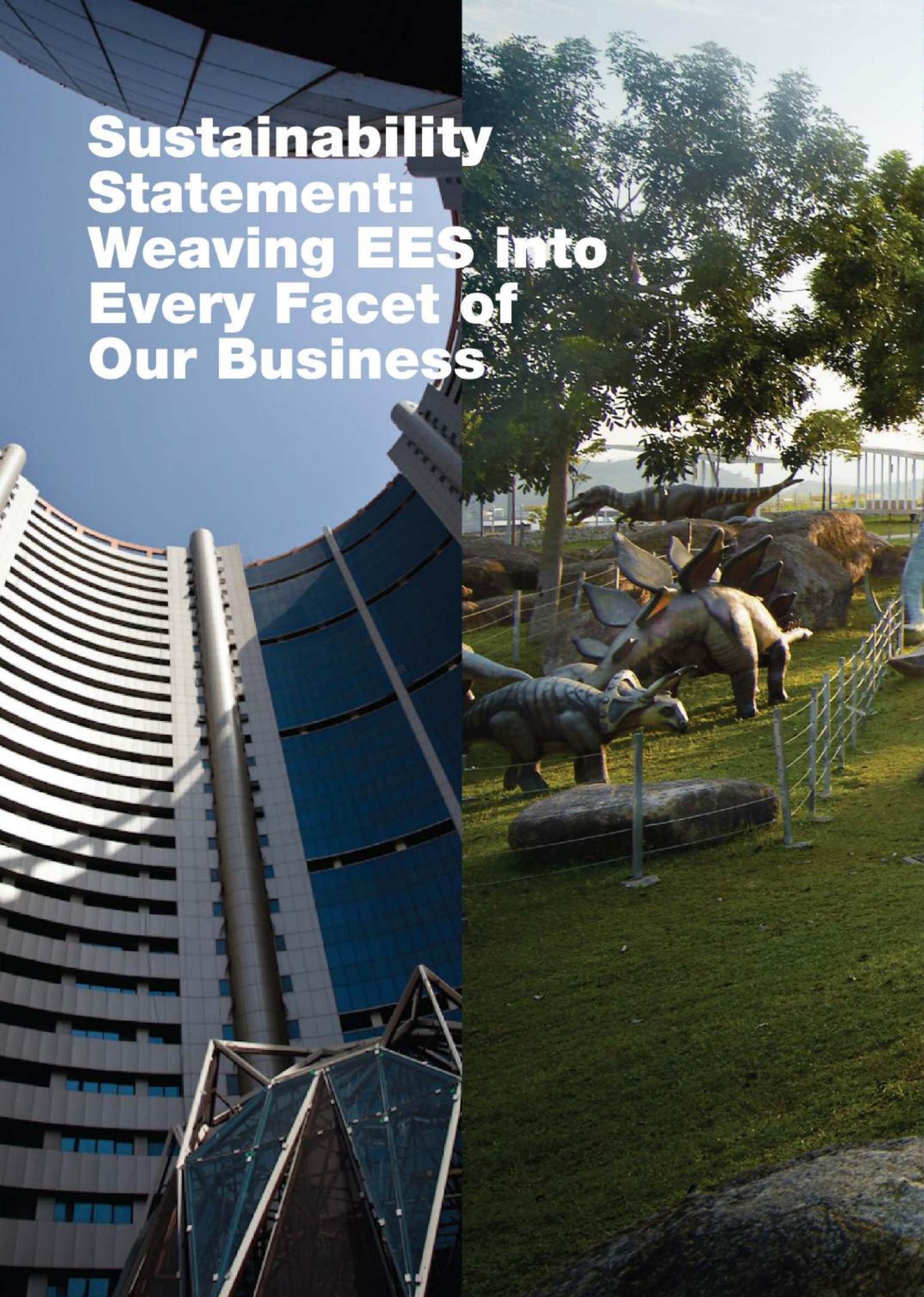


Sustainability Statement: Weaving EES into Every Facet of Our Business





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Commitment to Sustainability

Sustainability is deeply embedded in the operations and long-term strategy of IJM. We are committed to aligning our business decisions with Economic, Environment and Social principles to future-proof our business, support national and global sustainability goals and create shared value for our stakeholders. Guided by the IJM Group Sustainability Framework, our efforts are organised around these three principles with each anchored in material matters most relevant to our business and stakeholders. Our sustainability priorities align with key UN SDGs and are incorporated into project planning, procurement and risk management processes. In parallel, IJM is progressively expanding the scope of our sustainability reporting.

STATEMENT OVERVIEW

Disclosure Requirements and Benchmarks

We report our sustainability performance on an annual basis, prepared in accordance with the local regulatory guidelines and take into consideration the international sustainability reporting frameworks, standards and guidelines:

- Bursa Malaysia's Sustainability Reporting Guide (Third Edition)
- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB) Engineering and Construction Services
- Task Force for Climate-related Financial Disclosure (TCFD) Framework
- Business for Societal Impact (B4SI) Framework
- UN Sustainable Development Goals (UN SDGs)
- FTSE4Good Bursa Malaysia Index
- MSCI ESG Indices
- S&P Global Indices
- CDP Platform

As a participating member of the UN Global Compact (UNGC), this report supplements our annual Communication on Progress (CoP), demonstrating our ongoing commitment to the Ten Principles across human rights, labour, environment and anti-corruption dimensions. This Statement should be read alongside our Integrated

Annual Report 2025 and other sustainability disclosures available on our website. Please refer to our alignment to the GRI, SASB and UNGC Ten Principles on pages 232 to 238.

Similarly, as a signatory to the British Malaysian Chamber of Commerce Climate Action Pledge, we actively communicate our climate progress annually. In FY2025, we engaged in industry forums and collaborations to share insights on building credible climate strategies and advancing sustainable practices at:

Capital Markets Malaysia ESG Week 2024

IJM shared insights, as a guest speaker, on the value that sustainability can bring to an organisation.

Government-Industry ESG Roundtable

IJM represented the Master Builders Association Malaysia (MBAM) in a roundtable with the Deputy Minister of Economy, sharing insights on advancing ESG for Malaysian SMEs.

Engagement Session with Bursa Malaysia

IJM, representing the construction sector via MBAM, participated in a consultation with Bursa Malaysia, providing feedback on the National Sustainability Reporting Framework (NSRF).

The Edge-HSBC New Era for E&E Industry Forum 2024

IJM participated in the *Sustainable Growth and Talent* panel, sharing insights on tech-driven construction and Penang's semiconductor ecosystem.

National Climate Governance Summit 2024

Our Construction Division shared insights on green building best practices in the property and construction sector.

Mapei Engagement

Our Industry Division engaged with Mapei's technical team to explore advancements in sustainable concrete technology and potential collaboration in low-carbon, high-performance concrete solutions.

Kuantan Port International Conference 2024 (K-ICe 2024)

Our Port Division co-hosted K-ICe 2024 in conjunction with Kuantan Port's 50th anniversary, featuring high-level industry discussions and two strategic MoU signings to advance sustainable port development and regional trade connectivity.

Reporting Period and Scope

This statement covers IJM Group’s sustainability performance data for the financial year 1 April 2024 to 31 March 2025 of our operations in Malaysia and India, collectively accounting for 99.7% of the Group’s total operating revenue. Except for Scope 3, Category 15 (Investments), the Statement includes data from IJM’s subsidiaries but excludes data from associates and joint ventures outside management control.

Performance Data and Independent Verification

Data presented in this Statement includes comparative data from the previous two years. Data disclosed in this Statement have been subject to limited review by the Group’s Internal Audit Department.

In FY2025, our reported greenhouse gas (GHG) emissions data, which includes Scope 1, Scope 2 and Scope 3 respectively, has undergone independent verification, in accordance with the ISO 14064 - 1:2018 standard. The independent verification report can be found in Appendix 1 and at our corporate website.

This Sustainability Statement is made in accordance with a resolution of the Board of Directors dated 23 July 2025.

Feedback

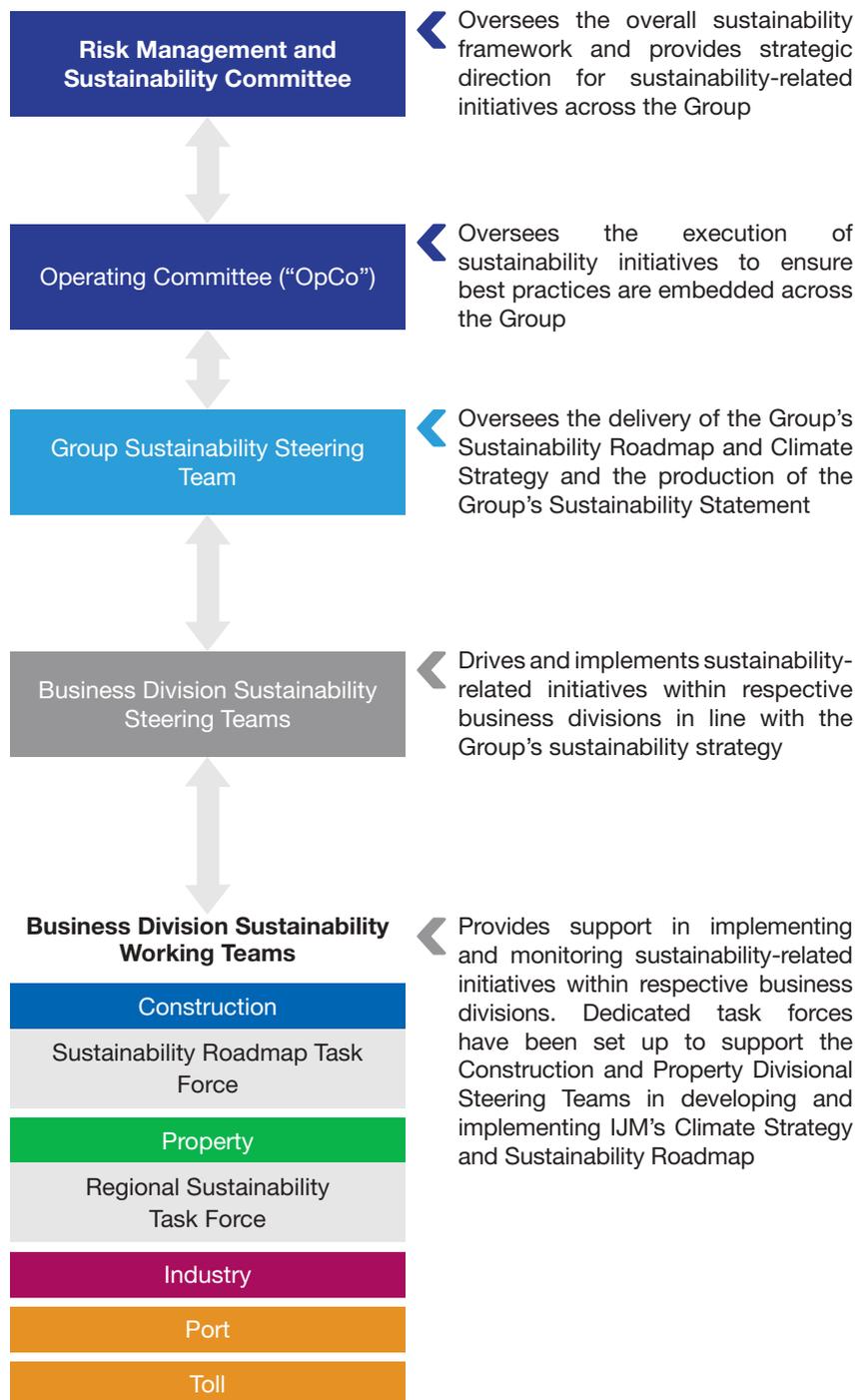
We are committed to creating value for all stakeholders by addressing their expectations. Your feedback is essential in driving our sustainability progress and we invite all stakeholders to contribute their perspectives. Any queries and feedback can be submitted to sustainability@ijm.com.

SUSTAINABILITY GOVERNANCE

IJM’s sustainability governance structure ensures that Economic, Environment and Social (EES) priorities are translated into actionable strategies and monitored across all business divisions. Governance is

driven by a top-down approach led by the Group Risk Management and Sustainability Committee (“RMSC”), which is supported by the Operating Committee, Group Sustainability Steering Team and Divisional Sustainability Steering Teams. This structure facilitates cross-functional collaboration, strategic alignment and consistent execution. In FY2025, we institutionalised EES

accountability further by embedding EES-linked KPIs into executive scorecards and strengthened Board oversight, particularly in relation to climate-related disclosures under IFRS S2. Regular reporting to the Board Risk and Sustainability Committees supports enterprise-wide visibility and ensures alignment with evolving regulations and stakeholder expectations.



Commitment to Sustainability

Demonstrating our continued commitment to robust sustainability governance, we are refining our sustainability oversight model for FY2026 to enhance the identification, evaluation and management of sustainability and climate-related risks and opportunities. Under this enhanced model:

- The Board of Directors provides oversight of the sustainability and climate-related risks and opportunities, ensuring strategic alignment with long-term value creation.
- The RMSC oversees the identification and management of sustainability and climate-related risks, while also staying informed on the related opportunities.
- The Nomination & Remuneration Committee (“NRC”) integrates EES considerations into the board’s skills matrix and succession planning, while aligning executive remuneration with EES and climate-related KPIs.
- The Audit Committee provides oversight over internal and external sustainability assurance and relevant financial disclosures.

- The RMSC is kept informed on sustainability-related and climate-related opportunities within delegated authority levels.
- Supporting committees, including the Risk Management Committee (Management Level) reports directly to RMSC, providing risk identification and management intelligence.
- The Operating Committee identifies strategic opportunities and reports directly to the Board, while keeping the RMSC informed.

This enhanced model is being developed in alignment with the IFRS S1 and S2 standards issued by the International Sustainability Standards Board (ISSB), as well as Malaysia’s National Sustainability Reporting Framework (NSRF), reinforcing our focus on delivering robust, transparent and decision-useful sustainability disclosures.

To meet the specific requirements of IFRS S1 and S2, we are currently integrating sustainability and climate-related risk parameters into our Group’s Enterprise Risk Management (ERM) Framework. This integration

will enable a more holistic view of risk across our operations, ensuring that sustainability and climate-related factors are fully embedded in strategic and operational decision-making.

In parallel, we are undertaking a group-wide capacity building programme to equip all business functions with the capabilities needed to assess and manage risks through both sustainability and climate lenses in their day-to-day operations. This initiative builds on the Board’s heightened focus on sustainability in FY2025, where strategic discussions and dedicated briefings deepened oversight of sustainability risks and opportunities. Building on this momentum in FY2025, we are further strengthening our commitment by ensuring directors receive ongoing training and attend key seminars. This keeps leadership up to date with sustainability practices while maintaining rigorous governance standards. These efforts reflect our proactive approach to governance and readiness for the evolving sustainability disclosure landscape.



IFRS S1 and S2 integration workshop with Divisions



SUSTAINABILITY FRAMEWORK

Our sustainability journey is underpinned by the Group Sustainability Framework, which guides the integration of EES principles into every aspect of our operations. This framework provides the strategic direction and performance management mechanisms that enable us to embed sustainability into the core of our business model. It aligns with internationally recognised standards and benchmarks, including the UN SDGs, the IFRS S1 and S2 and Malaysia’s national climate agenda.

 For details on IJM’s sustainability governance framework, please refer to our Risk Management and Sustainability Committee Terms of Reference on our corporate website.



Commitment to Sustainability

Throughout our history, we have played a pivotal role in nation-building and infrastructure development. We recognise that our business success is intertwined with the well-being of the environment, communities and markets where we operate. The Sustainability Framework enables us to balance financial and non-financial performance by integrating

EES considerations into our decision-making, risk management and stakeholder engagement practices. It also empowers our divisions to identify emerging risks and opportunities while remaining accountable to sustainability targets and expectations. Progress is tracked via an internal sustainability scorecard, which is reviewed annually

to ensure strategic alignment with the Group’s 2030 sustainability ambitions and roadmap. IJM also monitors climate performance via dedicated reduction initiatives and a joint KPI system with divisions to drive green credentials, ensuring targeted GHG reductions across respective operations.

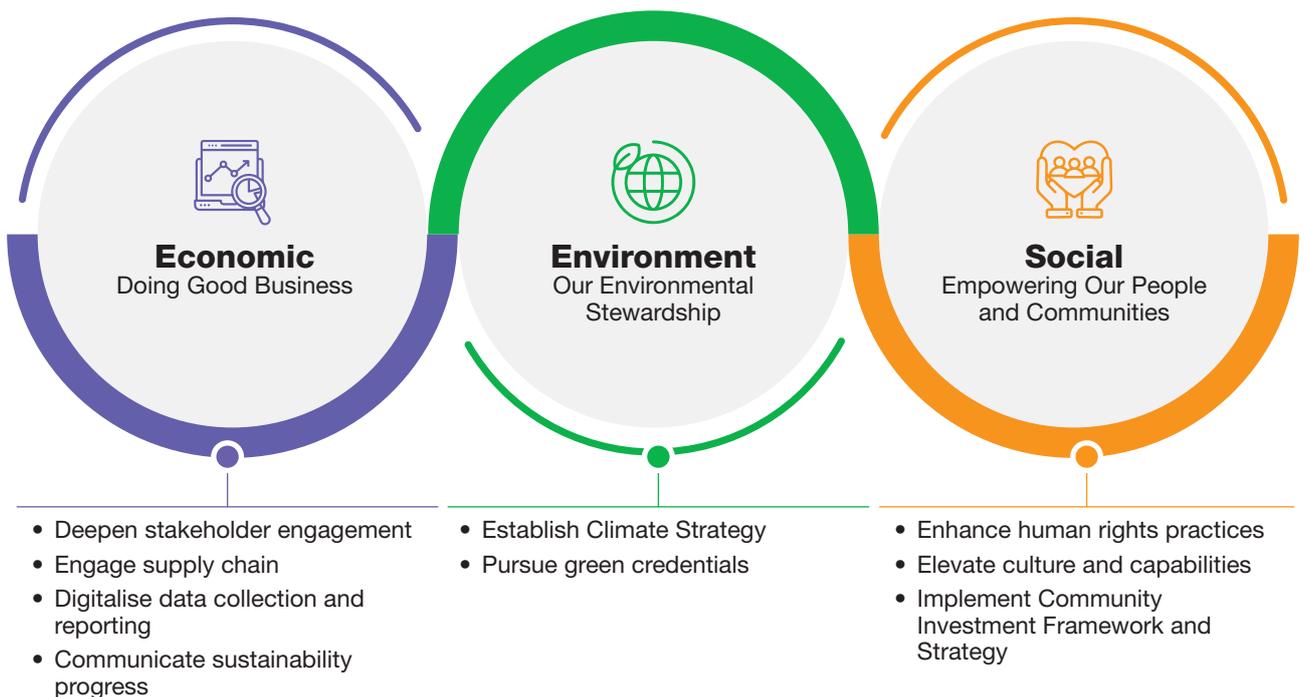


Divisional Roadmap presentation to the RMSC



SUSTAINABILITY ROADMAP FY2023 - FY2025

Endorsed by the Board of Directors, the Sustainability Roadmap FY2023 – FY2025 was built on three key pillars: Economic, Environment and Social. This roadmap serve as a guiding framework for our business divisions, detailing the integration of sustainability goals and strategies across IJM, along with specific internal performance metrics. It provides a clear, actionable direction for aligning our operations with sustainable practices, empowering us to drive meaningful change, meet our sustainability objectives and create a lasting, positive impact on both the environment and society.



Pillars	Focus Areas and Objectives	Milestones Achieved	IJM Group's Position	IJM Group's Initiatives	
Economic	Address Stakeholders' Expectation	<ul style="list-style-type: none"> Deepen Stakeholder Engagement Engage stakeholders as a key strategy to keep pace with evolving expectations 	<ul style="list-style-type: none"> Developed our first double materiality matrix in FY2025, providing a comprehensive view to guide strategic decision-making and ensure alignment with evolving stakeholder priorities 	 <p>Goal 9: Industry, Innovation and Infrastructure We commit to working with changemakers to incorporating innovative and creative solutions to promote sustainable practices across our business divisions</p>  <p>Goal 11: Sustainable Cities and Communities We actively consider sustainable practices in our development and investment decisions across our business divisions</p>  <p>Goal 16: Peace, Justice and Strong Institution We commit to uphold integrity and compliance with all applicable laws and regulations across our business operations</p>  <p>Goal 17: Partnership for Goals We actively seek for long-lasting partnerships and collaborations with our stakeholders whether locally or globally</p>	<ul style="list-style-type: none"> FY2025 Double Materiality Matrix Conducted a refreshed double materiality assessment matrix The Construction Division strengthened collaboration with supply chain by engaging more than 160 subcontractors and vendors to reinforce our expectations on compliance, ethical conduct, anti-bribery and corruption, fair labour practices, greenhouse gas reduction initiatives and occupational safety and health
		<ul style="list-style-type: none"> Engage Supply Chain Engage the supply chain to achieve meaningful and lasting impact 	<ul style="list-style-type: none"> Identified suppliers and subcontractors across the Group and assessed the integration of sustainability within our supply chain 		
	Accelerate Digitalisation	<ul style="list-style-type: none"> Digitalise Data Collection and Reporting Leverage digital technology for effective data collection, performance measurement and reporting 	<ul style="list-style-type: none"> Continued digitalisation of sustainability data and developed Group and Divisional dashboards for sustainability performance review, analysis, monitoring and reporting 	 <p>Goal 9: Industry, Innovation and Infrastructure We commit to working with changemakers to incorporate innovative and creative solutions to promote sustainable practices across our business division</p>	<ul style="list-style-type: none"> Sustainability Data Digitalisation Deployed Microsoft Power Automate and Power BI to automate sustainability data collection and create interactive performance dashboards across IJM Digitalise Conflict of Interest (COI) declarations and approval process
		<ul style="list-style-type: none"> Communicate Sustainability Progress Communicate sustainability progress to stakeholders 	<ul style="list-style-type: none"> Participated in various internal and external platforms that brought together experts from the public and private sectors to discuss urban development issues, challenges and future trends related to smart and sustainable cities 	 <p>Goal 17: Partnership for Goals We actively seek long-lasting partnerships and collaborations with our stakeholders, whether locally or internationally</p>	<ul style="list-style-type: none"> UNGC Communication on Progress ("CoP") Submitted the UNGC CoP to reflect our continuous efforts to align our practices with the Ten Principles encompassing human rights, labour, environment and anti-corruption Sustainability Roundtable Group Sustainability Roundtable organised a Sustainability Roundtable with Divisions that served as a crucial platform for fostering communication on sustainability matters National Climate Governance Summit 2024 Shared insights on green building best practices in the construction and property sectors at the National Climate Governance Summit 2024

Commitment to Sustainability

Pillars	Focus Areas and Objective	Milestones Achieved	IJM Group's Position	IJM Group's Initiatives
Environment	Strengthen Environmental Strategy Establish a climate strategy that includes a carbon footprint assessment, carbon reduction strategy and climate risks and opportunities profile	<ul style="list-style-type: none"> Integration of sustainability and climate-related matters into ERM framework 	 <p>Goal 7: Affordable and Clean Energy We adopt cleaner energy to optimise the use of energy across all business divisions and renewable energy where possible</p>  <p>Goal 13: Climate Action We view the importance of climate change that will impact our businesses in the long run and we proactively implement climate strategy across businesses to address climate change issues</p>	<ul style="list-style-type: none"> Enhanced Group ERM framework
	Pursue Green Credentials Integrate green elements into our products and services	<ul style="list-style-type: none"> Awarded 2 GreenRE Certificates, with 14 provisional GreenRE certificates Singapore Green Label for Cement and Concrete Products Category 22 MyHijau Mark product Certification for ICP Piles, IJM IBS and Ready Mix Plant 	 <p>Goal 11: Sustainable Cities and Communities We actively consider sustainable practices in our development and investment decisions across our business divisions</p>	<ul style="list-style-type: none"> Incorporated Cement Replacement Industry Division has progressively reduced the cement ratio of products by mixing cement alternatives and admixtures in the composition of concrete spun piles to reduce emissions Energy Efficiency Implemented fuel-saving programmes to reduce the need for boiler steaming process Advancements in construction technology Introduced bubble deck to reduce concrete volume
Social	Inculcate Sustainability Culture in the Workplace Improve labour practices to align with local and global standards	<ul style="list-style-type: none"> <i>MyVoice</i> Engagement Survey results showed an improvement in overall employee satisfaction score by +11%, compared to FY2024 Zero human rights violations within our operations 1.9% of our employees were covered by collective bargaining agreement 	 <p>Goal 5: Gender Equality We treat everyone with respect and uphold gender equality in hiring and employment, striving to provide a workplace where equal opportunities are given regardless of gender</p>  <p>Goal 8: Decent Work and Economic Growth We uphold fair employment practices, both for our people and across our supply chain, providing a decent workplace for our employees</p>  <p>Goal 10: Reduced Inequalities We commit to creating equal opportunity for both our employees and communities</p>	<ul style="list-style-type: none"> Inclusive Culture We have a diverse workforce comprising people from a range of age groups and ethnicities, with representation across all levels of the organisation Women at Work We support women at work by fostering an inclusive environment that empowers their growth, development and leadership across all levels of the organisation Increased female representation in the workforce, particularly in leadership and decision-making roles where 33.3% are in Management roles, 43.4% in Executive roles and 21.9% in Non-executive roles There are three women Directors out of a total of 11 Directors, representing 27% of the Board composition Celebrated International Women's Day 2025 while contributing more than RM30,000 to women-led business and social enterprises supporting B40 women

Pillars	Focus Areas and Objectives	Milestones Achieved	IJM Group's Position	IJM Group's Initiatives
<p style="writing-mode: vertical-rl; transform: rotate(180deg);">Social</p>	<p>Inculcate Sustainability Culture in the Workplace</p>	<p>Elevate Culture and Capabilities Conduct a series of learning, sharing and awareness programmes along with regular engagements</p> <ul style="list-style-type: none"> • RM2.6 million invested in employees, who clocked over 143,000 training hours 	 <p>Goal 8: Decent Work and Economic Growth We uphold fair employment practices, both for our people and across our supply chain, providing a decent workplace for our employees</p>	<ul style="list-style-type: none"> • Learning and Development A strong focus on continuous learning and professional development allows us to meet the evolving demands of the industry while also enhancing employee satisfaction and loyalty. Please refer to Cultivating Learning Agility • Digital learning through the LinkedIn Learning platform saw a total completion of 5,232 courses, reflecting an average of 6 hours and 51 minutes of learning per employee • More than 1,700 employees trained on safety and health standards
	<p>Refine Community Investment Approach</p>	<p>Implement Community Investment Framework and Strategy Implement community investment themes, focus areas and metrics used for impact measurement</p> <ul style="list-style-type: none"> • Strategically contributed RM3.7 million into various community investment initiatives, representing more than 1% of PATMI 	 <p>Goal 3: Good Health and Wellbeing We view the importance of safety and health of our stakeholders and we proactively promote health, safety and well-being at the workplace and the community</p>  <p>Goal 9: Industry, Innovation and Infrastructure We commit to working with changemakers on innovative and creative solutions to promote sustainable practices across our business divisions</p>  <p>Goal 10: Reduced Inequalities We commit to creating equal opportunities for both our employees and communities</p>	<ul style="list-style-type: none"> • Aligned to Community Investment Framework and Strategy Allocated 1% of PATMI for community investment initiatives • 72% of these initiatives were strategic, long-term community partnerships and the remaining 28% focused on charitable efforts providing immediate, short-term relief • Benefitted more than 55,000 beneficiaries with 1,034 employees as volunteers from across the Group, collectively contributing more than 9,700 volunteering hours • Since the inception of the IJM Scholarship Programme in 1994, we have supported over 370 scholars and invested more than RM8 million