

A group of people in blue shirts are gathered around a large pile of discarded plastic straws on a patterned carpet. They are working together to sort through the straws, which are in various colors including green, orange, and white. The scene is set indoors, and the people are focused on their task.

# Sustainability Statement

**Powering progress  
through inclusivity**

# Chapter 1: Introduction



## Reporting Approach

This Statement has been prepared in compliance with the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("Bursa Malaysia") and is guided by the Global Reporting Initiative (GRI) Standards, the Bursa Malaysia Index, Bursa Malaysia Sustainability Reporting Guide 3rd Edition, The Malaysian Code on Corporate Governance 2021 (MCCG 2021), The Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (GHG Protocol Corporate Standard) and the United Nations Sustainable Development Goals (UN SDGs).

## Scope and Boundary

The reporting period for this report covers from May 2024 to April 2025, unless otherwise stated. The scope of this Statement includes all operations and activities conducted by Cypark and its subsidiaries. However, it excludes outsourced activities or joint ventures unless explicitly stated otherwise. Cypark has included the biogas plant's emission assessment within this report. There has been no significant change in our business operations.

## Assurance

This report has undergone external assurance by Control Union (Malaysia) Sdn Bhd, which provided limited assurance on the relevant sustainability performance disclosures, in line with Bursa Malaysia's Sustainability Reporting Guide, 3rd Edition. The information and performance data provided in this report have been internally verified for accuracy. We are committed to improving our processes for standardising data collection across our operations and plan to develop and implement more robust data collection systems.

## Feedback

Feedback from stakeholders on Cypark's disclosures and sustainability practices is essential for the company's ongoing improvement. We greatly value and encourage feedback, comments and suggestions from our stakeholders concerning our sustainability initiatives and practices.

Please reach out to the person-in-charge:

**Nor Azah Masrom**  
Head of Operational Sustainability  
[azah.masrom@cypark.com](mailto:azah.masrom@cypark.com)

## Cypark Resources Berhad

Suite 27-01, Level 27 of Integra Tower, The Intermark, 348 Jalan Tun Razak, 50400 Kuala Lumpur, Wilayah Persekutuan.

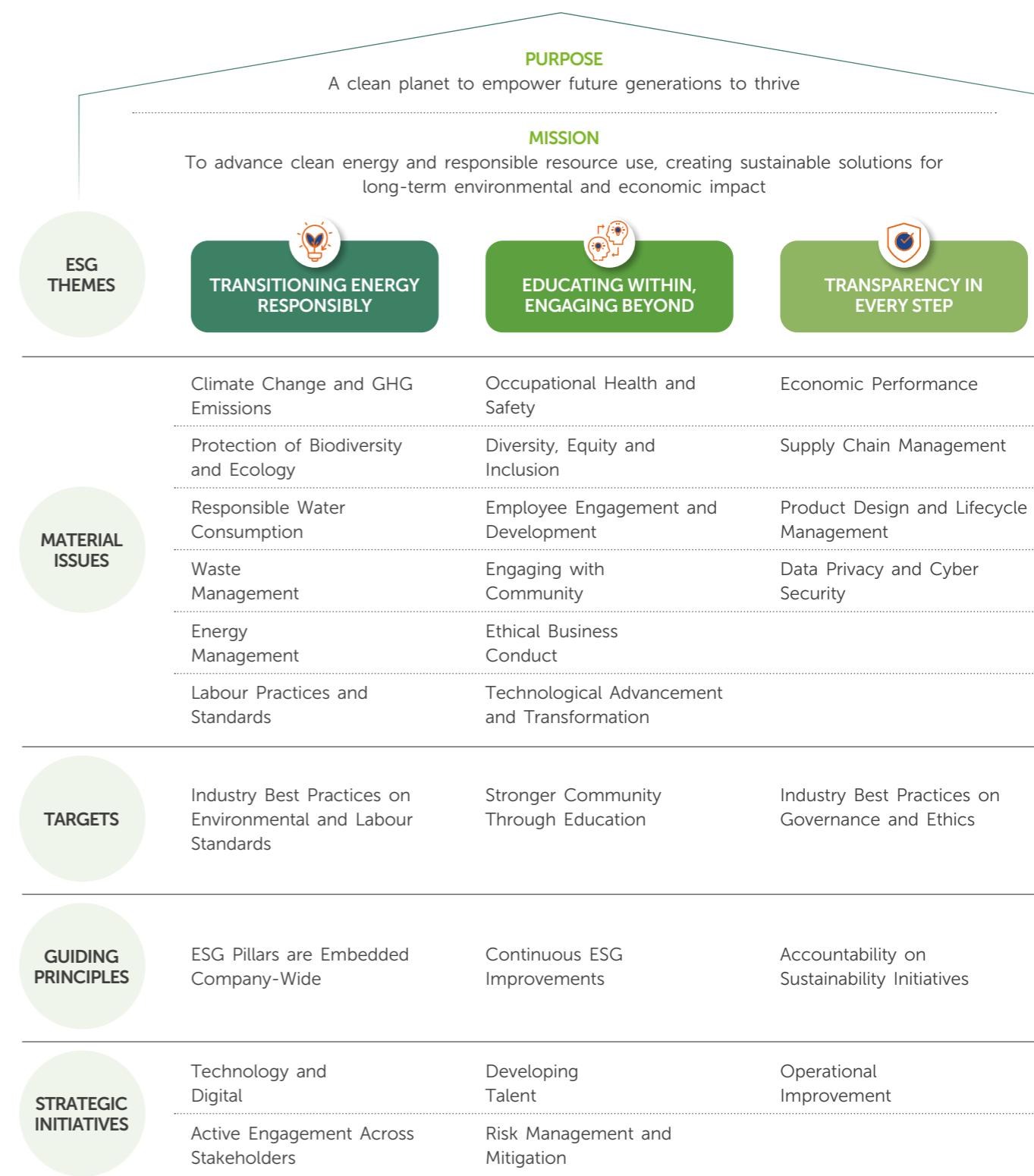


# Impact in Action

Driven by our commitment to sustainability, we have made significant progress in achieving our goals across the three key areas of Environmental, Social and Governance (ESG). Our efforts have centred on enhancing environmental resilience, adversities, improving employee well-being and reinforcing governance practices to ensure ethical and transparent operations. These advancements highlight our dedication to embedding sustainability into every facet of our business, creating long-term value for our stakeholders while contributing to a more sustainable future.

ENVIRONMENTAL		
Target	Measure	Ongoing Initiatives
 <b>Minimise GHG emissions</b> at Landfill Management/Waste-To-Energy (WtE) facility by <b>50%</b> by 2035	GHG <b>accounting</b> and <b>decarbonisation</b> strategies	<p><b>Ongoing Initiatives</b></p> <p>Plant <b>optimisation initiated</b> such as:</p> <ul style="list-style-type: none"> <li>Automated temperature control of bag filter</li> <li>Green practices of air conditioning usage</li> <li>Installation of timer for surface aerator at Leachate Treatment Plant</li> <li>Installation of timer for street lightings</li> </ul> <p>Plans for feasibility study on carbon reduction initiatives (e.g. methane capture)</p>
 Optimise <b>diesel and gas use</b> for Scope 1 emissions by 2025	Fuel <b>transition</b> and <b>operational</b> change	B10 biodiesel adopted; transition to <b>EURO 5 diesel</b>
 Transition to <b>renewable energy</b> to reduce Scope 2 emissions	Adopt <b>alternative sources</b> of electricity consumption	Strategy to expand <b>WtE</b> operations at Ladang Tanah Merah to power the current Ladang Tanah Merah plant facility
SOCIAL		
Target	Measure	Ongoing Initiatives
 Ensure <b>100% of projects with social/environmental impact</b> undergo stakeholder consultation	Engagement <b>practices</b>	<p><b>Ongoing Initiatives</b></p> <p>Institutionalised stakeholder engagement; <b>dialogue sessions</b> and <b>ongoing site-level communications</b> conducted</p>
GOVERNANCE		
Target	Measure	Ongoing Initiatives
 Overview of <b>sustainability projects</b> by Board Sustainability Committee (BSC)	Governance <b>structure</b>	<p><b>Ongoing Initiatives</b></p> <p>BSC was established in FY2025; <b>due diligence</b> and <b>sustainability statement</b> routed through BSC for pilot integration. BSC assesses sustainability risk and mitigation for all new projects.</p>

We aim to advance environmental sustainability through renewable energy (RE) solutions and waste management solutions as well as conservation practices. This vision is central to our ESG Framework. Our sustainability efforts are structured around three key ESG themes: Transitioning Energy Responsibly, Educating Within, Engaging Beyond and Transparency in Every Step. These themes are integrated into our strategic initiatives, operations and interactions with our people, suppliers, stakeholders and the community.



# Stakeholder Engagement

We take into account the voices of our stakeholders in our business decisions, activities and operations, including our materiality assessment. Engaging with stakeholders is essential for understanding and addressing the needs of our diverse groups. We actively interact with our stakeholders through various methods and communication channels to gather key stakeholder insights.

## INTERNAL STAKEHOLDERS

### Employees

#### What are the key concerns raised by the stakeholders?

##### Key Concerns Raised:

###### 1. Talent Management & Employee Equity

- Challenges in retaining a high-quality workforce.
- Insufficient employee benefits, including bonuses and medical support.
- Concerns about workload and perceived unfairness in promotions, leading to concerns about equity.

###### 2. Employee Communication & Connectivity

- Calls for more transparency and timeliness in internal communication.
- Suggestions to increase team-building activities, including recreational or sports initiatives.
- Employee Engagement Survey was conducted to enhance our workplace culture and drive meaningful improvements across satisfaction, leadership, collaboration, career development and sustainability.

###### 3. Talent Development and Career Progression

- Requests for more training opportunities and upskilling.
- Calls for more structured performance reviews and career growth pathways.

###### 4. Digital Transformation and Sustainability Integration

- Suggestions to improve the implementation of software tools for daily operations to decrease reliance on manual processes.
- Calls for increased visibility and integration of sustainability efforts into daily work.

#### Our Response:

###### 1. Enhanced employee performance reviews, compensation and benefits

- Improved performance review mechanism.
- Increased medical benefits (e.g., RM1,000 reimbursement for optical/eye-related expenses at designated opticians and dental treatment).
- Limit for outpatient claims for dependents increased.
- Upgraded insurance coverage to include critical illnesses.
- Salary adjustments, annual increments aligned with performance and market benchmarks.

###### 2. Introduced more team-oriented activities

- Team-building 2025 with involvement of the Board.
- Creation of Cypark Sports Recreational Club.

###### 3. Provided curated training sessions based on their professional needs.

- Technical and non-technical training for all levels of employees.

###### 4. Optimised the use of digital platforms

such as Infotech to streamline employee access to attendance, leave, medical records and payslips—particularly benefitting site-based staff. Additionally, MS Teams has been adopted to enhance internal data sharing and cross-site collaboration.



# Stakeholder Engagement

## EXTERNAL STAKEHOLDERS



### Local Communities

#### What are the key concerns raised by the stakeholders?

##### Key Concerns Raised:

Local villagers have raised concerns that the development of the solar plant in Merchang has contributed to flooding, affecting 42 landed homes, 170 Rumah Rakyat units and causing damage to surrounding agricultural land, including palm oil and rubber plantations.

##### Our Response:

Cypark launched a multi-stakeholder engagement initiative involving the Department of Irrigation and Drainage (JPS) and undertook a detailed flood study to identify contributing factors to the flooding. Recognising that the surrounding area hosts multiple ongoing developments, Cypark has maintained continuous dialogue with JPS, community representatives and other neighbouring projects to coordinate joint mitigation efforts. Cypark remains committed to transparent communication and implementing data-driven solutions to safeguard community well-being.

We are in the midst of enhancing the drainage system at our hybrid solar site to ensure efficient water flow and prevent potential flooding or water logging.



Dialogue session with Residents in Kampung Jambu Bongkok, Merchang, Terengganu



Zakat contribution at Pajam



Pocket Talk themed "Renewable Energy" at SMK Alor Pasir, Kelantan



Deepavali donation of RM7,398 to 24 families in Kampung 107 Ekar

## Stakeholder Engagement



RM16,980 zakat to schools, asnaf and special wheelchair project



RM4,000 contribution to communities in Ladang Tanah Merah during Ramadhan



RM20,000 contribution to Majlis Madinah Ramadhan via Majlis Bandaraya Kota Bharu



Dialogue session with Penghulu and residents of Kampung Jambu Bongkok, Merchang, Terengganu



Pocket Talk themed "Renewable Energy" at SMK Awang Jabar, Terengganu



RM5,250 zakat to 17 families at Sik

# Stakeholder Engagement

## EXTERNAL STAKEHOLDERS



### Industry

#### What are the key concerns raised by the stakeholders?

##### Key Concerns Raised:

Need for proactive coordination between neighbouring developers in the Merchang area, especially during the monsoon season, to anticipate flood-related risks, infrastructure upgrades and ensure smooth operational co-existence.

##### Our Response:

Cypark conducts regular coordination meetings with other industry operators during the monsoon season to jointly assess potential flood conditions and identify appropriate mitigation measures. Additionally, we engage continuously with the railway developer representatives on local infrastructure works, including the installation of electric poles for transmission.

We have also engaged the silica operator upstream to propose mitigation measures on water blockage to JPS.



Site visit by YB Arul Kumar, Negeri Sembilan Exco for Local Government, Housing & Transport with DOE, JPSPN, SWCorp, MPPD and MBS



Site visit with silica operator upstream to discuss on appropriate mitigation measures for flood



Site visit by YB Arul Kumar, Negeri Sembilan Exco for Local Government, Housing & Transport to the WtE, Ladang Tanah Merah



Engagement with Government-Linked Companies (GLCs) – TNB Genco Danau Tok Uban site visit



Site visit of YB Arul Kumar, Negeri Sembilan Exco for Local Government, Housing & Transport to the WtE, Ladang Tanah Merah



## Stakeholder Engagement



NAHRIM, JSANK, UPEN, DOE, JPS, KADA, KUM, DOF Kelantan, Pasir Mas District Office visit to Danau Tok Uban



Engagement with DOE, JPSPN and SWCorp to discuss on SMART WtE EIA Report



Engagement with Koperasi Wawasan Bukit Mas at Danau Tok Uban



Meeting with DOF Kelantan on confirmation of fish inventory data and invitation for participation in fish sampling activities



DOF Kelantan fish sampling at Danau Tok Uban

# Material Matters

In FY2024, through a materiality assessment process, we have identified the sustainability issues that are most relevant to our business and stakeholders. We conducted surveys for 8 key stakeholder groups, namely:

- Board of Directors
- Customers/Clients
- Employees
- Media
- Investors/Shareholders
- Suppliers
- Government/Regulators
- Business Partners

Conducting this assessment periodically ensures that our sustainability priorities remain aligned with the evolving sustainability landscape and emerging megatrends. This enables us to mitigate risks and identify opportunities, as we aim to continuously create value for our stakeholders.

Looking ahead, we recognise the importance of adopting a double materiality perspective, which considers both the financial impacts of sustainability issues on our business as well as our broader impacts on the environment and society. As part of our commitment to comprehensive and transparent disclosures, we plan to integrate a double materiality analysis into our assessment process in FY2026.

## MATERIALITY METHODOLOGY

Our Materiality Assessment was realised through three key steps:



## Materiality Matrix

The materiality assessment process from FY2024 identified 16 sustainability matters pertinent to Cypark's operations and stakeholder interests.



- ENVIRONMENTAL**
- 1 Climate Change and GHG Emissions
- 2 Protection of Biodiversity and Ecology
- 3 Responsible Water Consumption
- 4 Waste Management
- 5 Energy Management

- SOCIAL**
- 6 Labour Practices and Standards
- 7 Occupational Health and Safety
- 8 Diversity, Equity and Inclusion
- 9 Employee Engagement and Development
- 10 Engaging with Community

- ECONOMIC & GOVERNANCE**
- 11 Ethical Business Conduct
- 12 Technological Advancement and Transformation
- 13 Economic Performance
- 14 Supply Chain Management
- 15 Product Design and Lifecycle Management
- 16 Data Privacy and Cyber Security

# Addressing Our Material Matters

At Cypark, we address key material matters through transparency, compliance and innovation. These efforts include the enforcement of codes of conduct, anti-bribery measures and whistleblowing policies to ensure ethical behaviour at all levels. Our business strategies focus on long-term value creation, operational efficiency and sustainable growth. In addition, to manage data privacy and cybersecurity risks, Cypark complies with the Personal Data Protection Act 2010, Cybersecurity Act 2024 and Communications and Multimedia Act 1998. Internal safeguards are guided by the IT Policy & Standards v2.1 and Cyber Security Policy v2.0, ensuring secure handling of personal and operational data.

## ENVIRONMENTAL

### 1 Climate Change and GHG Emissions

#### Definitions

Climate change refers to global weather pattern shifts caused by human activities, which increase gases like carbon dioxide and methane that trap heat in the Earth's atmosphere, intensifying the greenhouse effect.

#### Key Measures Undertaken

We conducted a Group-wide GHG assessment aligned with global standards and initiated Tier 3 methodology improvements for accuracy.

For more information, refer to Chapter 2: Carbon Management – GHG Emissions.

### 2 Protection of Biodiversity and Ecology

#### Definitions

Protection of biodiversity and ecology refers to the safeguarding of natural habitats, species and ecosystems to maintain environmental balance. It encompasses efforts to promote sustainable development while respecting the natural environment.

#### Key Measures Undertaken

We integrated biodiversity considerations into project planning and design, including baseline studies and consultations. At Danau Tok Uban Floating Solar Plant, shaded water surfaces support aquatic life and migratory birds, while restricted access zones act as passive conservation areas, reducing fishing pressure and boat traffic.

For more information, refer to Chapter 2: Protection of Biodiversity and Ecology.

### 3 Responsible Water Consumption

#### Definitions

Responsible water consumption refers to using water efficiently and wisely to minimise waste and ensure sustainable access for present and future needs. It involves conserving water resources while considering environmental, social and economic impact.

#### Key Measures Undertaken

We implemented site-wide water monitoring and alternative sourcing such as rainwater and hill water harvesting and boreholes, while treating 142,240 m<sup>3</sup> of leachate in compliance with national standards.

For more information, refer to Chapter 2: Responsible Water Consumption.

### 4 Waste Management

#### Definitions

Waste management involves the collection, transportation and disposal of waste materials in a safe and environmentally responsible manner. It aims to minimise the negative impact of waste on human health and the environment through proper treatment and recycling processes.

#### Key Measures Undertaken

Our SMART WtE facility converts waste into energy and enables circular practices, diverting 5,515 tonnes of bottom ash for reuse and recycling 238 MT of scrap metal.

For more information, refer to Chapter 2: Waste Management.

# Addressing Our Material Matters

## 5 Energy Management

### Definitions

Sustainable Energy Management is the on-going process of managing the energy use in the organisation to ensure that energy has been efficiently used by adopting an energy management system to achieve desired results and for continual improvement. It covers all aspects of energy which is the people and the equipment in the daily operation of the facilities.

### Key Measures Undertaken

We added 270 MWp to our renewable energy portfolio, through our Merchang Solar Plant (172 MWp) and Danau Tok Uban (98 MWp) – supporting the national energy transition.

*For more information, refer to Chapter 2: Transitioning Energy Responsibly.*

### SOCIAL

## 6 Labour Practices and Standards

### Definitions

Labour practices and standards refer to the rules and guidelines that govern how workers are treated and employed within organisations or industries. They aim to ensure fair treatment, safe working conditions and ethical employment practices for all employees.

### Key Measures Undertaken

We reinforced our commitment to fair and ethical practices through key policies such as Anti-Bribery and Corruption, Code of Conduct & Ethics, Conflict of Interest, Remuneration, Whistleblowing and Health, Safety & Environment (HSE), ensuring compliance with national laws and employee well-being.

*For more information, refer to Chapter 3: Labour Practices.*

## 7 Occupational Health and Safety

### Definitions

Occupational health and safety refers to practices and regulations aimed at protecting the health, safety and well-being of workers in their workplaces. It includes measures to prevent workplace injuries, illnesses and hazards, promoting a safe and secure working environment.

### Key Measures Undertaken

We delivered 2,100+ hours of safety training and achieved ZERO Lost Time Injury Frequency Rate (LTIFR) and fatalities, reflecting a strong safety culture.

*For more information, refer to Chapter 3: Health and Safety.*

## 8 Diversity, Equity and Inclusion

### Definitions

Diversity, equity and inclusion are three closely linked values held by many organisations that are working to be supportive of different groups of individuals, including people of different races, ethnicities, religions, abilities and genders. Companies that are diverse, equitable and inclusive are better able to respond to challenges, win top talent and meet the needs of different customer bases.

### Key Measures Undertaken

We support fair representation, with women making up 29% of the Board on 9 June 2025 and 25% of the workforce.

*For more information, refer to Chapter 3: Diversity, Equity and Inclusion.*

## 9 Employee Engagement and Development

### Definitions

Employee engagement and development involve fostering a connection between employees and their work through meaningful involvement and growth opportunities. It includes initiatives to enhance job satisfaction, skills and overall contribution to organisational goals.

### Key Measures Undertaken

We invested RM278,861 in training and recorded 6,289 learning hours, including leadership and technical programmes.

*For more information, refer to Chapter 3: Nurturing Talent.*

## 10 Engaging with Community

### Definitions

Engaging with the community means actively interacting and collaborating with local residents, organisations and stakeholders to address shared interests or concerns. It involves building relationships, participating in activities and contributing positively to the community's well-being and development.

### Key Measures Undertaken

We invested RM1,006,028 in education, infrastructure and flood relief, benefitting schools and local communities in Kelantan and Terengganu.

*For more information, refer to Chapter 3: Community Outreach.*

### ECONOMIC & GOVERNANCE

## 11 Ethical Business Conduct

### Definitions

Ethical business conduct involves making the right decisions and actions, considering all stakeholders and operating with integrity, transparency and accountability in business operations and relationships. Business integrity means consistently adhering to ethical principles and values in all business dealings and interactions. It involves maintaining honesty, fairness and transparency while upholding moral standards and commitments to stakeholders.

### Key Measures Undertaken

We enforce anti-bribery policies, whistleblowing channels and strong codes of conduct across operations.

Staff of all levels have undergone anti-corruption training by the Malaysian Anti-Corruption Commission (MACC) in July 2024.

*For more information, refer to Chapter 4: Policies and Guidelines.*

## 12 Technological Advancement and Transformation

### Definitions

Technological advancement and transformation involve adopting new technologies to enhance processes, products, or services, aiming for improved efficiency and competitive advantage within an organisation or industry.

### Key Measures Undertaken

During the year, we invested RM467,046 in IT development, including digital platforms such as Infotech and MS Teams, to enhance operational efficiency and strengthen sustainability integration.

*For more information, refer to Chapter 3: Employee Engagement.*

# Addressing Our Material Matters

## 13 Economic Performance

### Definitions

Economic performance refers to a company's visibility and influence within its industry or target market. It encompasses how recognisable and impactful a company is perceived to be by customers, competitors and the market at large.

### Key Measures Undertaken

During FY2025, we strengthened our renewable energy leadership by adding 270 MWp of new capacity through the commissioning of the LSS3 Merchang (172 MWp) and LSS2 Danau Tok Uban (98 MWp) solar plants. This expansion increased our total operational capacity from approximately 130 MWp to about 400 MWp, making Cypark the largest pure renewable energy player in Malaysia. The enhanced generation capacity supports greater energy output, underpins a more stable recurring revenue base and positions the Group for sustained long-term earnings growth.

*For more information, refer to Chapter 2: Transforming Energy Responsibly.*

## 14 Supply Chain Management

### Definitions

Supply chain management refers to the act of managing a supply chain in order to ensure it is operating as efficiently as possible while promoting sustainable practices. This matter looks at how the organisation's procurement practices cause or contribute to negative impacts in the supply chain. It also addresses the organisation's support for local suppliers.

### Key Measures Undertaken

We have commenced implementing an ESG-based supplier framework in collaboration with third-party partners, ensuring that 97.7% of our procurement spend remains local.

*For more information, refer to Chapter 4: Responsible Supply Chain.*

## 15 Product Design and Lifecycle Management

### Definitions

Product design & lifecycle management handles an organisation's approach to the various phases of a product's development through to its ultimate decline. It involves all stages, including the development and manufacturing of a product, to its marketing and customer segmentation.

### Key Measures Undertaken

Our WtE facility promotes a Circular Economy (CE) by converting waste into renewable energy and repurposing by-products such as bottom ash for topsoil cover and road maintenance at the landfill, in compliance with DOE approval. This approach minimises landfill dependency, optimises resource use and supports sustainable waste management.

*For more information, refer to Chapter 2: Waste Management.*

## 16 Data Privacy and Cyber Security

### Definitions

Data Privacy and Cyber Security refers to the defending of computers, servers, mobile devices, electronic systems, networks and data from malicious attacks. It looks at how the organisation changes the productivity level through greater adoption of information technology and the mitigation plans it has in place to mitigate cyber threats, which allows the organisation to operate in a safe and productive manner.

### Key Measures Undertaken

During the year, we invested RM49,216 to enhance data privacy and strengthen cybersecurity measures, ensuring compliance with the PDPA and safeguarding our digital infrastructure.

*For more information, refer to Chapter 4: Data Privacy and Cybersecurity.*





## Chapter 2: Safeguarding our Environment

## Transitioning Energy Responsibly

Cypark remains committed to embedding environmental sustainability across our operations, consistent with our core business of delivering Renewable Energy (RE) solutions that drive sustainable development. While advancing the clean energy transition, we are mindful of risks such as emissions and potential biodiversity impacts, which we address through responsible site management and rigorous environmental practices.

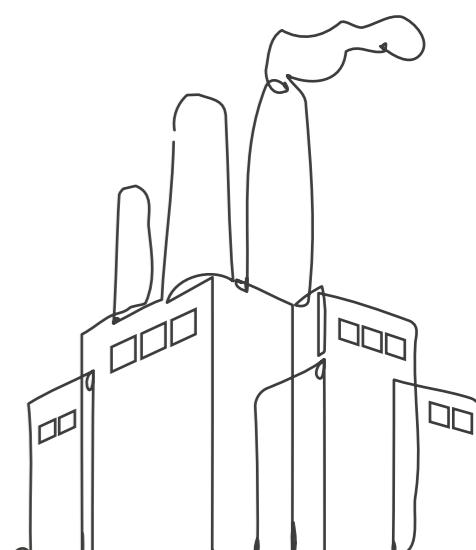
In 2024, we focused on enhancing our SMART WtE plant, which converts solid waste into renewable power, while expanding our solar portfolio toward our 850 MWp renewable energy capacity target by 2027. In 2025, we delivered an additional 270 MWp from LSS3 Merchang (172 MWp) and LSS2 Danau Tok Uban (98 MWp), bringing total generation to 324,613 MWh.

As we scaled up our LSS projects, we navigated significant challenges at Danau Tok Uban, Merchang and Sik – ranging from flooding, soil erosion and extreme weather to logistical constraints and community concerns. We overcame these through site-specific engineering solutions, proactive stakeholder engagement and environmental safeguards, including stormwater drainage systems and erosion control measures.

As of July 2025, the Group maintained its 850 MWp renewable energy target, with a projected additional installed capacity of 450 MWp by 2027. These investments are expected to generate an average of 2,364,413 MWh annually, supporting operational needs and enhancing environmental performance. The Group is also advancing WtE Phase 2 to strategically tackle methane emissions from landfills, aligning with the KPKT blueprint to reduce landfill dependency and advocate for WtE expansion. To address land-use concerns associated with ground-mounted solar projects, the Group prioritises floating solar installations, which minimise deforestation impacts. Additionally, the biogas project at Ulu Remis Palm Oil Mill Effluent (POME) marks another step towards renewable energy expansion while significantly reducing methane emissions.



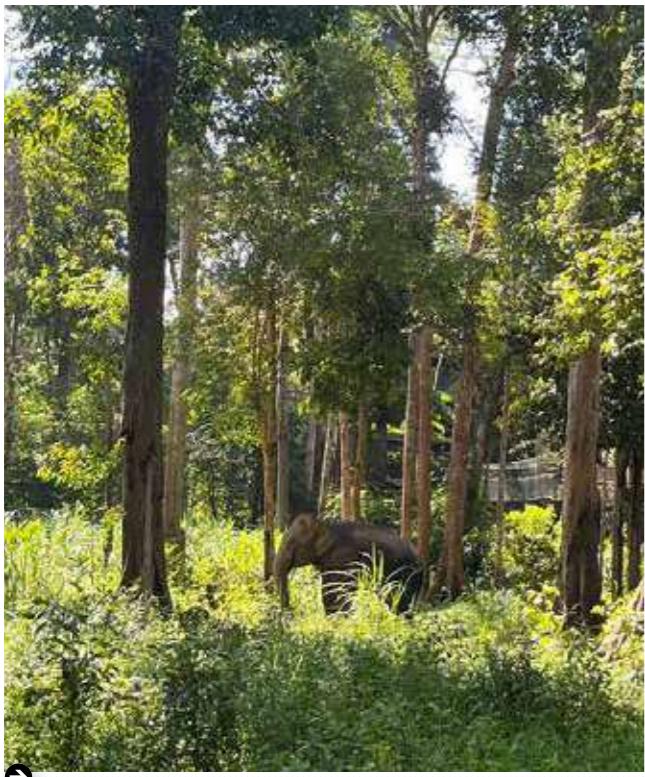
Our efforts focused on enhancing the SMART WtE Plant, which is designed to convert solid waste into energy and expanding our solar energy portfolio to achieve our 850 MWp renewable energy capacity target by 2027.



# Protection of Biodiversity and Ecology

Energy infrastructure, if done incorrectly, can do more harm than good—causing environmental degradation and disrupting the lives of surrounding communities. At Cypark, we recognise this risk and are committed to ensuring that our clean energy development is conducted in harmony with nature. We strive to ensure that clean energy development goes hand-in-hand with environmental stewardship. Biodiversity conservation is embedded in the way we plan, design and implement our projects, minimising habitat disruption while enhancing ecosystem services wherever possible.

One of our most notable biodiversity efforts is at the Danau Tok Uban Floating Solar Plant, where we have designed infrastructure that coexists harmoniously with the natural environment. The floating solar system creates shaded water surfaces, reducing evaporation and water temperature, which supports aquatic life by forming cooler microhabitats. The structures also serve as resting platforms for migratory birds and support the presence of otters—apex predators that indicate a healthy aquatic ecosystem.



Elephant spotted at Tasik Kenyir reflecting the rich biodiversity surrounding the project area

In addition, the restricted access zones surrounding the floating solar array act as passive conservation areas, reducing fishing pressure and boat traffic. According to the Department of Fisheries (DOF), Kelantan, fish harvests in Danau Tok Uban increased from 17.27 MT in 2022 to 27.24 MT in 2024, driven in part by the active release of fish seedlings under the DOF7 programmes to conserve and manage inland fisheries resources. Fishermen continue to operate around the floating panels, reporting catches of up to 8 kg patin, which are sold locally and beyond, highlighting how renewable energy development can complement traditional livelihoods.

Cypark also supports biodiversity through strategic partnerships to support wildlife conservation efforts at the upcoming Tasik Kenyir Floating Solar Project, including biodiversity consultations prior to the implementation of the project. We have conducted baseline biodiversity studies for certain projects, such as at Sik, where biodiversity considerations were incorporated into the Environmental Impact Assessment (EIA) in 2019. Monitoring of biodiversity impacts is also conducted through fish sampling at Danau Tok Uban, in collaboration with DOF Kelantan.



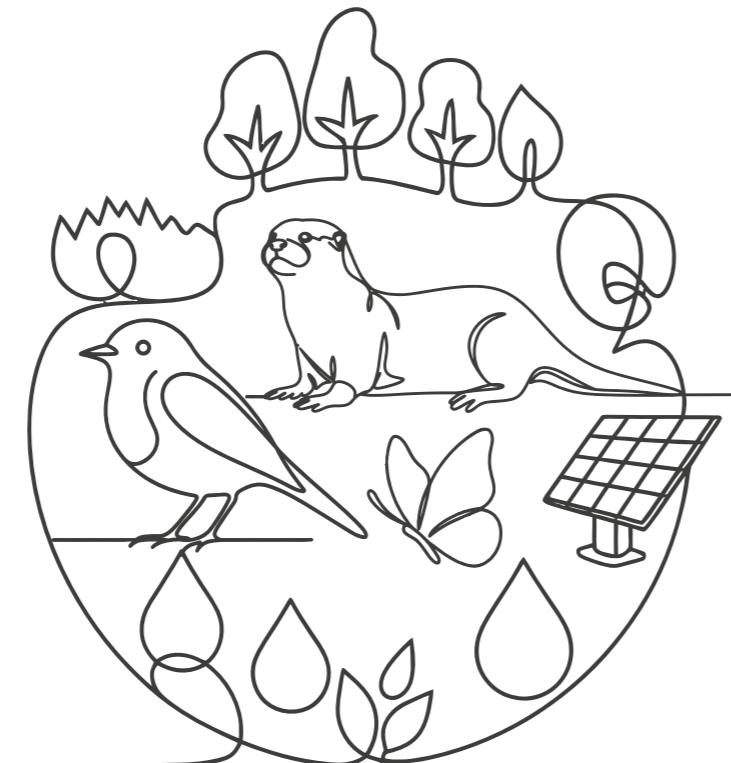
## GHG EMISSIONS

Climate change, with its significant environmental and economic impacts, is an urgent global challenge that directly affects business operations and supply chains. At Cypark, we are committed to reducing our GHG emissions to support the transition to a low-carbon economy. In 2025, Cypark undertook a Group-wide GHG Emissions Assessment aligned with the internationally recognised GHG Protocol: Corporate Accounting & Reporting Standard, developed by the World Business

## Carbon Management



The operations of the WtE facility plays a crucial role in reducing future methane emissions by diverting waste from landfilling to controlled incineration, thereby contributing to emissions mitigation over time. This initiative also supports the KPCT Circular Economy Blueprint (2025-2035).



Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). This standard is widely considered best practice for quantifying and managing GHG emissions across both public and private sectors.

The emissions inventory covered the reporting period from 1 May 2024 to 30 April 2025 and was verified by an independent third party, HSE Solutions Sdn Bhd (GEES Group Consulting). Emissions were calculated in accordance with ISO 14064 and relevant IPCC guidelines. The operational control approach was adopted to provide greater accountability and enable targeted reduction strategies across business segments.

All relevant Scope 1, Scope 2 and selected Scope 3 emissions were identified and activity data was collected and cross-referenced against documented evidence such as equipment logs and fuel consumption records. Emission factors were applied from national energy balances, IPCC guidelines and other recognised databases.

In FY2025, Scope 1 emissions from Ladang Tanah Merah plant amounted to 342,737.90 tCO<sub>2</sub>e. Of this, 97,149.25 tCO<sub>2</sub>e emissions were from waste incineration and leachate treatment activities, while 244,807.45 tCO<sub>2</sub>e arose from the decomposition of organic-rich municipal solid waste delivered from across Negeri Sembilan at the landfill.

The decomposition of such waste was the largest contributor, reflecting the high Degradable Organic Carbon (DOC) content typical of Malaysian municipal solid waste. This aligns with national trends, where food waste accounts for 29% of municipal solid waste stream.

The operations of the WtE facility plays a crucial role in reducing future methane emissions by diverting waste from landfilling to controlled incineration, thereby contributing to emissions mitigation over time. This initiative also supports the Ministry of Housing and Local Governments (KPCT) Circular Economy Blueprint (2025-2035), which emphasises waste diversion, resource recovery and minimisation of landfill dependency.

Scope 2 emissions from purchased electricity represented approximately 1.67% of our carbon footprint, amounting to 5,840.97 tCO<sub>2</sub>e. These emissions were mainly associated with grid electricity consumption at our solar facilities, WtE plant, biogas energy plant and corporate offices. Our renewable energy facilities also exported clean electricity to the grid.

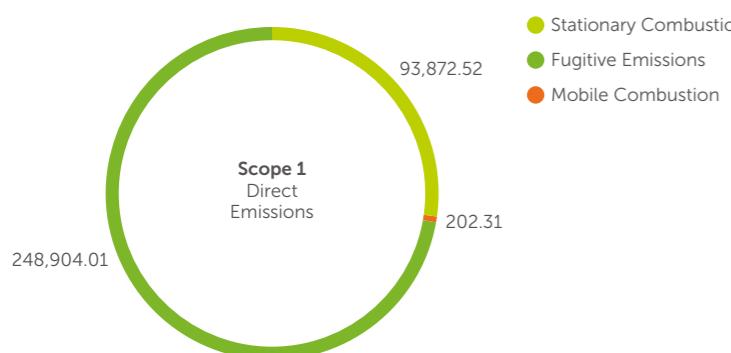
Scope 3 emissions comprised 0.07% of total emissions, with 111.24 tCO<sub>2</sub>e from employee business travel and 125.59 tCO<sub>2</sub>e from employee commuting, estimated through interviews and surveys on commuting patterns. Emissions from capital goods and other supply chain-related sources were not included in this assessment.

# Carbon Management

## GHG Emissions by Business Segments (tCO<sub>2</sub>e)



## Group-Level GHG Emissions Results By Detailed Emission Sources (tCO<sub>2</sub>e)



Scope 3 emissions comprised 0.07% of total emissions, with 111.24 tCO<sub>2</sub>e from employee business travel and 125.59 tCO<sub>2</sub>e from employee commuting, estimated through interviews and surveys on commuting patterns. Emissions from capital goods and other supply chain-related sources were not included in this assessment.

## GHG EMISSIONS RESULTS FOR DIFFERENT BUSINESS SEGMENT

		Landfill Management/ Waste-To-Energy	Solar	POME Biogas Energy	Corporate Office
<b>Scope</b>	<b>Category</b>	<b>Emission Source</b>	<b>Total tCO<sub>2</sub>e</b>	<b>Total tCO<sub>2</sub>e</b>	<b>Total tCO<sub>2</sub>e</b>
<b>Scope 1</b>	Stationary Combustion	Generator set	3.58	0	0
		Diesel Consumption for Incinerator Start-up	297.54	0	0
		Water pump engine	0	0	5.23
		Grass cutter	2.31	0.78	0.46
		Robin pump	2.31	0	0
		Blower	0	0	13.66
		Incinerator/Waste Treatment	93,546.65	0	0
	Mobile Combustion	Company vehicles	26.18	104.07	0.64
		Off-road transport	8.76	1.23	0
		Water-borne transport	0	19.22	0
	Fugitive Emissions	Domestic refrigerators	0.000765	0.19	0.49
		Residential and commercial A/C	139.87	11.76	0.69
		Mobile A/C	0.28	1.93	0.72
		Fire suppression system	299.16	21.76	0.00021
		Switchgears and breakers	1.20	8.87	0.17
		Landfill	244,807.45	0	0
		Leachate Treatment Plant	3,602.60	0	0
		<b>Total Scope 1</b>	<b>342,737.90</b>	<b>169.80</b>	<b>21.35</b>
<b>Scope 2</b>	Purchased Electricity	Purchased electricity grid	5,169.95	296.11	356.05
		<b>Total Scope 2</b>	<b>5,169.95</b>	<b>296.11</b>	<b>356.05</b>
<b>Scope 3</b>	Category 6: Business Travel	Land business travel	50.64	32.00	0
		Category 7: Employee Commuting	42.10	56.28	0
		<b>Total Scope 3</b>	<b>92.74</b>	<b>88.28</b>	<b>0</b>
					55.81

## RESTATEMENT OF FY2024 GHG EMISSIONS DATA

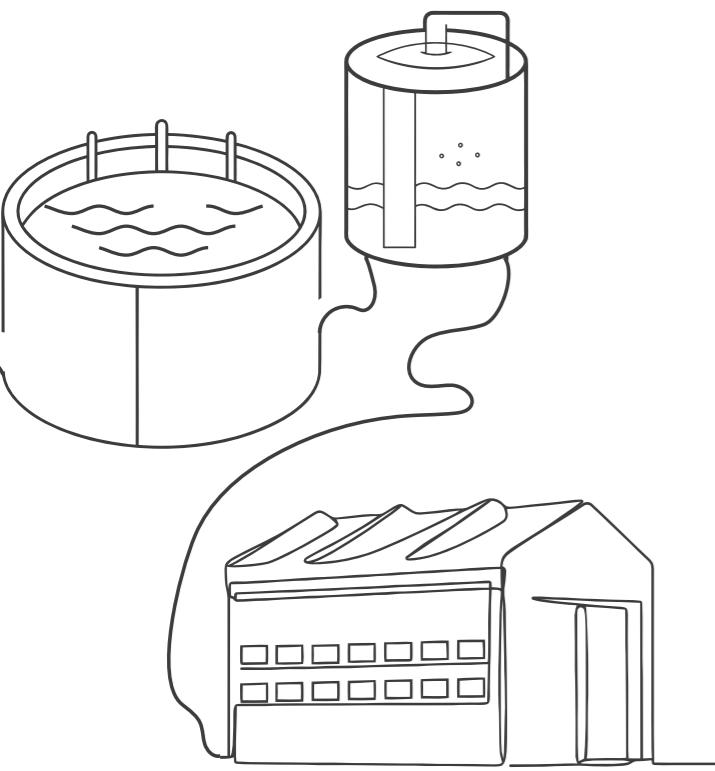
GHG emissions data for FY2024 has been restated from 511,015.33 tCO<sub>2</sub>e to 309,987.41 tCO<sub>2</sub>e reflecting updated waste composition ratio from the Solid Waste Corporation (SWCorp) 2023 analysis and a revised leachate Chemical Oxygen Demand (COD) concentration value of 4,539 mg/L from 40,198 mg/L based on laboratory results and verification by an independent third party to enhance data accuracy and management.

# Responsible Water Consumption

Efficient water usage helps mitigate operational risks associated with climate change, prevent pollution and conserve essential natural resources. Cypark acknowledges the importance of this as water plays a critical role in several operations, including processes, cleaning activities at the waste sorting facility and the operation of the Leachate Treatment Plant.

## WATER RESOURCE MANAGEMENT

In 2025, our total water consumption amounted to 55.34 Megalitres (ML). To minimise environmental impact, we implemented a comprehensive water monitoring programme across our operations. This initiative enables us to assess usage patterns and identify opportunities for improved efficiency, ensuring responsible stewardship of this vital resource. As part of our commitment, we adopted several water-saving measures, including the use of gravity-fed hill water, borehole water and rainwater harvesting at multiple sites to reduce reliance on municipal supply. These alternative sourcing practices contribute to sustainable water use.



## WASTEWATER MANAGEMENT

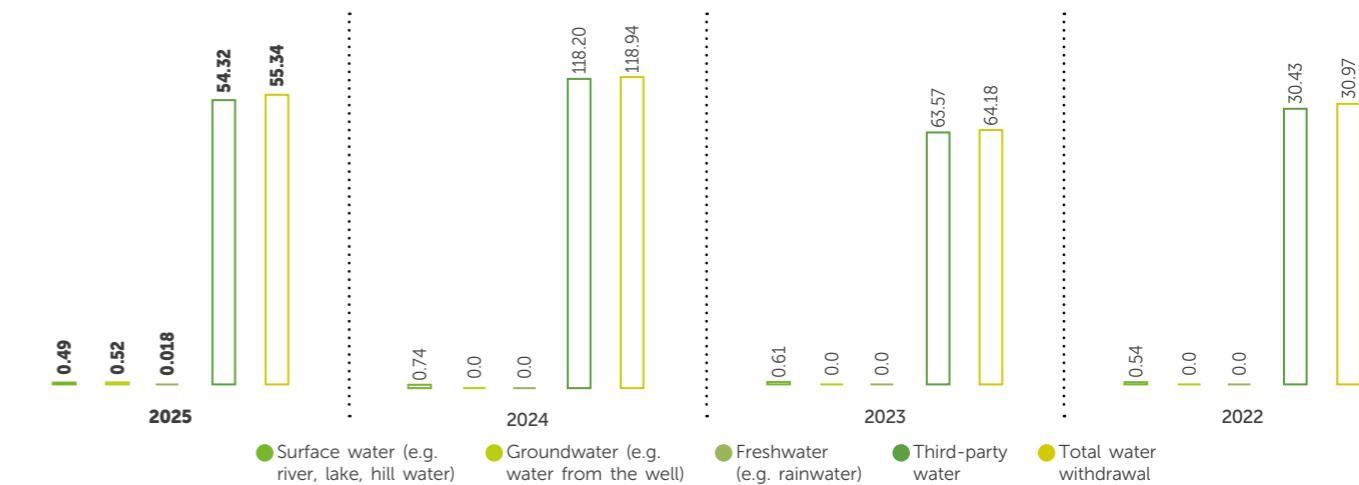
All treated effluents from our operations are strictly monitored to ensure compliance with Class IIB of the National Water Quality Standards, preventing contamination of surrounding ecosystems. In line with regulatory requirements, quarterly sampling and testing of treated wastewater and nearby river water are conducted during both the construction and operational phases.

In 2025, a total of 142,240 m<sup>3</sup> of leachate was treated at our SMART WtE Plant's Leachate Treatment Plant (LTP) located in Ladang Tanah Merah. Of this, 132,090 m<sup>3</sup> was safely discharged into the environment, while the remaining reject water was channelled back into the treatment system for another cycle.

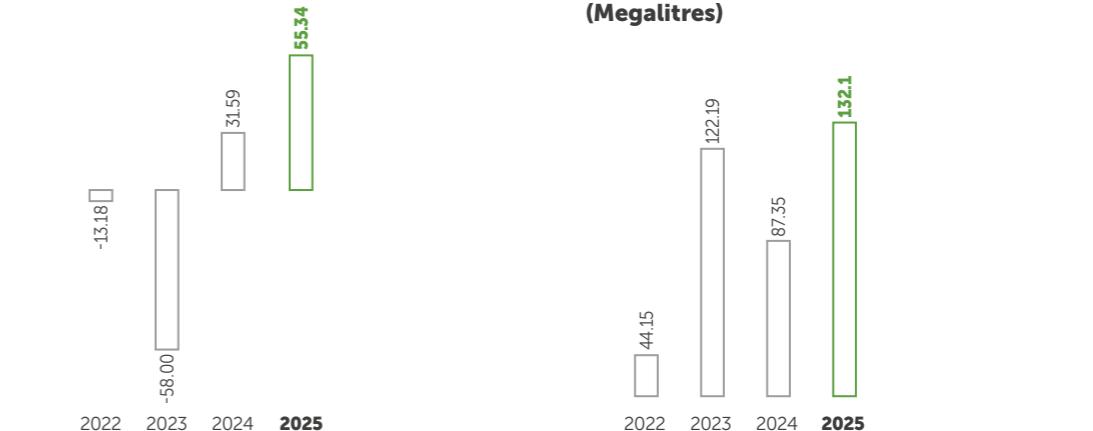
As part of our commitment to environmental sustainability, we have initiated the upgrade of our Leachate Treatment Plant which will be designed to handle a larger volume of leachate and deliver improved effluent quality. This improvement reflects our ongoing efforts to ensure compliance with the Environmental Quality (Control of Pollution from Solid Waste Transfer Station and Landfill) Regulations 2009, while supporting our growing operations.

Our Environmental Management Plan (EMP) guides all water discharge, air quality and noise monitoring. At site level, additional controls such as detention ponds with silt markers, filtration walls, concrete outlets, in-situ cascade drains and sumps are implemented to manage stormwater and reduce sedimentation risks. Hydroseeding is used to stabilise soil and further prevent erosion.

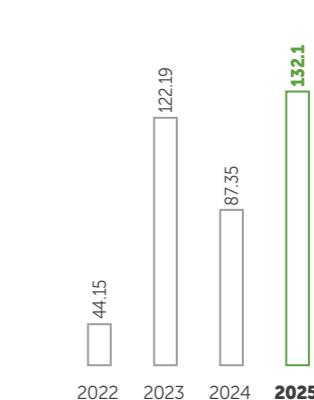
## Water Withdrawal (Megalitres)



## Total Water Consumption (Megalitres)



## Treated Leachate at Ladang Tanah Merah (Megalitres)



Description	FY2025	FY2024	FY2023	FY2022
<b>Water Withdrawal (Megalitres)</b>				
Surface water (e.g. river, lake, hill water)	<b>0.49</b>	0.74	0.61	0.54
Groundwater (e.g. water from the well)	<b>0.52</b>	0	0	0
Freshwater (e.g. rainwater)	<b>0.018</b>	0	0	0
Third-party water	<b>54.32</b>	118.20	63.57	30.43
Total water withdrawal*	<b>55.34</b>	118.94	64.18	30.97
<b>Treated Leachate (Megalitres)</b>				
Treated Leachate at Ladang Tanah Merah	<b>132.10</b>	87.35	122.19	44.15
<b>Water consumption (Megalitres)</b>				
Total water consumption**	<b>55.34</b>	31.59	-58.00	-13.18

\* Water withdrawal refers to volume of water that Cypark takes from all sources to use in its operations, before any discharge or consumption.

\*\* Water consumption refers to the sum of all water that has been withdrawn.

Note:

Cypark's third party water is obtained from water bills, while surface water consumption is based on estimation of the volume of tank used to collect surface water.

# Waste Management

## WASTE MANAGEMENT AT CYPARK

Waste management is a crucial aspect of how companies address their operational impact on the environment, economy and society. As resource use increases, so does the amount of waste generated. Therefore, adopting responsible resource management practices is essential to reducing pollution, conserving resources and mitigating climate change.

Cypark manages and processes multiple waste streams, including Municipal Solid Waste (MSW), Industrial, Commercial and Institutional (ICI) waste, as well as Construction and Demolition (C&D) waste. MSW is primarily treated through incineration, whereas ICI and C&D waste are disposed of at the sanitary landfills and inert waste cells. The fly ash and bottom ash (SW 104) generated from WtE processes which are classified as scheduled waste is managed in accordance with Special Management approval by the DOE. In addition, sludge (SW 204) produced from the operation of the Leachate Treatment Plant is also managed as scheduled waste, transported to Prescribed Premises by the DOE licensed contractor for disposal and reported via the Electronic Scheduled Waste Information System (eSWIS), in compliance with Environmental Quality (Scheduled Wastes) Regulations 2005.

Cypark utilises a waste management system at the SMART WtE Plant, guided by our Sustainability & Climate Action Policy. This policy outlines clear measures to minimise environmental impact, including the monitoring of water consumption and billing on a monthly basis as a key indicator of sustainable resource usage and waste management.

In 2025, operations at our **Leachate Treatment Plant** and **SMART WtE Plant** recorded:



**18.7 tonnes**  
of scheduled waste sludge

Sent to Prescribed Premise



**1,455 tonnes**  
of fly ash



**5,514.81 tonnes**  
of bottom ash

Managed under Special Management of Scheduled Waste approved by DOE

## ENHANCING WASTE PRACTICES

In 2024, we implemented several waste reduction strategies and recycling programmes. At our Waste Segregation Facility (WSF), we actively participated in resource recovery by singling out scrap tins and metals and sending it to appointed vendors for recycling. This continued in 2025, where a total of 237.89 MT of scrap tins and metals were sold from our WSF plant, contributing to waste diversion efforts. This initiative not only reduces the volume of waste processed at our facility but also creates value through additional income for Cypark.

In addition, bottom ash generated from our Waste-to-Energy (WtE) operations was repurposed as soil cover material at landfills due to its excellent water absorption properties. In 2025, 5,514.81 tonnes of bottom ash were used for this purpose, improving water runoff absorption during rainfall, enhancing the durability of access roads and reducing the need for conventional soil.

Looking ahead, Cypark plans to engage more efficient vendors and secure competitive pricing to expand our recycling activities further. In preparation for an expected increase in the generation of scheduled waste, bottom ash and fly ash, we obtained approval for Special Management of Scheduled Waste from DOE in October 2024. This approval allows us to pursue circular economy strategies focused on waste reduction, optimal resource utilisation and the sustainable management of combustion by-products.



Description	FY2025	FY2024
<b>Waste Generated</b>		
Non-hazardous waste (MT)	0	1,327.77
Hazardous waste (MT) – sludge, fly ash & bottom ash	6,988.53	11,856.24
<b>Total waste generated (MT)</b>	<b>6,988.53</b>	<b>13,184.01</b>
<b>Waste diverted from disposal by recovery</b>		
Non-hazardous waste (MT)	0	598.43
Hazardous waste (MT)	5,514.81	9,991.55
Bottom ash – reused as cover material in sanitary landfill		
<b>Total waste diverted from disposal by recovery (MT)</b>	<b>5,514.81</b>	<b>10,589.98</b>
<b>Waste directed to disposal (MT)</b>		
Non-hazardous waste (MT)	0	729.34
Hazardous waste (MT) – sludge	1,437.72	1,864.69
Total waste directed to disposal (MT)	<b>1,437.72</b>	<b>2,594.03</b>

Remark: The generation of non-hazardous waste from our operations is not included in this year's Integrated Report, as the relevant data is still being established, internally recalculated and adjusted to ensure consistency. This information will be reported in the Integrated Report for FY2026.

# Chapter 3: Our People and Communities



As part of our dedication to building a sustainable society, we strive to create a lasting positive impact on our employees and the local communities where we operate. This includes prioritising the safety and well-being of our employees, fostering their professional development through education and contributing to the well-being of the local communities.

## Valuing Our People



At Cypark, we consider our people to be the bedrock of our operations. We prioritise understanding their needs, which allows us to enhance job satisfaction and improve retention. In FY2025, our employee retention rate stood at 56%. This level is consistent with industry norms in project-based engineering companies, where workforce composition includes a significant proportion of contract staff. As projects progress through different phases, non-renewal of contracts is common upon completion of specific scopes of work. The retention rate reflects the project-based nature of our business rather than any underlying issues of employee engagement. Permanent staff retention remained stable, supported by initiatives to strengthen employee development, well-being and alignment with organisational values.

To achieve this, we adhere to the following principles in our employee engagement and development practices:

### COMMITMENT TO EMPLOYEE WELL-BEING

Cypark is committed to the well-being of its employees. This includes providing a safe and healthy work environment, offering competitive wages and benefits and providing opportunities for development and growth.



### RESPECT FOR DIVERSITY

Cypark believes that a diverse workforce is a stronger workforce.



### EMPLOYEE ENGAGEMENT

Cypark acknowledges that engaged employees are more productive and more likely to stay with Cypark. The Group's policies and practices are designed to promote employee engagement.



# Valuing Our People

## HEALTH AND SAFETY

### Prioritising Occupational Health and Safety ("OHS")

Occupational Health and Safety (OHS) is crucial for safeguarding the well-being of employees, as it reduces workplace risks and promotes a safe, productive environment. By prioritising health and safety, we show our commitment to fostering a conducive workplace culture, minimising accidents and injuries and improving overall operational efficiency.

We adhere to Malaysia's Occupational Safety and Health Act ("OSHA") 1994 and are certified with the ISO45001:2018 Occupational Health and Safety Management System. We are dedicated to implementing comprehensive health and safety measures for our employees and operations. For instance, all employees, including permanent and contract staff both on-site and off-site, are provided with access to medical and healthcare services, including health insurance, access to panel clinics and health screening packages.

The following are the safety and health elements implemented at our operational sites:

SAFETY AND HEALTH ELEMENTS	
 Daily <b>safety toolbox</b> briefing	 Safety and health induction <b>training</b>
 Requirement of <b>adequate PPE</b> at site	 <b>Training</b> programmes
 <b>BOMBA</b> certified facilities	 <b>Signages</b> of hazards
 <b>First aid kit</b> provision	 Communication of information in <b>English</b> and <b>Bahasa Malaysia</b>
 Infographics on safety and health best practices and <b>Standard Operating Procedures ("SOPs")</b>	

## LABOUR PRACTICES

We prioritise compliance with relevant labour laws and standards which are embedded within our Sustainability & Climate Action Policy, aligned with Malaysian labour law. Fair labour practices are communicated through the Employee Handbook, which includes our Scheme of Services and Code of Business Conduct. This approach supports compliance, talent retention and attraction.

As an ISO 9001:2015 (QMS) and ISO 45001:2018 (OHSMS) certified company, we reinforce our commitment to high labour standards through regular training. In 2025, our employees completed a total of **2,512 training hours** across multiple sites covering various health and safety topics including electrical safety, confined space protocols, permit-to-work systems, emergency response and first aid.

Training highlights included:

Location	Number of Participants	Training
Merchang	70	<ul style="list-style-type: none"> <li>Construction Industry Development Board (CIDB)</li> <li>National Institute of Occupational Safety &amp; Health (NIOSH) – Tenaga Safety Passport</li> <li>First Aid &amp; Fire Fighting</li> <li>Permit to Work (PTW) Awareness</li> </ul>
Ladang Tanah Merah	117	<ul style="list-style-type: none"> <li>Emergency Response Team (ERT)</li> <li>Confined space</li> <li>Gas testing</li> <li>Hazard Identification, Risk Assessment and Risk Control (HIRADC)</li> </ul>
Danau Tok Uban	36	<ul style="list-style-type: none"> <li>NTSP</li> <li>CIDB</li> <li>First Aid</li> <li>Boat Operations</li> </ul>
Sik and Fiah	32	<ul style="list-style-type: none"> <li>NTSP</li> <li>CIDB</li> <li>Fire safety</li> </ul>

### In FY2025, we recorded...

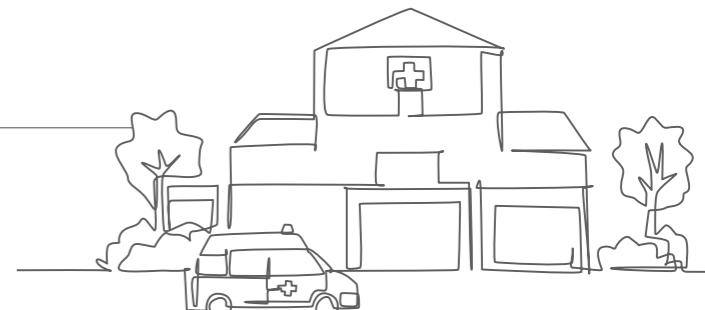


#### ZERO \*Lost Time Injury Frequency Rate (LTIFR) and ZERO fatalities.

\*LTIFR =  $(\text{Number of LTIs} \times 1,000,000) / \text{Total hours worked}$



#### ZERO reported cases of discrimination or human rights violations



Our robust adherence to safety protocols and labour standards has resulted in ZERO LTIFR, fatalities and reported cases of discrimination or human rights violations during the reporting period.

# Valuing Our People

## EMPOWERING OUR EMPLOYEES

### Diversity, Equity and Inclusion

#### Fostering a Respectful Workplace Through Diversity

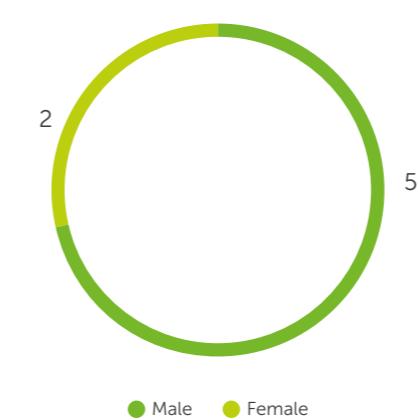
Embracing diversity principles creates a respectful and inclusive workplace where all employees feel valued and empowered. By promoting diversity, we can leverage varied perspectives and talents, drive innovation, improve decision-making and enhance employee engagement. Additionally, diversity initiatives ensure fair treatment and equal opportunities, contributing to a positive and productive organisational culture that attracts and retains top talent.

At Cypark, we champion diversity by making hiring and promotion decisions based on merit, qualifications, skills, and experience, without bias toward gender, race, religion, age, nationality, or disability. Currently, our workforce consists of 208 individuals, with 158 being male and 50 being female. We are committed to building a diverse workforce that reflects a wide range of backgrounds, perspectives, and talents. To further reinforce our commitment, the Company adopted a Diversity Policy on 19 June 2024 to create an inclusive culture where talents can thrive, driven by diversity of gender, age, ethnicity, perspectives and skills. The implementation focuses on three key drivers: cultivating an inclusive culture, accountability across all levels, and embedding diversity into work practices such as recruitment, training, performance management and engagement. These principles are also embedded in the Sustainability and Climate Action Policy, approved by the Board on 25 August 2025, reflecting Cypark's long-term commitment to inclusivity and equal opportunity. (Datapoints as of 30 April 2025)

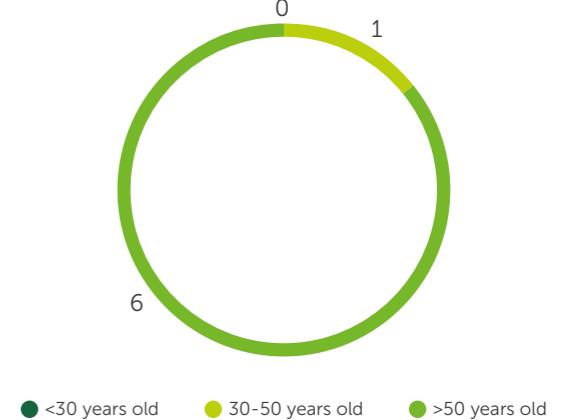
Directors by gender	
Male	5 (71%)
Female	2 (29%)
Employees by gender	
Male	158
Female	52
Directors by age group	
<30 years old	0
30-50 years old	1
>50 years old	6
Employees by age group	
<30 years old	62
30-50 years old	125
>50 years old	23
Employees by ethnicity	
Malay and Bumiputera	199
Chinese	3
Indian	8
Hiring	
Number of New Hires	89
Percentage of local and foreign workers (%)	100% local

As a Bumiputera-controlled Public-Listed Company (PLC), we take pride in championing the growth and empowerment of highly capable Bumiputera professionals across our business operations and projects. Many of our operations are located in predominantly Malay heartlands, where we actively recruit local talent to join our workforce. This approach not only ensures meaningful Bumiputera participation in driving sustainable business success, but also contributes to spurring socioeconomic development in rural and semi-rural communities, creating inclusive opportunities and strengthening national talent development.

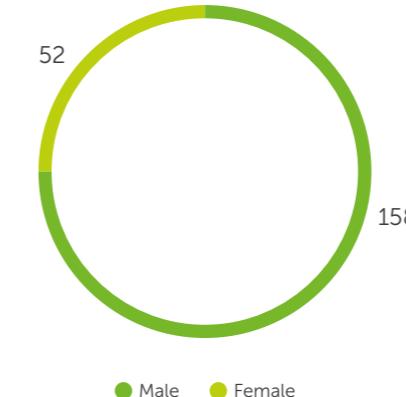
### Directors by gender



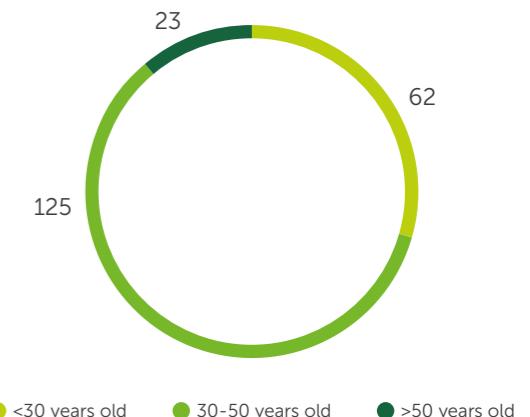
### Directors by age group



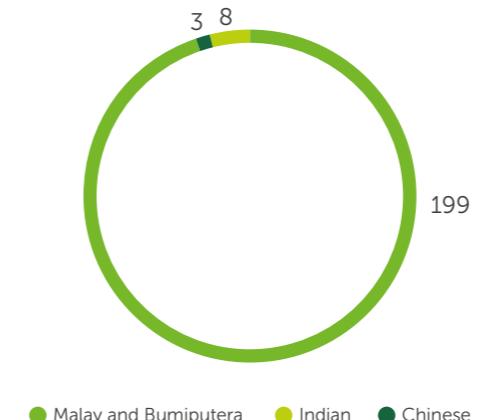
### Employees by gender



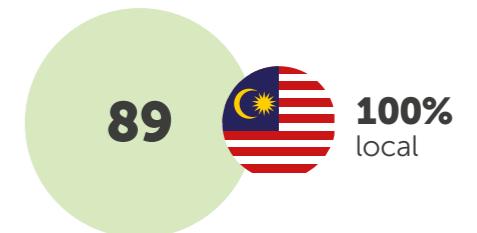
### Employees by age group



### Employees by ethnicity



### Number of New Hires



## Valuing Our People

### Nurturing Talent

Our workforce is the paramount component of our operations. Training and development are essential for providing our employees with the skills and knowledge needed to excel in their roles, supporting both their personal and professional growth. By investing in learning and development programmes, we enhance employee engagement and retention, which ultimately drives Cypark's long-term success and competitiveness. We provide a wide range of training and educational opportunities for our employees:



#### ON-THE-JOB TRAINING

Equips all new employees with the skills they need to excel in their individual roles



Workshop on Scheduled Waste Management Through Electronic Scheduled Waste Information System (eSWIS) & Introduction to MyPremis System by DOE

Seminar on Enhanced Application of Environmental Quality (Clean Air) Regulations 2014

Course on Certified Environmental Professionals in Scheduled Waste Management

Course on Certified Environmental Professionals in Bag Filter Operation

#### CONTINUING EDUCATION

Provides educational opportunities to employees who wish to further their education such as reimbursement for tuition and workshops



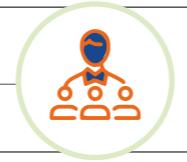
Anti Bribery & Anti Corruption: An Introduction and Awareness

Course on Certified Sustainable Professional in Energy Management

## Valuing Our People

### LEADERSHIP DEVELOPMENT

Offers leadership development programmes for employees who seek to enhance their leadership skills



During the reporting period, we recorded a total of 6,289 learning and training hours focused on technical and functional topics. In FY2025, our employees recorded an average of 30 learning hours on related business segments. We allocated RM278,861 towards employee learning and development to strengthen skills across our business segments.

Key training programmes conducted include:



**Engage to Energise**  
– boosting employee engagement and motivation



**Integrated ISO**  
– understanding ISO 9001, ISO 14001 and ISO 45001 standards



**Effective Business English** – enhancing professional communication



**Microsoft Excel (Intermediate)**  
– developing practical data analysis skills



**Plant Maintenance Strategy** – covering preventive, predictive and corrective maintenance



**Basic Fire Fighting & Emergency Response and Basic First Aid**  
– equipping employees with critical emergency response and safety skills

### Employee Benefits

Recognising the crucial role our employees play in driving the company's growth, Cypark believes in fairly compensating and rewarding them for their valuable contributions. Our competitive remuneration packages and comprehensive benefits demonstrate our commitment to supporting and motivating our workforce. Cypark offers a range of leave entitlements as outlined in the Employee Handbook, including annual leave, sick leave, maternity leave, paternity leave, marriage leave and compassionate leave. Parental leave is available to eligible employees, reflecting our support for work-life balance and family wellbeing.

While Cypark maintains a structured work schedule from 9:00 AM to 6:00 PM, Monday to Friday, flexible work arrangements are not formally implemented. However, the company encourages open communication to accommodate individual needs, where possible, in alignment with business requirements.

To promote employee wellness, Cypark has introduced several initiatives to support physical and mental health:



**Sports Club** to encourage regular physical activity and team bonding



Participation in **PERKESO Run & Ride events**, with **38 employees** engaged



**A Ramadhan Weight Loss Challenge** involving **30 participants**, promoting healthy habits in a fun, supportive environment



### Employee Engagement Activities

Cypark is dedicated to cultivating a dynamic and inclusive workplace culture that promotes collaboration, innovation and mutual respect. We recognise that an engaged workforce is essential to our long-term success and we are committed to creating an environment where employees feel valued, supported and empowered.

By encouraging open communication and meaningful interactions, including through informal feedback channels and engagement sessions, we help our staff build strong connections across departments and functions, fostering a sense of belonging and shared purpose.



# The Communities We Serve

## OUR COMMUNITIES

Prioritising community welfare goes beyond philanthropy; it's about creating shared value that benefits both the community and Cypark. By integrating social responsibility into our business strategy, we can achieve sustainable growth while making a meaningful societal impact. This is done by investing in community welfare which promotes economic stability, infrastructure development and social cohesion, creating a favorable environment for long-term business success.



## COMMUNITY OUTREACH

We make a positive impact on the local community by investing in projects that foster social and economic development. In 2025, we conducted a series of structured community engagement programmes across multiple locations. Cypark's outreach initiatives centred around three key areas: education, people and community development. All initiatives undergo a careful selection process to ensure our contributions generate co-benefits and deliver meaningful impact.



In the area of education, we organised "Pocket Talk: Renewable Energy" sessions in SMK Alor Pasir, Kelantan and SMK Awang Jabar, Terengganu, to raise public awareness and foster greater understanding of sustainability topics among youth, benefitting a total of 273 students. To promote community development, we held engagement sessions with Koperasi Wawasan Bukit Mas and local residents in Danau Tok Uban, as well as a dialogue session with residents of Kampung Jambu Bongkok in Merchang. To support school development and underprivileged students, we donated a total of RM61,600 benefitting 9 schools across Danau Tok Uban, Sik, Ladang Tanah Merah and Merchang.

## The Communities We Serve

For people in need, we invested RM746,000 in Merchang to repair an access road leading to the plant and RM10,000 to fix the washroom amenities at a nearby surau. We also supported the communities in Danau Tok Uban, distributing RM18,000 to 72 families and contributing RM20,000 to Majlis Madinah Ramadhan via Majlis Bandaraya Kota Bharu. In response to seasonal challenges, we also provided RM43,500 in flood relief assistance to affected residents in Merchang, distributing household essentials such as rice, sugar and cooking oil.



Monsoon relief of RM21,000 for 100 fishermen in Marang, Terengganu



Additionally, to ensure regulatory alignment and project acceptance, we actively engaged with various government agencies and local authorities, including the local MP, YB Zamakhshari Muhamad and agencies such as the National Water Research Institute of Malaysia (NAHRIM), Kelantan State Water Resources Department (JSANK), State Economic Planning Unit (UPEN), DOE, Department of Irrigation and Drainage (JPS), Kemubu Agricultural Development Authority (KADA), Kelantan Utilities Mubaarakah (KUM) and the Pasir Mas District Office. We also maintained close collaboration with the Department of Fisheries, Kelantan, particularly in conducting fish population sampling and inventory efforts related to our floating solar project.

# Chapter 4: Sustainability Governance and Climate Risk



During a recent site visit, the Board engaged directly with the project team to address key operational issues and collaborate on effective mitigation actions. This hands-on approach underscores the Board's commitment to strong oversight and operational excellence. The discussions ensured that all on-site challenges are met with proactive and responsible solutions, reinforcing our dedication to project success. A core component of these discussions was the company's robust strategy for managing climate risk, which is integrated into all our operational and business planning to ensure long-term resilience and sustainable growth.

## Sustainability Governance

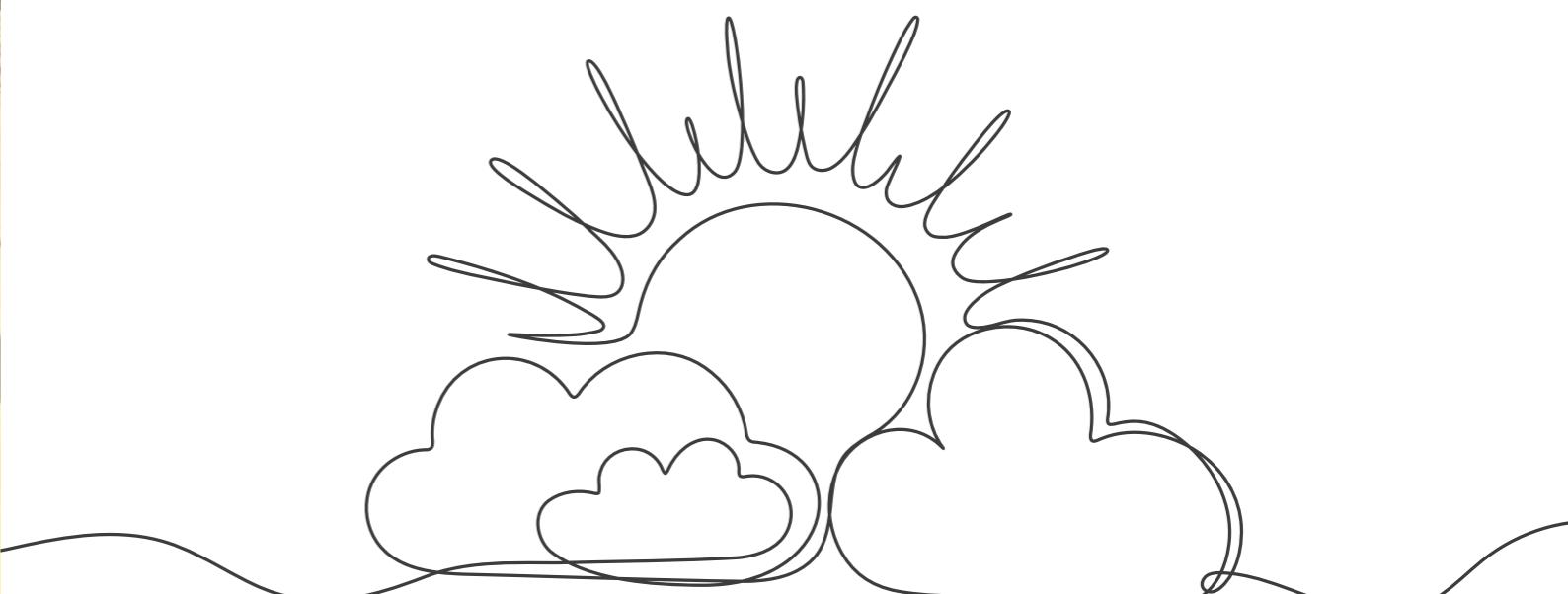
The Board oversees all sustainability-related matters, including climate change and environmental impact and is responsible for integrating these considerations into decision-making processes. To implement this commitment, in June 2025, we established a dedicated Board Sustainability Committee (BSC) that reports directly to the Board. This group is tasked with reviewing the sustainability strategy, ESG targets and performance at the Board level. Supporting the BSC, the Sustainability Management Committee plays a pivotal role in ensuring smooth coordination, overseeing the execution and implementation of the Sustainability Strategy. The Sustainability Strategy includes the sustainability pillars of environment, social, economic and governance.



The Board's primary focus is to create value for all stakeholders, including employees, clients, suppliers, business partners, shareholders and the broader community and environment.

The Board's primary focus is to create value for all stakeholders, including employees, clients, suppliers, business partners, shareholders and the broader community and environment. To ensure their decisions are aligned with Cypark's sustainability goals, Board members participate in sustainability-focused training on ESG matters and engage in ongoing education to remain informed about emerging trends and best practices.

Additionally, the Board regularly engages with both internal and external stakeholders, gaining valuable insights into their needs and expectations. This helps in developing more effective and relevant sustainability strategies. The Board is also committed to maintaining open consultations with subject matter experts to continuously enhance its approach.



# Valuing Effectiveness

Sustainability is a key factor in the Board's performance evaluation, with significant emphasis placed on assessing Members' effectiveness in managing sustainability risks and opportunities. This process ensures that the Board's actions and decisions align with Cypark's sustainability objectives. The annual evaluation includes sustainability-linked key performance indicators, which are also incorporated into the annual assessment of Senior Management. This comprehensive approach guarantees that sustainability remains at the heart of both strategic and operational decision-making at Cypark.

## Board of Directors



### Responsibilities

- Overall oversight of Cypark's sustainability strategy and performance.
- Integrates ESG-related risks and opportunities into Cypark's strategy and risk management framework.
- Communicates strategies, priorities and targets effectively to all relevant stakeholders.

## Board Sustainability Committee (BSC)



### Responsibilities

- Reports directly to the Board and meets quarterly to ensure key sustainability decisions align with Cypark's business strategies and that adequate resources are available for successful implementation.
- Manages the strategic approach to material sustainability matters.
- Reviews, approves and reports policies to the Board for final approval.
- Monitors Cypark's sustainability performance and progress, as well as oversees the management of stakeholder engagement.

## Sustainability Management Committee (SMC)



### Responsibilities

- In charge of the day-to-day management of sustainability matters to achieve effective integration of sustainability throughout Cypark.
- Identifies significant issues pertinent to business operations based on stakeholder expectations and presents them to the BSC.
- Implements sustainability strategies and initiatives, conducts data collection, tracks progress and reports sustainability performance to the BSC.
- Meets biweekly and is led by the key sustainability representative from each site.

# Climate Risk Management

## GOVERNANCE

The Internal Control & Risk Management Policy (ICRMP) defines Cypark's governance commitment to a structured, disciplined and proactive approach to identifying, evaluating and managing risks that may affect the Group's strategy, operations, compliance, or long-term resilience. It aligns with Bursa Malaysia's Listing Requirements (Paragraph 15.26(b)) and supports the Board's oversight responsibilities. The ICRMP is complemented by the Cypark Project Risk Management Framework (RMF), which translates the ICRMP into action through structured tools and practices for managing project, portfolio and operational risks. Together, they ensure an integrated and consistent approach to risk across the Group.

Governance is anchored by the Board, which sets the Group's risk appetite and conducts annual reviews. The Audit & Risk Committee (ARC) provides oversight, while Management, led by the Group Managing Director, implements risk policies and reports key issues. Internal Audit offers independent assurance and recommendations for improvement. The Group's risk management approach is guided by the Governance, Assurance and Resilience (GAR) framework which ensures consistent identification, evaluation and mitigation of strategic, operational and ESG-related risks across all business units.

## RESPONSIBILITIES

Effective risk management requires collaboration across all levels of the organisation. The following roles and responsibilities ensure that every stage of risk management, from identification and assessment to treatment and monitoring is carried out in a structured, transparent and efficient manner.

### 1 Head of Department (HOD)

- Departmental Oversight: Maintains overall responsibility for departmental-level risks, ensuring alignment with the organisation's risk policies and objectives.

### 2 Project Manager (PM)

- Implementation Lead: Directs the application of risk management processes within their project, ensuring consistency with organisational standards.

### 3 Project Team Members

- Active Participation: Engage in risk identification, assessment and response within their respective areas of responsibility.
- Implementation: Support and execute approved risk mitigation actions, providing timely updates on progress or obstacles.

### 4 Project Sponsor / Senior Management

- Strategic Oversight: Ensures risk management practices align with wider organisational objectives and strategic direction.

### 5 Risk Management Committee

- Policy & Oversight: Establishes and maintains Cypark's overarching risk management policy and framework.

### 6 Health, Safety & Environment (HSE) Advisor

- Regulatory Compliance: Ensures risk management activities meet HSE-related laws, regulations and standards.

### 7 Finance / Commercial Representative

- Financial Oversight: Identifies and evaluates risks affecting budgeting, cash flow and profitability.

### 8 Legal & Governance Advisor

- Legal & Governance Framework: Interprets relevant laws, regulations and contractual obligations influencing project or departmental risk.

### 9 Quality Assurance / Quality Control (QA/QC) Lead

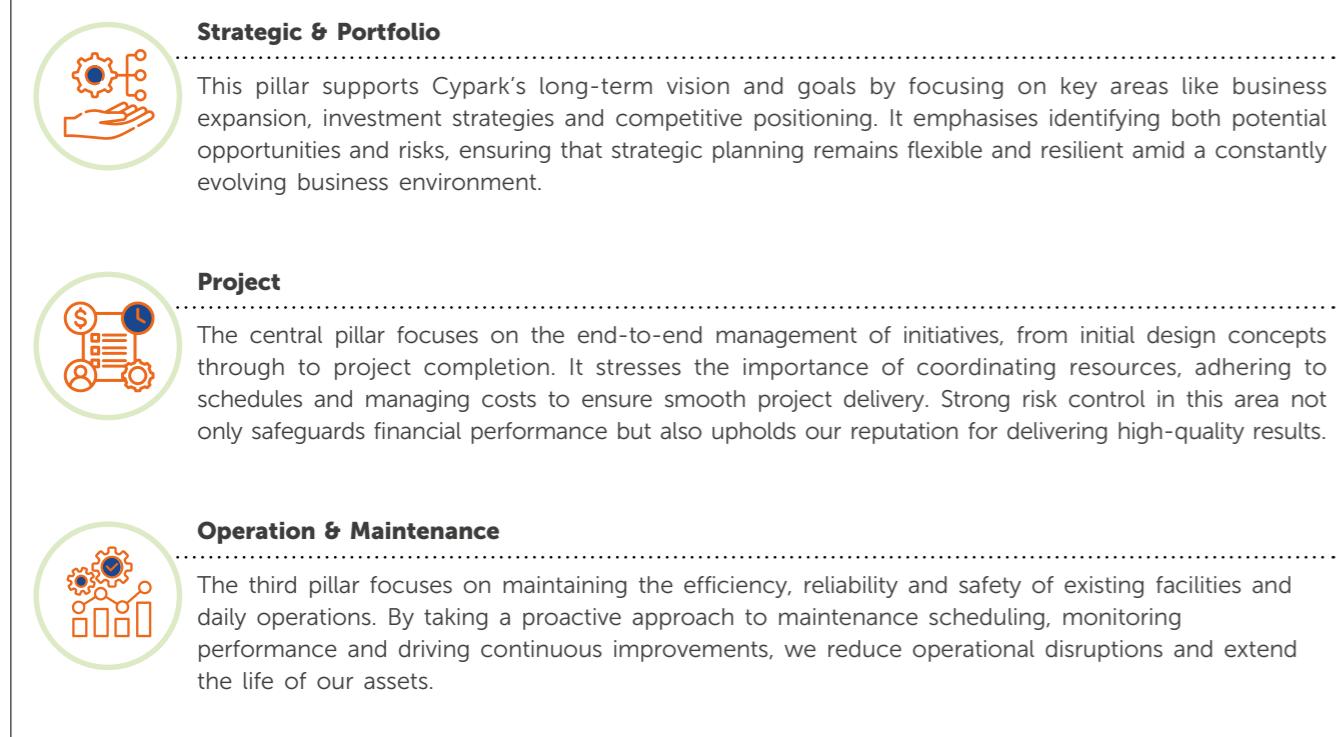
- Process Validation: Ensures risk treatments do not compromise project or organisational quality standards.

# Climate Risk Management

## STRATEGY

Cypark has three pillars, which cover 12 Cypark Risk Focus Areas (FAs), ranging from legal and financial concerns to environmental, technological and internal and external stakeholder-related dimensions. Each department, project team and support function are expected to implement the principles, processes and practices described here:

### OUR RISK PILLARS



Beneath these structural pillars lies a foundation built on core risk categories, which form the essential support system of the entire "Risk House." These nine foundational risks, spanning Legal, HSE, Financial, Human Capital & Talent Management, Supply Chain & Procurement, Reputation & Stakeholder Relations, ICT, Climate & Weather and Technology & Innovation act as the base that stabilises the overall structure. Addressing these areas ensures that each pillar remains strong and uncompromised.

Together, these pillars and foundational risks support the 12 Cypark Risk Focus Areas, representing the full spectrum of challenges the organisation may encounter. By integrating elements such as compliance, sustainability and technological evolution, this approach provides a comprehensive, cross-functional view of risk that goes beyond individual departments or operations.

## RISK MANAGEMENT

### Risk Management Principles

Effective risk management is essential in a landscape marked by fast-changing technology, regulations and market conditions. To address these complexities, Cypark is guided by the core principles of ISO 31000, a globally acknowledged standard for risk management. By adopting the following eight guiding principles from this framework, Cypark aims to ensure consistency, enhance accountability and nurture a proactive, risk-aware culture across the organisation.



# Climate Risk Management

## CLIMATE RISK SCENARIO ANALYSIS

A cornerstone of our climate strategy is scenario analysis, which is planned to be conducted in our next fiscal year. This will allow us to evaluate potential future climate scenarios and assess their implications on our operations starting in FY2026. Using a risk matrix approach, we aim to identify key climate risks to evaluate climate-related threats and necessary mitigation efforts.

To support this evaluation, we plan to analyse specific assets within our portfolio by considering both climate-related costs and opportunities. Future assessments will focus on key physical and transition risks such as land erosion, proximity to waterfront areas and projected changes in temperature and rainfall patterns. This exercise will eventually extend across our full asset portfolio and aligns with our commitment to long-term value creation and sustainable practices. We will leverage the most current GHG emissions data to anticipate climate risks and opportunities. This approach supports the National Climate Change Policy 2.0, demonstrating our commitment to national climate mitigation and adaptation efforts.

## Policies and Guidelines

Cypark is committed to integrating sustainable practices across all our operations. We have zero tolerance for bribery and corruption. To support this, we have developed a comprehensive set of policies and guidelines that offer clear directives on various key issues. These policies and guidelines form the core of our operational approach, steering our actions and decisions to align with our sustainability goals. By following these frameworks, we ensure that our business practices not only meet regulatory requirements but also make a positive contribution to the environment and society. Any misconduct that occurs at Cypark is managed through progressive disciplinary processes and procedures.

Policy / Code of Conduct	Description
<b>Board Charter</b>	Defines the Board's duties, structure and governance expectations to ensure accountability and strategic oversight.
<b>Code of Conduct &amp; Ethics</b>	Outlines the ethical standards, professionalism and integrity expected from all officers and consultants across the Group.
<b>Whistleblowing</b>	Provides a secure and confidential channel to report misconduct without fear of retaliation.
<b>Anti-Bribery &amp; Corruption</b>	Defines the Group's position against bribery and corruption in promoting transparency and lawful conduct across all business dealings.
<b>Risk Management</b>	Establishes structured internal control systems and risk management processes aligned with local and international standards.
<b>Director's Fit &amp; Proper</b>	Outlines key criteria for Board appointments, reappointments and commitment to discharge their fiduciary duties effectively while upholding the principles of good corporate governance.
<b>Remuneration Policy of Directors and Senior Management</b>	Ensures remuneration is fair, performance-linked and aligned with long-term shareholder value creation.
<b>Health, Safety &amp; Environment (HSE)</b>	Promotes a healthy, safe and environmentally responsible workplace in compliance with regulations.

Policy / Code of Conduct	Description
<b>Sustainability &amp; Climate Action</b>	Embeds ESG principles and climate action into core strategies, operations and decision-making, while upholding strong human capital management and fair labour practices across the Group.
<b>Conflict of Interest</b>	Requires officers to disclose, avoid and manage personal interests that may interfere with their professional duties, which covers involving Related Party Transactions (RPT).

For more information on our Sustainability Governance, please refer to page 99 of our Integrated Report 2025.

## Responsible Supply Chain

Cypark is committed to shaping a future supported by a responsible and sustainable supply chain. As part of our commitment to ethical and responsible sourcing, Cypark aims to embed sustainability and integrity into every stage of our supply chain. We are working towards implementing a supplier code of conduct, establishing pre-qualification assessments with ESG-related criteria and encouraging suppliers to align with best practices in labour rights, environmental management and anti-corruption. Our ambition is to gradually onboard suppliers who share our values and to foster long-term partnerships that contribute to ethical business practices, supply chain transparency and continuous improvement across the industry.



**97.7%**

Percentage spending on local suppliers

In 2025, Cypark led the initiative to focus utilisation of local contractors in the construction of solar islands. While data collection is ongoing, this initiative reflects our commitment to supporting local industry participation and creating shared value through our renewable energy projects.

## Data Privacy and Cybersecurity

As we enter the era of digitalisation in the manufacturing industry, protecting the data privacy of our customers, employees and other stakeholders has become a top priority. Cypark adheres to the Personal Data Protection Act (PDPA) 2010 to guide its business practices. To strengthen data protection, the IT department has implemented domain user reviews, security configuration updates and the deployment of an upgraded anti-virus tool to secure all endpoints across the organisation.

In 2025, we recorded zero substantiated complaints regarding breaches of customer privacy or data loss. Although no complaints were received, Cypark remains committed to continuous improvement in data governance and protection. As part of this, a Cybersecurity Policy covering systems, data and infrastructure is currently pending approval by the Board.

# Appendices

## Annual Performance Data

Indicator	Measurement Unit	2024	2025
<b>Bursa (Anti-corruption)</b>			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Senior Management	Percentage	5.00	80.00
Management	Percentage	27.00	37.00
Executive	Percentage	56.00	75.00
Non-Executive	Percentage	12.00	44.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00	14.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
<b>Bursa (Community/Society)</b>			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	40,000.00	1,006,028.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	0	1,342
<b>Bursa (Diversity)</b>			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Senior Management Under 30	Percentage	0.00	0.00
Senior Management Between 30-50	Percentage	49.00	53.00
Senior Management Above 50	Percentage	51.00	47.00
Manager Under 30	Percentage	0.00	0.00
Manager Between 30-50	Percentage	76.00	63.00
Manager Above 50	Percentage	24.00	37.00
Executive Under 30	Percentage	44.00	33.00
Executive Between 30-50	Percentage	52.00	63.00
Executive Above 50	Percentage	4.00	4.00
Non-Executive Under 30	Percentage	47.00	53.00
Non-Executive Between 30-50	Percentage	50.00	47.00
Non-Executive Above 50	Percentage	3.00	0.00
Gender Group by Employee Category			
Senior Management Male	Percentage	71.00	60.00
Senior Management Female	Percentage	29.00	40.00
Manager Male	Percentage	76.00	87.00
Manager Female	Percentage	24.00	13.00
Executive Male	Percentage	71.00	70.00
Executive Female	Percentage	29.00	30.00
Non-Executive Male	Percentage	90.00	92.00
Non-Executive Female	Percentage	10.00	8.00

Indicator	Measurement Unit	2024	2025
<b>Bursa (Diversity)</b>			
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	60.00	71.00
Female	Percentage	40.00	29.00
Between 30-49	Percentage	20.00	14.30
Between 50-59	Percentage	20.00	14.30
Above 60	Percentage	60.00	71.40
<b>Bursa (Energy management)</b>			
Bursa C4(a) Total energy consumption	Megawatt	125,130.15	10,415.60
<b>Bursa (Health and safety)</b>			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	3	115
<b>Bursa (Labour practices and standards)</b>			
Bursa C6(a) Total hours of training by employee category			
Senior Management	Hours	11	454
Manager	Hours	17	330
Executive	Hours	56	4,381
Non-Executive	Hours	18	1,124
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	50.00	28.00
Bursa C6(c) Total number of employee turnover by employee category			
Senior Management	Number	3	7
Manager	Number	14	3
Executive	Number	31	68
Non-Executive	Number	1	15
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
<b>Bursa (Supply chain management)</b>			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	97.72
<b>Bursa (Data privacy and security)</b>			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
<b>Bursa (Water)</b>			
Bursa C9(a) Total volume of water used	Megalitres	31,590,000	55,340,000

## Annual Performance Data

Indicator	Measurement Unit	2024	2025
<b>Bursa (Waste management)</b>			
Bursa C10(a) Total waste generated	Metric tonnes	-	6,988.53
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	5,514.81
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	1,473.72
<b>Bursa (Emissions management)</b>			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	342,978.84
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	5,840.97
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	236.83

### RESTATEMENT OF FY2024 ENERGY CONSUMPTION DATA

Total energy consumption for FY2024 has been restated from 125,130.15 MWh to 9,322.12 MWh following internal verification. The adjustment reflects actual energy consumption recalculated using the conversion factors published in the National Energy Balance 2021 (NEB 2021), in alignment with GRI Standards.



## INDEPENDENT ASSURANCE STATEMENT

Control Union (Malaysia) Sdn. Bhd. (hereinafter referred to as "Control Union") was commissioned by Cypark Resources Berhad (hereinafter referred to as "Cypark") to undertake an independent assurance of Sustainability Statement for year 2025.

Cypark is responsible for the collection, analysis, and preparation of the information in the Sustainability Statement. Control Union was not involved in the preparation of any material included in the statement, except for issuing this Independent Assurance Statement.

Control Union's responsibility is to verify and provide assurance concerning the information included in the Sustainability Statement within the assurance scope mentioned below, with the purpose of informing all Interested Parties. Control Union's assurance engagement is based on the assumption that all data and information provided is reliable and in good faith.

### Scope of Assurance

The assurance was planned and performed for the applicable sustainability performance disclosures in line with Bursa Malaysia's Sustainability Reporting Guide 3rd Edition, specifically focusing on the Common [C] Indicators as presented by Cypark in the Sustainability Statement.

The Common [C] Indicators are defined as the prescribed indicators associated with the common sustainability matters that are deemed to be material for all Main Market listed issuers, as outlined in Annexure PN9-A, and ACE Market listed corporations, in Annexure GN11-A, regardless of size or sector. Sector-specific [S] Indicators, which pertain to sustainability matters material to specific sectors, were not included in this assurance scope.

Control Union multi-disciplinary verification team performed the assurance process that involves verification of the following indicators following the key sustainability focus areas include: **Anti-Corruption (C1), Community/Society (C2), Diversity (C3), Energy Management (C4), Health and Safety (C5), Labour Practices and Standards (C6), Supply Chain Management (C7), Data Privacy and Security (C8), Water (C9), Waste Management (C10), and Emission Management (C11)**.

The additional disclosures outlined in the Bursa Malaysia Sustainability Reporting Guide including sustainability governance, scope of the sustainability statement, materiality assessment, management approach, performance targets, and performance data have been reviewed and verified for completeness and consistency with the stated reporting framework.

### Methodology

Based on our verification process, the assurance methodology for Cypark's Sustainability Statement included reviewing the text of the statement (pre-assurance research), examining internal and external documentary evidence (including third-party consultants), and collecting data at the company, subsidiary, and corporate office levels. This also involved reviewing sample data and selecting internal performance documents, with a specific focus on the Common [C] Indicators in accordance with the provisions of the Bursa Sustainability Reporting Guide 3rd Edition.

Our methodology was aligned with the requirements for moderate assurance engagements as described in AA 1000 Assurance Standard, focusing on Inclusivity, Materiality, Responsiveness and Impact. The nature, timing, and extent of procedures were tailored to achieve a meaningful level of assurance.

Control Union multi-disciplinary verification team performed the assurance process that involves verification of the following aspects:



### Independence and Quality Control

#### **Inclusivity:**

*Engagement with stakeholders in the report development process and their involvement in organizational decision making*

Cypark has continuously maintained engagement with different group of internal and external stakeholders including local government and communities, employees, workers, NGOs, investors, customers, and regulators for the period of FY2025.

The results of maintaining open stakeholder dialogues and through multiple platforms and programmes allow Cypark to better understand the critical issues that matter to and impact each stakeholder group. The outcome from the stakeholder engagements has served as inputs for several sustainability focused initiatives launched by Cypark.

#### **Materiality:**

*Identification of issues in the report that are relevant and significant to the organization's stakeholders, the presence of and the extent to which these material issues are disclosed in the report*

The ESG-related material topics are identified and prioritised through engagement with internal and external through the consolidation of stakeholder feedback and have been highlighted based on their societal impact and relevance to Cypark as an organisation.

#### **Responsiveness:**

*Acting on stakeholder issues and provision of feedback through decisions, actions, performance and communication*

The outcome of the engagement process enables Cypark to effectively identify and respond to the interests and expectations of its key stakeholder groups. The company's targeted approach to addressing issues specific to each category of interested parties reflects its commitment to transparency, accountability and demonstrates a high level of responsiveness to stakeholder input.

#### **Impact:**

*Monitoring, measurement and providing accountability for how the actions of the organization affect the economy, the environment, society, stakeholders or the organization itself*

This Sustainability Statement discloses Cypark's strategies, performance and forward-looking targets in managing material environmental and social matters, enhancing employee well-being, strengthening ethical governance and supporting long-term sustainable value creation for stakeholders.

#### Reporting Criteria and Level of Assurance

The level of Assurance is used to determine the extent of procedures that an assurance provider uses to identify if there are material errors, omissions or misstatements. The independent verification process is designed and conducted in line with the requirements of the AA1000 Assurance Standard, Type 2 at a **Moderate** level of assurance. The qualified verifiers have also evaluated the adequacy of the report against the Bursa Securities Main Market Listing Requirements ("MMLR") and Bursa Sustainability Reporting Guide (3rd edition).

Control Union is an accredited Certifications and Assurance body operating in more than 80 countries. These accreditations and recognitions include the need to maintain a comprehensive system of quality control including documented policies and procedures on compliance to ethical and legal requirements as well as objectivity throughout our operations. The verifiers performing the data check were selected appropriately based on our internal qualifications' requirements, training and experience. It is also reviewed by management to ensure that the applied approach and assurance are strictly followed and operated transparently.

#### Conclusion

Based on our moderate assurance process, nothing has come to our attention that causes us to believe that the scope (subject matter) as detailed above and presented in the Sustainability Statement is not presented fairly in accordance with the criteria. Hence, our work confirms that the information included in the Sustainability Statement is reliable, objective and is presented clearly.

Zulkarnain Ishak  
Manager Sustainability Assurance  
6<sup>th</sup> August 2025



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