Lestari: Mangrove Planting at Sijangkang

In collaboration with Universiti Malaya's Civil Engineering Department, 14 employee volunteers planted 50 mangrove saplings at Taman Rekreasi Paya Bakau. This rehabilitation initiative aimed at combatting shoreline erosion and safeguards coastal biodiversity, while fostering active environmental stewardship among 50 participating student and community beneficiaries.

Volunteers releasing 100 turtle hatchlings at Pantai Chendor, Pahang

Kasih Turtle Conservation Project

The Pantai Chendor coastal ecosystem was revitalised through the planting of over 3,000 mangrove trees, the removal of 241.7 kg of beach waste and the release of approximately 100 turtle hatchlings to protect up to 8,000 turtle eggs.

Community Engagement

We are committed to engaging the communities around our projects early, before and during the design stage, conducted through a SIA. As the NPE2 project enters the physical construction phase, we conducted a SIA to integrate residents' and businesses' insights into our planning to minimise impact along the 6.4km corridor, including Pantai Dalam, Jalan Syed Putra and Jalan Istana.

This engagement is intended to continue through construction, with dedicated personnel or traffic management and monitoring teams to handle dust and noise apart from following up on neighbourhood feedback, tracking concerns and resolutions. The surrounding communities are regularly informed as work progresses. By maintaining open lines of communication and transparently addressing local concerns, we aim to build trust and earn the support needed to operate responsibly.

A meeting session with representatives of the Kampung Limau community to address local concerns

A session with stakeholders to present the progress of the NPE2 project

GRI Content Index

Statement of use	IJM Corporation Berhad has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards.
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