

SUSTAINABILITY STATEMENT

Lion Industries Corporation Berhad (“Company”) is pleased to present its Sustainability Statement which provides an overview of its Economic, Environmental and Social (“EES”) impacts for financial year ended 31 December 2024 (“FY2024”).

CORE BUSINESS

The Company is involved in the manufacturing of long steel products by Amsteel Mills Sdn Bhd (“Amsteel”) in Klang and Banting, Selangor. Amsteel’s plant in Klang produces billets for rolling into steel bars and wire rods while its plant in Banting produces special grade billets for rolling into specialty bars and wire rods for automotive parts, mattress and mechanical springs, turning parts, wire rods, wire ropes and other stringent applications. The steel bars and wire rods produced by the Company are used in the construction, fabrication and manufacturing industries.

In the property development sector, the Company is involved in property management and residential development. Some of its projects are Taman Malim Jaya in Melaka, Taman Soga in Batu Pahat and Pelangi Promenade in Klang.

Through its listed subsidiary, Lion Posim Berhad, the Company is engaged in the trading and distribution of building materials, including finishing products namely sanitary wares, tap fittings, tiles and ironmongery. Additionally, it distributes steel products and petroleum-based products, including automotive and industrial lubricants as well as automotive components.

BASIS OF SCOPE

This Sustainability Statement covers the Company’s operations in the long steel products in Klang and Banting, and its property development project in Taman Malim Jaya in Melaka.

REPORTING FRAMEWORK AND STANDARDS

This Statement has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards and Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“Listing Requirement”), with reference to its Sustainability Reporting Guidelines and aligns with the United Nations Sustainable Development Goals (“UNSDGs”).

The Company is working to adopt the recommendations of IFRS Sustainability Disclosures Standards and the National Sustainability Reporting Framework (“NSRF”), and will continue to improve its disclosures to align with best practice reporting standards.

AVAILABILITY AND FEEDBACK

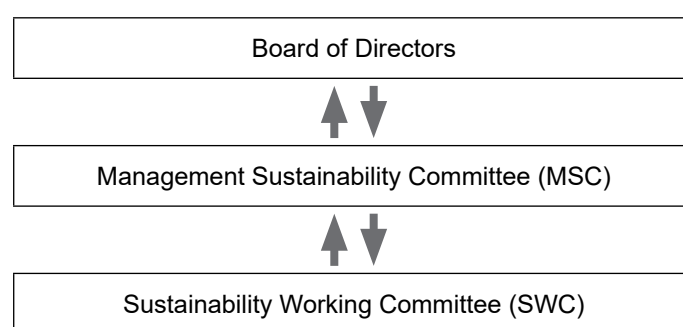
The Sustainability Statement is available on the Company’s website at www.lion.com.my/lionind or Lion Group’s website at www.lion.com.my as part of the Company’s FY2024 Annual Report. We welcome our stakeholders to share their feedback regarding this Statement and the topics discussed.

APPROACH TO SUSTAINABILITY

Our sustainability approach is guided by Lion Group's mission "We are committed to make Lion Group a caring organisation and be recognised for excellence in quality, growth and profitability", of which the Company is a member.

We have adopted a holistic sustainability approach across our business operations and functions. The strategic direction is guided by the Board of Directors, with the Head of Company/Business taking on the executive role for effective and efficient implementation, and driven via collaboration amongst various Departments and Business Units across the Company.

SUSTAINABILITY STRUCTURE



The Board of Directors has oversight of the Company's strategic direction on sustainability.

The MSC is chaired by the Head of Company/Business, and assists the Board with strategic direction of sustainability matters. The MSC is responsible for steering, coordinating and ensuring the effective and efficient implementation of the sustainability framework.

The SWC comprises members from middle management across our operations and is responsible for the day-to-day implementation of the sustainability strategies and plans.

GOVERNANCE

The Company complies with all relevant corporate governance laws and regulations, and follows best practices. By upholding high standards of corporate governance, we aim to ensure long-term success, competitiveness, and sustainability. Details can be found in our Corporate Governance Overview Statement and Statement on Risk Management and Internal Control on pages 12 to 30 of this Annual Report.

STAKEHOLDERS ENGAGEMENT

Engaging with stakeholders is crucial to understanding their expectations. We value their feedback, assessments, and insights as essential to shaping our sustainability strategies and initiatives. Through regular formal and informal engagements, we continuously refine our approach. These interactions help us identify key issues, uncover opportunities, and manage risks, enabling us to respond effectively to stakeholder needs.

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Employees	<ul style="list-style-type: none"> Health, safety and well-being Learning and development Respect and recognition Job satisfaction Pay and benefits 	<p>Ongoing</p> <ul style="list-style-type: none"> Meetings Training programmes New employee induction programme Steel Division Sports & Recreation Club Staff gatherings and other engagement channels <p>Quarterly</p> <ul style="list-style-type: none"> Internal newsletter <p>Annually</p> <ul style="list-style-type: none"> Performance appraisals 	<ul style="list-style-type: none"> Training and upskilling opportunities for professional and personal development Merit-based evaluation and career growth pathways Health and well-being initiatives focused on promoting a balanced work-life lifestyle
Customers	<ul style="list-style-type: none"> Convenience and experience Service and product quality Timely product delivery Relationship management 	<p>Ongoing</p> <ul style="list-style-type: none"> Face-to-face interaction through service channels Communication through Marketing Department, Customer Service Department and Corporate Communications Department Feedback through website, email, social media platform Sales, promotions, road shows and related events 	<ul style="list-style-type: none"> Offer comprehensive range of products that meet customers' requirements Visits to customers' sites to better understand their needs and challenges




STAKEHOLDERS ENGAGEMENT (continued)

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Shareholders and Investors	<ul style="list-style-type: none"> • Good governance practices • Sustainable business growth • Disclosure and transparency 	As Needed <ul style="list-style-type: none"> • Media release • Circulars • One-on-one meetings • Quarterly • Financial reports and announcements Annually • Annual General Meeting • Annual Report 	<ul style="list-style-type: none"> • Timely updates on the Company's announcements • Uphold good governance practices across the business operations and supply chain
Government Agencies Regulators	<ul style="list-style-type: none"> • Regulatory compliance • Corporate governance practices • Sharing of best practices 	Ongoing <ul style="list-style-type: none"> • Participation in government and regulatory events As Needed • Meetings and visits 	<ul style="list-style-type: none"> • Full compliance with regulatory requirements • Adoption of practices outlined in the Malaysia Code on Corporate Governance • Support government initiatives
Local Communities	<ul style="list-style-type: none"> • Responsible corporate citizen • Support for social causes • Creation of job or internship opportunities 	Ongoing <ul style="list-style-type: none"> • Activities and sponsorships organised by the Company and Lion-Parkson Foundation As Needed • Job vacancies advertisement 	<ul style="list-style-type: none"> • Support community initiatives/programmes through contributions and other forms of assistance
Media	<ul style="list-style-type: none"> • Response to media enquiries and requests for interviews • Long term engagement 	As Needed <ul style="list-style-type: none"> • Media releases and interviews • Advertisements 	<ul style="list-style-type: none"> • Transparency in communications • Timely and accurate information on corporate, industry, and business developments
Industry Associations	<ul style="list-style-type: none"> • Support for mutual interests 	As Needed <ul style="list-style-type: none"> • Meetings and events 	<ul style="list-style-type: none"> • Participate in meetings/ discussions and/or events

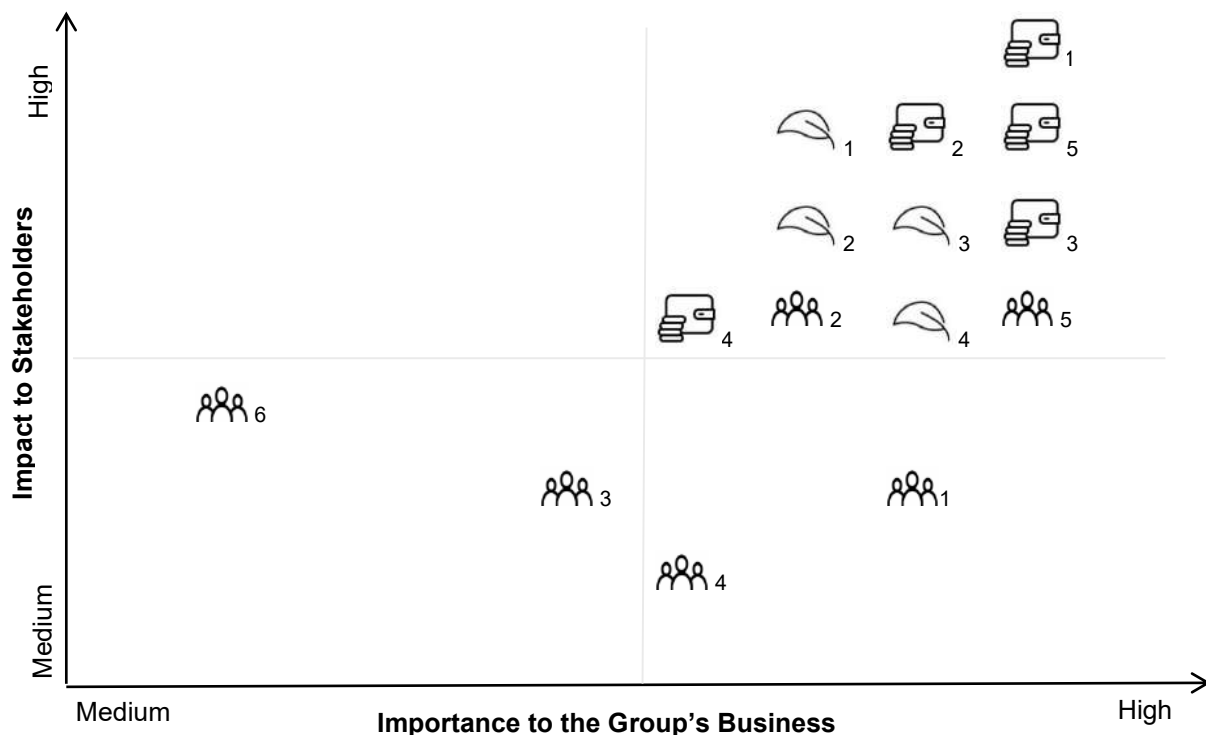
MATERIAL MATTERS

Our materiality matters are validated by our various divisions, combined into a consolidated matrix of issues relating to the activities of the Company. In identifying matters material to the Company, we were guided by GRI and the Listing Requirements.

The Company conducts its materiality assessment every three years and undertakes an annual review of the identified material matters. This process ensures that the Company remains aligned with the evolving expectations of stakeholders, regulatory requirements, and industry trends, while maintaining a proactive approach to sustainability and corporate responsibility.






 Economic	 Environmental	 Social
<ol style="list-style-type: none"> 1. Economic Performance 2. Anti-Corruption 3. Cyber Security/Data Protection 4. Supply Chain Management 5. Products Quality & Safety 	<ol style="list-style-type: none"> 1. Energy Efficiency 2. Water Management 3. Emissions/Air Quality 4. Waste & Hazardous Materials Management 	<ol style="list-style-type: none"> 1. Employee Well-being 2. Health & Safety 3. Capacity Building 4. Diversity & Equal Opportunities 5. Labour Practices & Standards 6. Community Relations/CSR

MATERIALITY MATRIX







CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGS”)

We are committed to supporting the UNSDGs and the following outlines our efforts during the year under review:

UNSDGs	Description	Our Approach
 <p>1 NO POVERTY</p>	<p>Goal 1: No Poverty End poverty in all its forms anywhere</p>	<ul style="list-style-type: none"> • Provide financial aid for medical treatment to the most vulnerable segments of society • Collaborate with other bodies and NGOs to extend our reach and ensure help is targeted to those most in need
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Goal 3: Good Health and Well-being Ensure healthy lives and promote well-being for all at all ages</p>	<ul style="list-style-type: none"> • Prioritise health and safety in our business operations by adopting rigid safety standards and systems, provide continuous safety training to protect our employees, sub-contractors and the general public • Promote healthy lifestyles and work-life balance by organising programmes that focus on our employees' physical and mental well-being
 <p>4 QUALITY EDUCATION</p>	<p>Goal 4: Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> • Provide scholarships to undergraduates pursuing their first degree locally • Promote employee development programmes
 <p>5 GENDER EQUALITY</p>	<p>Goal 5: Gender Equality Ensure full participation in leadership and decision-making</p>	<ul style="list-style-type: none"> • Acknowledge women's contribution in the industry and committed to promoting the advancement of women, especially in fields related to steel manufacturing, engineering and construction • Ensure women's effective representation and equal opportunities for leadership at all levels of decision-making across business activities
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Goal 8: Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<ul style="list-style-type: none"> • Provide competitive remuneration packages to our employees, and training opportunities for career growth and development • Promote a safe and secure working environment for all workers, including contractors and foreign labour • Stand firm against any form of forced labour, modern slavery and child labour

CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGS”) (continued)

UNSDGs	Description	Our Approach
	Goal 12: Responsible Production and Consumption Substantially reduce waste generation	<ul style="list-style-type: none"> Encourage 3R (reduce, reuse, recycle) activities to reduce waste generation Maximise resource efficiency Leverage on recycling of steel
	Goal 13: Climate Action Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> Compliance with all applicable statutory and regulatory requirements
	Goal 16: Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> Support fair and equitable workplace Ensure a strong ethics and compliance culture Zero tolerance towards bribery and corruption, as articulated in our Anti-Bribery and Corruption Policy Whistleblower Policy
	Goal 17: Partnership for the Goals Encourage and promote effective partnerships, building on the experience and resourcing strategies of partnerships	<ul style="list-style-type: none"> Collaborate with regulators, industry players and community development programme partners

KEY SUSTAINABILITY MATTERS

ECONOMIC

Ensuring economic sustainability remains a key priority for achieving long-term business success. Our commitment lies in upholding ethical and responsible marketplace practices through transparent business conduct, operating our business with integrity, and a commitment to excellence. These principles not only enhance our competitiveness but also foster long-term relationships with our stakeholders.

• **Economic Performance**

We are dedicated to creating meaningful employment opportunities and supporting economic development. Through the jobs generated within our operations and related industries, along with the taxes we contribute, we play a vital role in driving positive and significant impacts on the broader economy.

RM'000	2023	2024
Revenue	1,914,817	1,661,530
Loss after tax	(402,414)	(84,905)
Net loss attributed to owners of the Company	(401,296)	(87,655)

Note: Further information on Economic Performance can be found in the 5 Years Group Financial Highlights on page 41 and Financial Statements section of the 2024 Annual Report.

- **Cyber Security/Data Protection**

We are committed to maintaining the confidentiality and security of customers' and stakeholders' information in compliance with the Personal Data Protection Act 2010. Information regarding our vendors, suppliers, and customers is handled with strict privacy and confidentiality at all times.

We actively educate our employees on data protection and privacy through knowledge-sharing initiatives, including brief learning emails and articles in our corporate newsletter. These cover essential topics such as information security fundamentals, online scams, cyber espionage, malware, and ransomware. Our primary goal is to raise awareness about the importance of protecting sensitive information, thereby reducing potential threats and security breaches that could impact the organisation.

During this reporting period, there were no substantiated complaints of breaches in customer privacy or loss of customer data. We will continue to protect our customers' data privacy across all operations.

	2023	2024
<i>Substantiated Complaints Concerning Breaches In Customer Privacy Or Data Loss</i>	ZERO	ZERO

- **Supply Chain Management**

Our procurement department ensures that we engage in responsible procurement practices which is reinforced with the requirement for all our active registered vendors to periodically acknowledge their commitment to our Vendor Code of Conduct. Vendors' qualification/credentials are carefully vetted before being admitted into our list of qualified suppliers. Our initiatives start with the supplier selection process incorporating sustainability considerations such as fair labour practices and safety requirements.

Compliance and commitment by vendors and suppliers to conduct business with us in a transparent manner is sought through performing audits and making continuous improvements in our procurement processes and policies, including reassessing our procurement contracts. We believe local sourcing of products and services from within the country where possible is vital as it brings many advantages including lower costs, timely delivery, reducing carbon miles and invigorating the economy.

Local Suppliers

In FY2024, a significant portion of our procurement expenditure, approximately 92.58% of the total expenditure, was spent on local suppliers, representing a slight decrease compared to FY2023.

Spending on Local Suppliers (%)	2023	2024
Property Development	100	100
Steel Manufacturing	94.14	92.56
Total Spending on Local Suppliers	94.16	92.58

- **Anti-Corruption**

The Company is committed to promoting a culture of integrity through awareness campaigns and regular communications. We require all employees to comply with our Anti-Bribery and Corruption Policy ("ABC Policy"), ensuring that our business is conducted ethically, responsibly, and transparently. Directors and employees are also required to complete an annual e-declaration on Conflict of Interest and acknowledge their understanding of the ABC Policy to confirm compliance.

We encourage all stakeholders to report any suspected wrongdoings which may involve or concern our directors, management, employees, or actions that could affect our performance, relations with other stakeholders, assets, or reputation. Whistleblowers will be assured of confidentiality, with their identity protected unless disclosure is required by law.

Corruption-related Training

In FY2024, 15.66% of executive employees completed the required training, compared to only 11.55% non-executive employees. This notable decline in attendance rates highlights the need for the Company to take proactive steps to ensure all employees prioritise and complete the anti-corruption training.

To improve participation, the Company is exploring online training, strengthening compliance tracking, and enhancing engagement efforts such as targeted reminders and interactive training sessions. These measures will reinforce its commitment to anti-corruption compliance and ensure all employees fulfill their training obligations.

Operations Assessed for Corruption-related Risks

In FY2024, we conducted corruption risk assessments across our operations, covering 66.67% of activities, an increase from 42.42% in FY2023, which reflected a more targeted focus on high-risk areas. Looking ahead, the Company plans to broaden the scope of these assessments by allocating additional resources and providing enhanced training for assessment teams.

Corruption Incidents

As of 31 December 2024, we recorded zero incidents of corruption across our business operations.

Percentage (%)	2023		2024	
	Property Development	Steel Manufacturing	Property Development	Steel Manufacturing
Corruption Related Training				
- Executive	100	17.40	89.47	9.57
- Non-Executive	100	12.20	93.33	9.83
Operations Assessed for Corruption-related Risks	100	14.2	100	50
Corruption Incidents	ZERO		ZERO	

• Products Quality & Safety

Delivering quality is vital to sustaining credibility and earning customer trust in a competitive industry. We are committed to providing products that meet stringent regulatory, safety, health, and quality standards, while ensuring our suppliers uphold the same values.

Our quality management system meticulously oversees every process, from planning and development to production and after-sales service, to guarantee compliance with all required standards.

Primarily serving the construction and infrastructure sectors, our steel products are produced to the highest standards and have achieved certifications from SIRIM Malaysia, the UK Certification Authority, the Australian Certification Authority, and TÜV Nord Germany, among others.

• Customer Satisfaction

Customer support and loyalty are vital to the success of our business. We are committed to prioritising our customers in every aspect of our operations, ensuring the delivery of high-quality products and services. To enhance the customer experience, we conduct routine training programs focusing on product knowledge and service skills to equip our employees to provide premium products and services.

Customer engagement and feedback are central to our approach to continuous improvement. We maintain various channels to facilitate customer interaction and feedback, aiming to refine our services and achieve greater customer satisfaction. Customers can submit formal complaints via email or messaging applications directly to our marketing or sales representatives, ensuring their concerns are addressed promptly and effectively.

ENVIRONMENTAL

The Company remains steadfast in its commitment to sustainable development and seeks to operate in a way that minimises environmental harm. We advocate the 3R actions of Reduce, Reuse and Recycle at our workplace, and adopt preventative measures to conserve the environment and reduce pollution.

Our approach prioritises environmental responsibility through the adoption of new technologies and industry best practices that are environmentally friendly, optimise the use of resources and promote energy efficiency. We are committed to taking proactive measures to preserve the environment for future generations whilst meeting the needs of our stakeholders.

Our steel manufacturing plants have been ISO14001-certified since 2012, reflecting our commitment to pollution prevention, environmental improvement, and regulatory compliance.

Climate Action and Environmental Targets

Aligned with the Malaysian Government's commitment to addressing climate change and achieving Net Zero greenhouse gas (GHG) emissions by 2050, the Company has set interim reduction targets, and will revise these targets in accordance with the Science Based Targets Initiative (SBTi) or relevant standard.

	Area	Target	Plan
1	GHG Emissions	<ul style="list-style-type: none"> Achieve a reduction in GHG emissions intensity and total emissions annually. 	<ul style="list-style-type: none"> Upgrade manufacturing processes with energy-efficient technologies. Natural Gas - Optimise combustion with Rebox by adding oxygen and reducing natural gas consumption. Process improvement - Introduce a hot charge system to reduce natural gas consumption in reheating furnace. Reduce electrode consumption through prolonging electrode lifetime via treatment process. Green Electricity Tariff - Subscribe to 800 Blocks (800,000 kWh x 5 months), totalling 4,000 megawatts of renewable energy.
2	Energy Consumption	Decrease energy consumption to improve operational efficiency. <ul style="list-style-type: none"> Decrease energy consumption 2% per annum. Achieve 3% reduction in energy consumption from the FY2024 baseline by the end of 2030. Achieve a 10% reduction in energy consumption by the end of 2050. 	<ul style="list-style-type: none"> Implement smart energy management systems in all facilities to monitor and optimise energy use. Replace conventional lights with energy saving LED lights in Amsteel canteen and offices in Wisma Amsteel building. Install solar-powered LED lighting to enhance energy conservation and reduce costs. Promote employee energy-saving initiatives.

Climate Action and Environmental Targets (continued)

	Area	Target	Plan
3	Waste Reduction	<ul style="list-style-type: none"> Reduce or divert waste sent to landfills annually through recycling, and other sustainable practices. 	<ul style="list-style-type: none"> Implement circular economy initiatives to reduce waste and promote product reuse. Collaborate with Jabatan Kerjaraya (JKR) and/or relevant parties to use slag as a raw material for road filling. Instill the 3R culture amongst employees to minimise waste.
4	Water Conservation	<p>Reduce water consumption to conserve resources.</p> <ul style="list-style-type: none"> Lower water consumption to conserve resources compared to corresponding year. Reduce water consumption by 3% from the FY2024 baseline by the end of 2030. Achieve a 10% reduction in water consumption by the end of 2050. 	<ul style="list-style-type: none"> Optimise and evaluate water use system through: Rain water harvesting. Water conservation awareness campaign. Promote water saving habits amongst employees.

• **Emissions/Air Quality**

We have air quality monitoring programmes in place in our steel mills to ensure compliance with the emission limits as required by the ISO14001 Environmental Management System audit, and to minimise the impact of our manufacturing activities on the ambient air quality.

Regular preventive maintenance and cleaning are conducted on the chimneys and dust-collecting systems to prevent potential pollutants build-up. The Total Suspended Particulates (TSP) for the chimney units in our steel mills is monitored quarterly with readings ranging between 1 to 25 mg/m³, which is below 50 mg/m³ as specified in the Environmental Quality (Clean Air) Regulations 2014, whilst the TSP for ambient air monitoring is monitored yearly with the data recorded ranging from 103 to 213 µg/m³, below the 260 µg/m³ stated in Malaysia Recommended Air Quality Guidelines.

We are committed to enhancing our technology to improve energy efficiency and reduce environmental impact. To achieve this, we plan to install induction furnaces (IF) in our steel mills, significantly reducing energy consumption such as natural gas and oxygen. This will help conserve valuable resources and lower carbon emissions, aligning with our sustainability goals.

Steel's 100% recyclability makes maximising steel scrap usage crucial for carbon neutrality. This approach significantly reduces carbon dioxide (CO₂) emissions in steelmaking. By prioritising recycling, we embrace a sustainable business model while actively mitigating our carbon footprint, reinforcing our commitment to global climate action.

• **Energy Efficiency**

Since 2010, we have complied with the Energy Commission Act 2001 and implemented R&D and Continuous Improvement Plans, significantly reducing electricity and natural gas consumption.

Looking ahead, the installation of IF will further boost energy efficiency through significant reduction of natural gas and oxygen consumption.

In FY2024, energy consumption decreased by approximately 13.21% to 265,053.42 megawatts from 305,402.46 megawatts in FY2023, primarily due to reduced production output at the steel mill.

Energy Consumption (Megawatts)	2023*	2024
Property Development	161.51	166.30
Steel Manufacturing	305,240.95	264,887.12
Total	305,402.46	265,053.42

* FY2023 data has been restated to reflect the corrected consumption of the various operations in the Company and not as previously reported.

• Water Management

We recognise water as a scarce resource and carefully manage our water usage by promoting the 3R concept through continuous process improvement and in-house water treatment plants. For FY2024, the Company's water consumption reduced from 960.05 megalitres to 787.58 megalitres, reflecting a reduction of approximately 17.96%.

Water Consumption (Megalitres)	2023*	2024
Property Development	16.71	15.96
Steel Manufacturing	943.34	771.62
Total	960.05	787.58

* FY2023 data has been restated to reflect the consumption of the various operations in the Company.

• Waste and Hazardous Materials Management

We prioritise waste minimisation and follow the 3R approach, segregating recyclables and reusable waste under the Solid Waste and Public Cleansing Management Act 2007. Scheduled wastes are managed as per the Environmental Quality (Scheduled Wastes) Regulations 2005, ensuring proper handling and disposal. Non-scheduled wastes are disposed of by certified contractors at legal landfills.

In our steelmaking process, recycled steel scraps is used as the primary raw material, which helps reduce CO2 emissions and supports carbon neutrality. This sustainable practice contributes to global climate change efforts.

In compliance with legal requirements such as the Occupational Safety and Health Act, Factories and Machineries Act, and others, we have established Safety and Health Standard Operating Procedures. All employees, contractors, and consultants must adhere to these safety practices while on our premises. Our steel plant employees and visitors are provided with the necessary safety gear. Employees exposed to noise receive hearing protection and undergo annual audiometric tests.

We have an Emergency Response Team (ERT) to handle emergencies, including occupational incidents, natural disasters, or disruptions. ERT members are regularly trained in fire safety, first aid, and evacuation procedures.

In FY2024, our steel plant in Klang held a Safety and Health Campaign from 7 to 29 August to promote safety awareness, best practices, and strengthen relations with employees, contractors, authorities, and other stakeholders.

Health and Safety Training

In FY2024, 258 participants received training on health and safety standards, a significant decrease from the 644 participants in the previous financial year. This 60% reduction was primarily due to the fact that staff from the Steel Manufacturing division were directly engaged in the Safety and Health Campaign.

Number of Employees Trained on Health And Safety Standards	2023	2024
Property Development	0	33
Steel Manufacturing	644	225
Total	644	258

Among the training conducted were:

Elevated Overhead Travelling Crane (E-OTC) Handling Operation	Safety Precaution during Oxy-Cutting Operation	Kendalian Mesin dan Lori Undur ke Belakang
SOP on Safety and Health	Essential Fire Fighting	Scheduled Waste, 5S and Chemical Handling

Work-Related Injuries

Workplace incidents are taken seriously; they are investigated and appropriate actions taken to prevent recurrence. Our Property Development division reported zero incident of work related injuries in FY2024, reflecting its dedication to stringent safety protocols.

Our Steel Manufacturing operations recorded the following safety performance metrics:

Steel Manufacturing Operations	2023		2024	
	Employee	Contractor	Employee	Contractor
Total Hours Worked	2,496,000	948,800	2,079,704	171,448
Number of Fatalities	ZERO	ZERO	ZERO	ZERO
Number of Lost Time Injuries	29	6	18	3
Lost Time Incident (LTI) Percentage	0.00116%	0.0006%	0.00087%	0.00175%
LTI Rate*	2.32	1.26	1.73	3.50

* LTI Rate = (Number of Lost Time Injuries / Total Hours Worked x 200,000)

Ongoing efforts to strengthen safety measures and deliver comprehensive training have contributed to a notable reduction in lost time injuries, decreasing from 29 to 18 for employees compared to FY2023. This progress highlights our commitment to safeguarding the well-being of everyone on our premises. However, it is important to note that the LTI rate for contractors has increased sharply from 1.26 in 2023 to 3.48 in 2024. This significant rise indicates that contractor safety performance requires further attention.

Moving forward, we will prioritise targeted initiatives to address this increase and continue reinforcing our culture of care for all personnel. We remain dedicated to prioritise workplace safety through regular assessments, training programs, and the implementation of best practices to maintain and improve our safety standards, and remain committed to fostering a safe working environment for all employees and contractors.

- **Capacity Building**

The Company prioritises talent development to cultivate future leaders and strengthen its talent pipeline. Employees are offered learning and development opportunities tailored to their technical, functional, and behavioral competencies, aligning with job requirements and career aspirations.

Training is delivered through on-the-job learning, formal classes, online platforms, and continuing education. The Company encourages employees to pursue upskilling courses and obtain skill certifications, enabling broader job coverage and fostering professional growth.

Given the decline in training hours for FY2024, the Company will develop strategies to reverse this trend and reinforce its commitment to talent development and employee growth.
Total Hours of Training by Employee Category

Category/Hours	2023		2024	
	Executive	Non-Executive	Executive	Non-Executive
Property Development	199	57	438.5	276.5
Steel Manufacturing	7,141	4,953	3,449.5	3,795.0
Total Hours	7,340	5,010	3,888.0	4071.5

Among the training and development programmes conducted both physically and/or online are as follows:

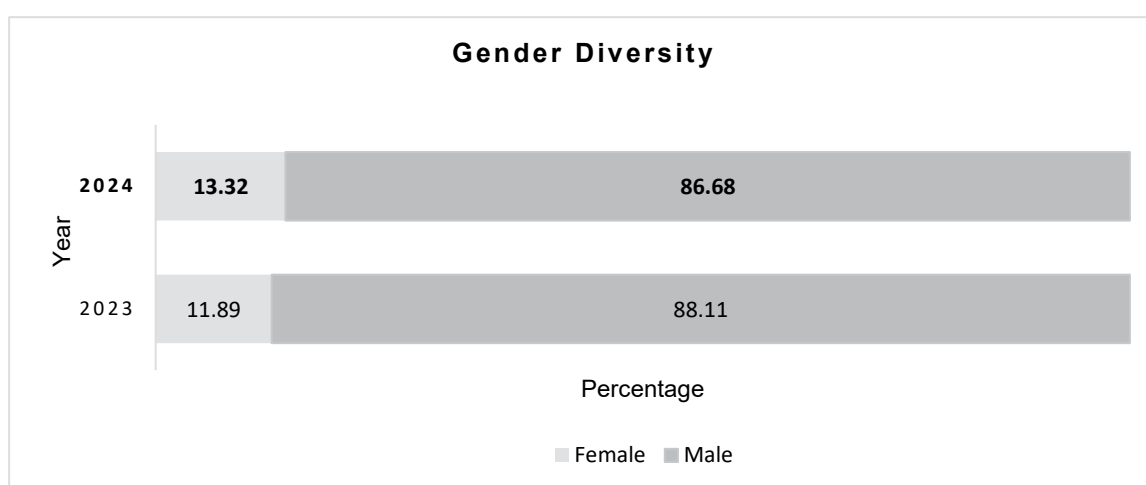
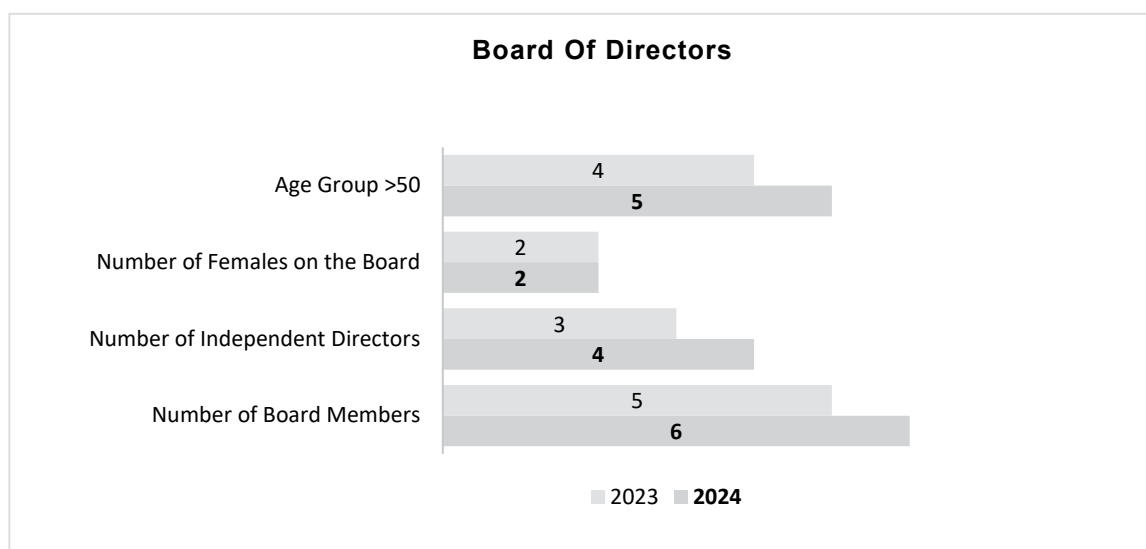
Enhancing Green House Gas Emission Through Effective Strategies	MBRS Hands-on Application of Financial Statement Content Into The MBRS Template	Sistem Solar Fotovolta Tersambung Grid Untuk Penjaga Jentera Elektrik Synchronising
ESG Essential - Integrating Sustainability For Lasting Business	Kursus Modul Janakuasa Voltan Rendah Dengan Penyelenggaraan	Seminar Akta Kualiti Alam Sekeliling (Pindaan) 2024: Panduan Pelaksanaan & Implikasi Perundangan
Materials Inventory, Demand Forecasting and Supply Chain	Application of E-Invoice in Daily Accounting	Low Voltage Generator and Synchronising
Meltdown Carbon and Tapping Temperature	7QC Tools Towards Problem Solving	Plant Operation and Manpower Distribution
MEF Conference : Trade Unions (Amendment) ACT 2024	Stakeholder Engagement Analysis in ESG	Computerised Maintenance Management System
GHG Inventory, Accounting & Reporting	Data Analytics 360 Summit International Conference	Life Cycle Assessment
		Kursus Asas Polis Bantuan
AS400 AR Manual Document Handling	Handling Misconduct and Conducting Domestic Inquiry	Computerised Maintenance Management System
ESG Awareness for Employees	Six Sigma Yellow Belt	Pneumatic & Hydraulic System

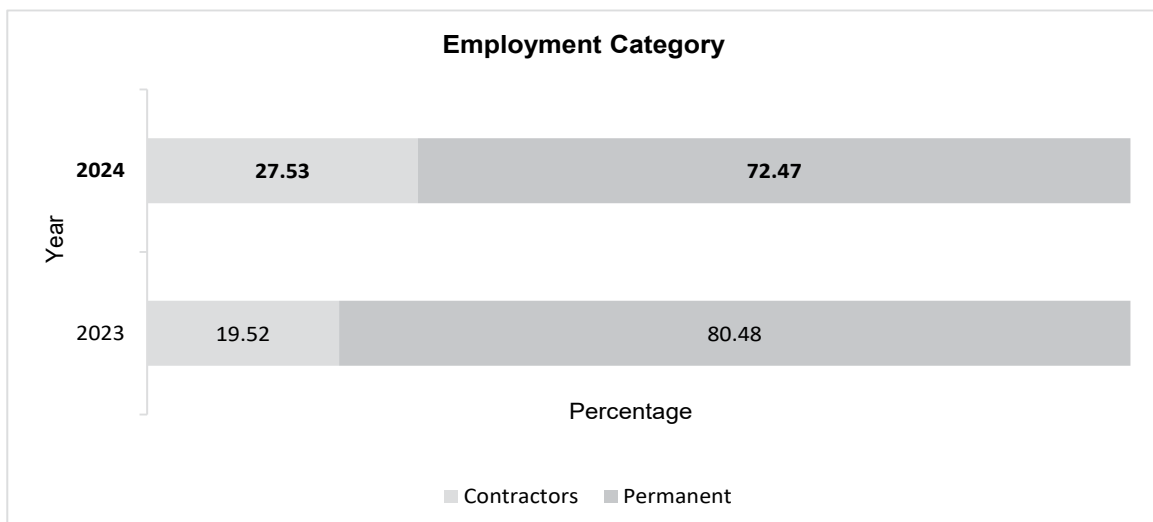
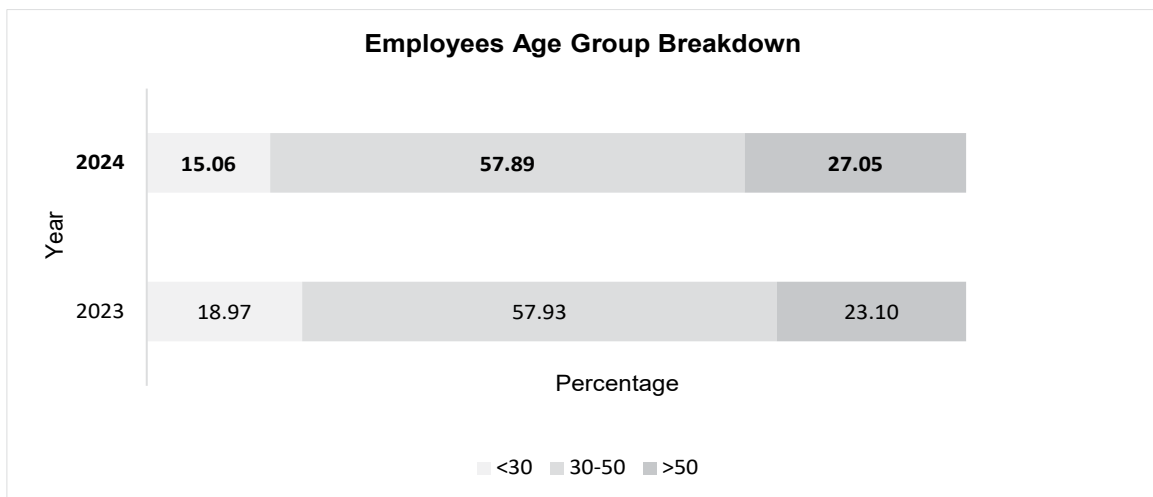
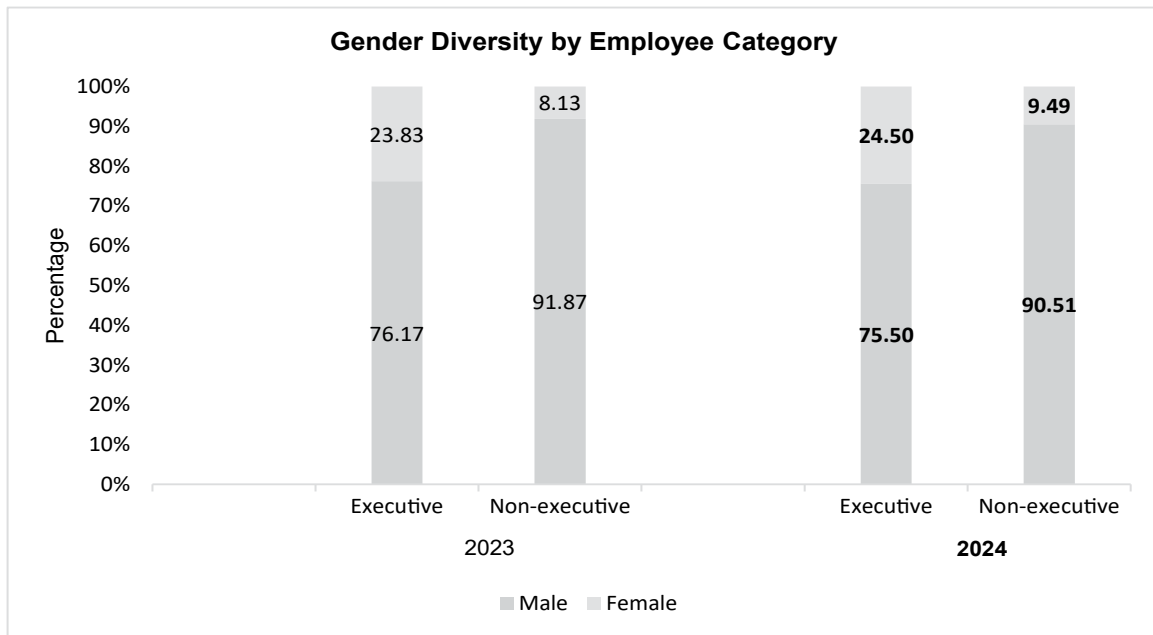
• Diversity & Equal Opportunities

The Company upholds a zero-tolerance policy against discrimination and harassment, fostering a workplace that reflects Malaysia's multicultural diversity. With a commitment to Diversity, Equity, and Inclusion (DEI), the Company ensures pay equity through competitive, unbiased remuneration and active measures to minimise pay disparities.

Diversity in leadership is demonstrated with females representing 33.33% of the Board, whilst 83.33% is aged over 50. Across the steel workforce, females account for 12.72%, while males represent 87.28% reflecting the demanding nature of steel manufacturing roles. The workforce is balanced, with 57.89% aged 30-50, 22.65% in executive positions, and 85.24% holding permanent roles.

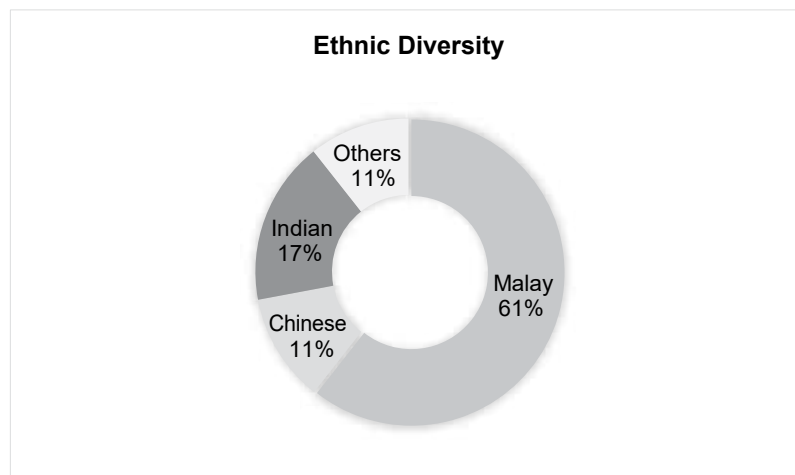
Turnover rates for FY2024 showed a decrease of about 1.00% for executive staff and 13.24% for non-executive staff compared to FY2023, highlighting the effectiveness of the Company's retention strategies. While these reductions mark progress, the Company acknowledges the need for ongoing efforts and remains committed to fostering an inclusive and supportive workplace where employees feel valued and inspired to contribute to its long-term success.





Age Group by Employee Category (%)						
Category	2023			2024		
	<30	30 - 50	>50	<30	30 - 50	>50
Executive	11.86	55.73	32.41	8.43	51.41	40.16
Non-executive	23.72	56.73	19.55	17.33	60.11	22.56

Total Turnover by Employee Category		
Category	2023	2024
Executive	21.87%	20.88%
Non-executive	34.97%	21.73%



- Community Relations/Corporate Social Responsibility (“CSR”)**

In keeping with our philosophy of giving back to the community, the Company focuses on helping to uplift the community via Lion-Parkson Foundation (the “Foundation”) established in 1990 by Lion Group of Companies, of which the Company is a member. The Company is also supporting the local community wherein it operates by participating in charity programmes and fundraising drives to assist those in need.

Empowerment through Education

We believe that Empowerment through Education is the key to sustainable development, as education serves as a catalyst for positive, long term change. Each year, the Foundation awards scholarships to undergraduates at local universities, providing them not only financial support but also training in essential soft skills such as problem-solving, communication and teamwork. Scholars are also offered internships at Lion Group companies, allowing them to gain invaluable work experience and prepare for their future careers,

In FY2024, the Foundation disbursed scholarships amounting to RM375,000 to 39 undergraduates pursuing their bachelor’s degree in local institutions of higher learning.

Expansion of Home for Special Children

As part of its ongoing support for vulnerable communities, the Foundation completed and officially handed over the expansion of the Home for Handicapped & Mentally Disabled Children in Banting, Selangor which includes an old folks home to the operator, Persatuan Penjagaan Kanak-Kanak Terencat Akal Negeri Selangor, on 23 January 2024.

Medical Assistance for the Less Fortunate

The Foundation is also dedicated to providing medical assistance to individuals in need, regardless of their race or religion. This includes financial support for those suffering from critical illnesses who require medical treatment, surgeries, as well as the purchase of necessary medical equipment and medications.

In FY2024, approximately RM304,803 was disbursed to 38 individuals for medical treatment, which included sponsorships for surgeries, equipment, and medications. The Foundation also made contributions to the following causes:

No	Organisation	Amount (RM)	Purpose	No of beneficiaries
1	Cataract Surgery Centre, Hospital Selayang	20,000	Donation to B40 group needing cataract operation	86
2	Home for Handicapped & Mentally Disabled Children in Banting, Selangor	20,422	Medical equipment and medicine for Home residents	94
3	St John Ambulance of Malaysia	228,380	Purchase of one ambulance, fully equipped with fabrication, medical equipment, and devices	Communities served by the ambulance services
4	The Spastic Children's Association of Selangor & Federal Territory	27,715	Donation of medical equipment for physiotherapy centre	130

Other CSR Initiatives

Amsteel Mills Klang contributed to:

No	Organisation	Amount	Purpose	No of beneficiaries
1	Kelab Sukan dan Kebajikan Jabatan Bomba dan Penyelamat Klang Utara	RM1,000	Kejohanan Rugbi Piala Ketua Pengarah	Club members
		20 pieces of steel bars valued at RM650	Sprucing up the premises	Staff
2	Universiti Teknologi MARA Puncak Alam	RM500	Program Hapus Denggi di Kawasan Hotspot	Staff and students

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive	Percentage	24.22	15.66
Non-Executive	Percentage	14.29	11.55
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	42.42	66.67
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	662,030.00	977,820.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	158	390
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive Under 30	Percentage	11.86	8.43
Executive Between 30-50	Percentage	55.73	51.41
Executive Above 50	Percentage	32.41	40.16
Non-executive Under 30	Percentage	23.72	17.33
Non-executive Between 30-50	Percentage	56.73	60.11
Non-executive Above 50	Percentage	19.55	22.56
Gender Group by Employee Category			
Executive Male	Percentage	76.17	75.50
Executive Female	Percentage	23.83	24.50
Non-executive Male	Percentage	91.87	90.51
Non-executive Female	Percentage	8.13	9.49
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	60.00	66.67
Female	Percentage	40.00	33.33
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	20.00	16.67
Above 50	Percentage	80.00	83.33
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	305,402.46 *	265,053.42
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	1.81
Bursa C5(c) Number of employees trained on health and safety standards	Number	644	258

Internal assurance External assurance No assurance (*)Restated

SUSTAINABILITY PERFORMANCE DATA (continued)

Indicator	Measurement Unit	2023	2024
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Executive	Hours	7,340	3,888
Non-executive	Hours	5,010	4,072
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	19.52	27.53
Bursa C6(c) Total number of employee turnover by employee category			
Executive	Number	56	52
Non-executive	Number	284	158
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	94.16	92.58
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	960.050000	787.580000

Internal assurance External assurance No assurance (*)Restated

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement, selected aspects/parts of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors and the Statement has been reviewed by the Company's Audit Committee and approved by the Board.

The Materiality Matters covered are provided below:

Material Matters	Subject Matter
Anti-corruption	<ul style="list-style-type: none"> Percentage of employees who have received training on anti-corruption by employee category Percentage of operations assessed for corruption-related risk Confirmed incidents of corruption and action taken
Community/Society	<ul style="list-style-type: none"> Total amount invested in the community where the target beneficiaries are external to the Company
Diversity	<ul style="list-style-type: none"> Percentage of employees by gender and age group, for each employee category Percentage of directors by gender and age group
Energy Management	<ul style="list-style-type: none"> Total energy consumption
Health and Safety	<ul style="list-style-type: none"> Number of work-related fatalities Lost time incident rate Number of employees trained on health and safety standards
Labour Practices and Standards	<ul style="list-style-type: none"> Total number of hours of training by employee category Percentage of employees that are contractors or temporary staff Total number of employee turnover by employee category
Supply Chain Management	<ul style="list-style-type: none"> Proportion of spending on local suppliers
Data Privacy and Security	<ul style="list-style-type: none"> Number of substantiated complaints concerning breaches of customer privacy and loss of customer data
Water	<ul style="list-style-type: none"> Total volume of water used