

Energising the Future

with Sustainable Solutions



Ranhill

Eighteen
Months Report
Sustainability
Report 2025

About This Report

INTRODUCTION

Ranhill Utilities Berhad ("Ranhill" or "the Group") presents its 9th standalone Sustainability Report ("SR2025"). SR2025 reflects Ranhill's continued commitment to transparent and accountable disclosure on its journey of sustainability, as evident in the many outcomes and results achieved for the 18-month financial period of January 2024 to June 2025 ("FP2025").

SCOPE AND BOUNDARY

SR2025 has been developed in accordance with the disclosure requirements of the following reporting frameworks:

- Bursa Malaysia Sustainability Reporting Requirements
- Global Reporting Initiative 2021 ("GRI")
- FTSE4Good Bursa Malaysia Index
- Sustainability Accounting Standards Board ("SASB") Sector Specific Disclosures
- United Nations Sustainable Development Goals ("UNSDGs")
- Where relevant, the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures based on a climate first approach under Malaysia's National Sustainability Reporting Framework.

Beyond framework alignment and compliance, SR2025 has also been developed in accordance with considerations of concerns, risks, opportunities, topics, and indicators deemed financially and/or impact material to Ranhill.

- Financial Materiality: topics, issues, and concerns that could have a significant impact on financial value creation.
- Impact Materiality: topics, issues, and concerns that could have a significant impact on the environment and society.

The reporting boundary has been set to include companies under the Group's equity as follows:

- Ranhill SAJ Sdn Bhd ("Ranhill SAJ")
- Ranhill Technologies Sdn Bhd ("RTSB")
- Ranhill Sabah Energy ("RSE") comprising Ranhill Sabah Energy I Sdn Bhd ("RSE I") and Ranhill Sabah Energy II Sdn Bhd ("RSE II")
- Ranhill Bersekutu Sdn Bhd ("RBSB")
- Ranhill Worley Sdn Bhd ("RW")
- Ranhill Management Services Sdn Bhd ("RMS")
- Ranhill Water Technologies (Thai) Ltd. ("RWTT") and AnuRAK Water Treatment Facilities Co. Ltd. ("AnuRAK")

Excluded are outsourced activities and operations of joint venture companies that the Group does not have equity control. Where meaningful and accurate data is available, Ranhill has endeavoured to provide disclosures on its value chain. We exercise a "local-where-we-operate" practice.

REFERENCES

All references to "Ranhill", "the Company", "the Organisation", "the Group", "us", "our", and "we" refer to Ranhill Utilities Berhad.

This report and additional information on Ranhill can be found on our corporate website:
www.ranhill.com.my

Online
Version



> REPORT QUALITY & DATA ASSURANCE

The information and performance data presented in this report have been verified through internal sources to ensure accuracy. Ranhill is continuously working to standardise data collection across its diverse operations and jurisdictions, while strengthening tracking and reporting mechanisms to address challenges related to ESG indicators and enhance the quality of non-financial disclosures. While third-party assurance has not been undertaken for this reporting period, the option of seeking external assurance remains under consideration for future reports.

Where possible, data in this report has been internally assured through a limited assurance exercise carried out by Ranhill's Group Corporate Assurance Division ("GCAD") on selected indicators. GCAD is Ranhill's in-house internal audit function whose role is to audit and verify data.

> FORWARD LOOKING STATEMENTS

Any forward-looking statements such as targets, future plans, operations, and forecast figures are based on reasonable current assumptions. Readers are advised not to place undue reliance on such statements as our business is subject to risks and uncertainties beyond Ranhill control. Actual results may differ.

> REPORT AVAILABILITY AND FEEDBACK

SR2025 is available for download at: www.ranhill.com.my
Only a limited number of printed copies are available in order to reduce paper consumption and environmental footprint. To request a printed copy or to submit feedback or questions on this report, please contact:

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Jalan Garuda, Larkin,
80350 Johor Bahru,
Johor, Malaysia

Tel : +607 2255 300

Fax : +607 2255 310

Email : sustainability@ranhill.com.my

> MEMBERSHIP IN ASSOCIATIONS

Ranhill or its operating subsidiaries are a member of the following professional bodies, sustainability advocate groups and industry associations.



Ranhill

- United Nations Global Compact Malaysia Brunei Network ("UNGCMYB")



Water

- Malaysian Water Association ("MWA")
- Construction Industry Development Board ("CIDB")
- National Institute of Occupational Safety and Health ("NIOSH")



Energy

- Akaun Amanah Industri Bekalan Elektrik ("AAIBE")
- Sabah Labuan Grid Code ("SLGC")
- Industrial Advisory Panel for Universiti Tenaga Nasional



Engineering

- Board of Engineers Malaysia
- Malaysian Oil, Gas & Energy Engineering Council ("MOGEC")
- Malaysian Institute of Management ("MIM")
- Malaysian Employers Federation ("MEF")
- Board of Engineers Malaysia ("BEM")
- Association of Consulting Engineers Malaysia ("ACEM")



Annual General Meeting of
Ranhill Utilities Berhad



Wednesday, 3 December 2025



2:00 p.m.



The Banquet Hall,
Level 3, The Ritz-Carlton Kuala Lumpur
168, Jalan Imbi, 55100 Kuala Lumpur

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Corporate Philosophy

OUR MISSION

**To Be A Regional Leader In
Water, Wastewater, and
Energy with Emphasis on
Circular Economy**

OUR VISION

Enriching Lives Through Sustainable Solutions

ENRICHING LIVES

Ranhill aspires to lift the quality of life by being at the forefront of nation-building through sustainable environment and energy solutions using innovative and clean technology.

SUSTAINABLE SOLUTIONS

Ranhill aspires to meet the needs for an enhanced quality of life and a cleaner planet through innovation.

We subscribe to the triple-bottom-line approach, to the Environment (Planet) and Communities (People) whilst achieving our Financial Objective (Profit).

We inspire our employees to be innovative in providing solutions beyond customers' expectations.

OUR VALUES

RESPECT

Respect for the environment, the communities we serve, and for our employees.



RESOURCEFUL

Determination in sourcing and adopting innovative solutions.



RESULT

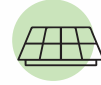
Focused on delivering growth and value to our stakeholders.



Ranhill Fact Sheet

> Provides Clean Water to 4 million Consumers in Johor, Malaysia 	> 99.4 % Water Supply Coverage (Rural) 100 % Water Supply Coverage (Urban) 	> 47 Water Treatment Plants > 749 Active Treated Water Reservoirs	> 24,418 KM Total Pipelines > 3,632 KM Mains Distribution > 20,786 KM Reticulation
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> Ranhill has Engineered: - Over 800 MLD Water Treatment Plants - Over 640 KM of Highways - Over 200 KM of Railway - Over 25,000 Acres of Landbank - Over 4 Million sq.m. of Building Space	> Total Capacity Clean Water Treatment  Water, wastewater & reclaimed water treatment Johor: 2,352 MLD Thailand: 119 MLD China: 267 MLD	> Employees 4,019 
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> Total Potable Water, Wastewater, and Reclaimed Water Capacity Local: 86.0 % International: 14.0 %	> Owns and Operates Combined Cycle Gas Turbine ("CCGT") Rugading: 190 MW Teluk Salut: 190 MW	> Provides Electricity to 0.9 Million People in Sabah, Malaysia  > Owns & Operates a 50 MW solar energy in Bidor, Perak, Malaysia 
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> Additional Information



FTSE4Good

Ranhill is a constituent of the **FTSE4Good Bursa Malaysia Index** since 2019



Winner of the **MSWG-ASEAN Corporate Governance Award 2020** (Utilities Category)



Participant of **United Nations Global Compact (UNGC)** since 2008



Forward Faster Sustainability Awards 2024

Forward Faster Sustainability Awards 2024 (Gold)
for Water Resilience Category by UN Global Compact Malaysia & Brunei



ESG Positive Impact Awards 2024 (Gold) for
SMEs and Mid-Tier level Water Management and Efficiency category by The Star

Achievements & Key Highlights

Ranhill and its subsidiaries continue to be recognised for their environmental leadership, sustainability-driven innovation, and operational excellence. These achievements reflect the Group's efforts to safeguard natural resources, enhance water efficiency, and foster responsible business practices in line with environmental stewardship.



- **UN Global Compact Malaysia & Brunei – Forward Faster Sustainability Awards 2024, for Water Resilience Category (Gold)**

Recognised for advancing water resilience through innovative management practices and sustainable infrastructure, reinforcing Ranhill's role in securing water resources for communities and the environment.



- **ESG Positive Impact Awards 2024, for Water Management and Efficiency Category (Gold)**

Awarded to Ranhill Technologies for its measurable contributions to water efficiency and conservation, integrating ESG principles into operations that reduce environmental impact, and support long-term sustainability.



- **SOHELP National Convention 2024 (Winner)**

Ranhill SAJ secured first place in two categories: *Best Workplace Verifier, Category 2* and *Sungai Lebam Water Treatment Plant, Conglomerate Category 2*. These recognitions underscore the company's excellence in environmental stewardship, workplace safety, and sustainable water treatment practices.



- **Anugerah GeoInnovation Malaysia 2024, Esri Malaysia**

Ranhill SAJ was honoured for leveraging GIS digital technology to strengthen environmental monitoring and water resource management, enabling more sustainable and efficient operations.



Ranhill promotes water resilience and knowledge-sharing at FLOWS 2024, supporting sustainable business and communities

• Future Leaders of Water Sustainability ("FLOWS 2024")

Ranhill actively contributes to sustainable water management and industry-wide resilience by sharing expertise and promoting innovative solutions to water-related challenges. At the FLOWS 2024 event organised by the United Nations Global Compact ("UNGC"), the company participated in a panel discussion on "Building Water Resilience for Business". The session brought together industry leaders, policymakers, and sustainability experts to explore strategies for enhancing efficiency, mitigating water risks, and securing long-term water resources.



Protecting ecosystems and promoting ecological balance at Tanjung Piai National Park, Johor



Ranhill SAJ sharing insights on ESG and sustainable environment strategy at the Sustainability Environment Asia 2024 conference in Kuala Lumpur

• Sustainability Environment Asia 2024

Ranhill SAJ took the stage at the Sustainability Environment Asia 2024 conference in Kuala Lumpur, sharing insights during the session on ESG and Sustainable Environment Strategy. The engagement provided a platform to highlight the company's leadership in advancing water sustainability, from strengthening operational resilience and efficiency to embedding ESG principles across its practices. By participating in this regional dialogue, Ranhill reinforced its role as a proactive contributor to shaping sustainable solutions for the environment.

• Biodiversity Conservation

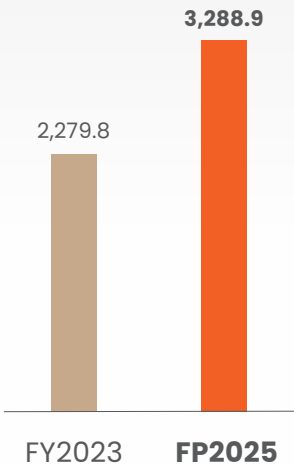
Ranhill, together with its subsidiaries RTSB and Ranhill SAJ, strengthened its commitment to biodiversity conservation through a CSR programme at Tanjung Piai National Park, Johor. Known as the southernmost tip of mainland Asia and home to one of Malaysia's largest mangrove forests, Tanjung Piai represents an invaluable ecosystem that plays a critical role in protecting coastlines, supporting diverse species, and combating the impacts of climate change.

The programme brought employees together in activities such as mangrove planting, seeding, and clean-up efforts, reinforcing Ranhill's belief that sustainability begins with hands-on action. By contributing to the preservation of this unique ecosystem, the Group aims to safeguard natural habitats while raising awareness of the importance of environmental stewardship. These efforts reflect Ranhill's long-term vision of building resilience in communities and ecosystems for a more sustainable future.

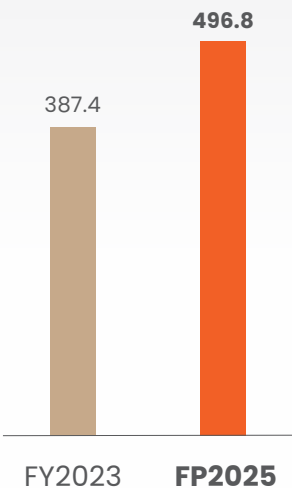
Group Financial Highlights

Note: FP2025 (January 2024 – June 2025)

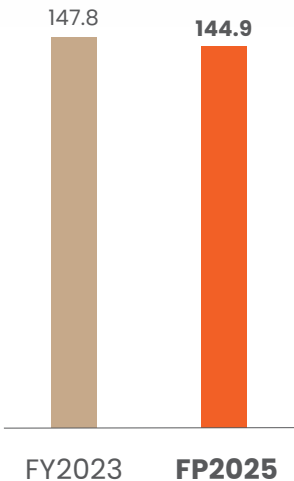
REVENUE (RM' MILLION)



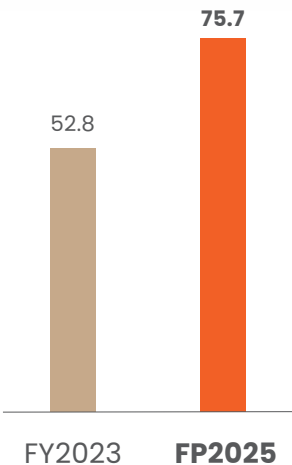
GROSS PROFIT (RM' MILLION)



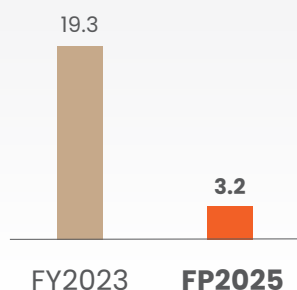
PROFIT BEFORE TAX (RM' MILLION)



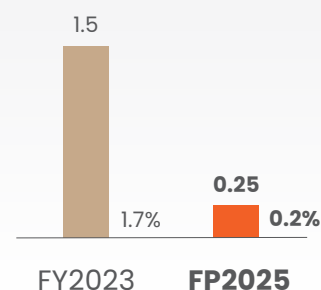
PROFIT AFTER TAX AND MINORITY INTEREST (RM' MILLION)



DIVIDEND PAY-OUT (RM' MILLION)

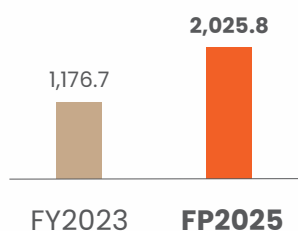


DIVIDEND PER SHARE AND DIVIDEND YIELD (%)

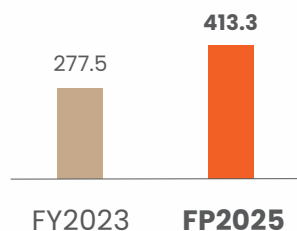
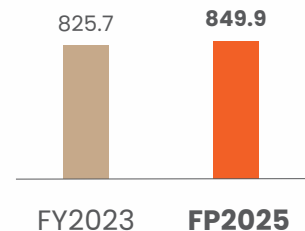


REVENUE BY BUSINESS SECTOR (RM' MILLION)

WATER SECTOR

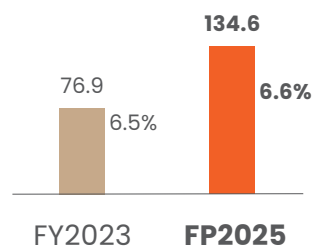


POWER SECTOR

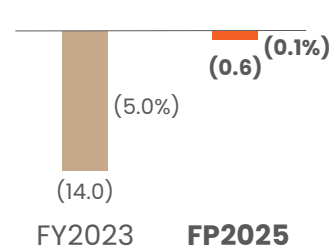
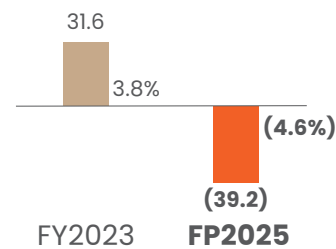
CONSULTANCY AND
SERVICES SECTOR

SEGMENTAL PROFIT (RM' MILLION) AND MARGIN (%) BY BUSINESS SECTOR

WATER SECTOR

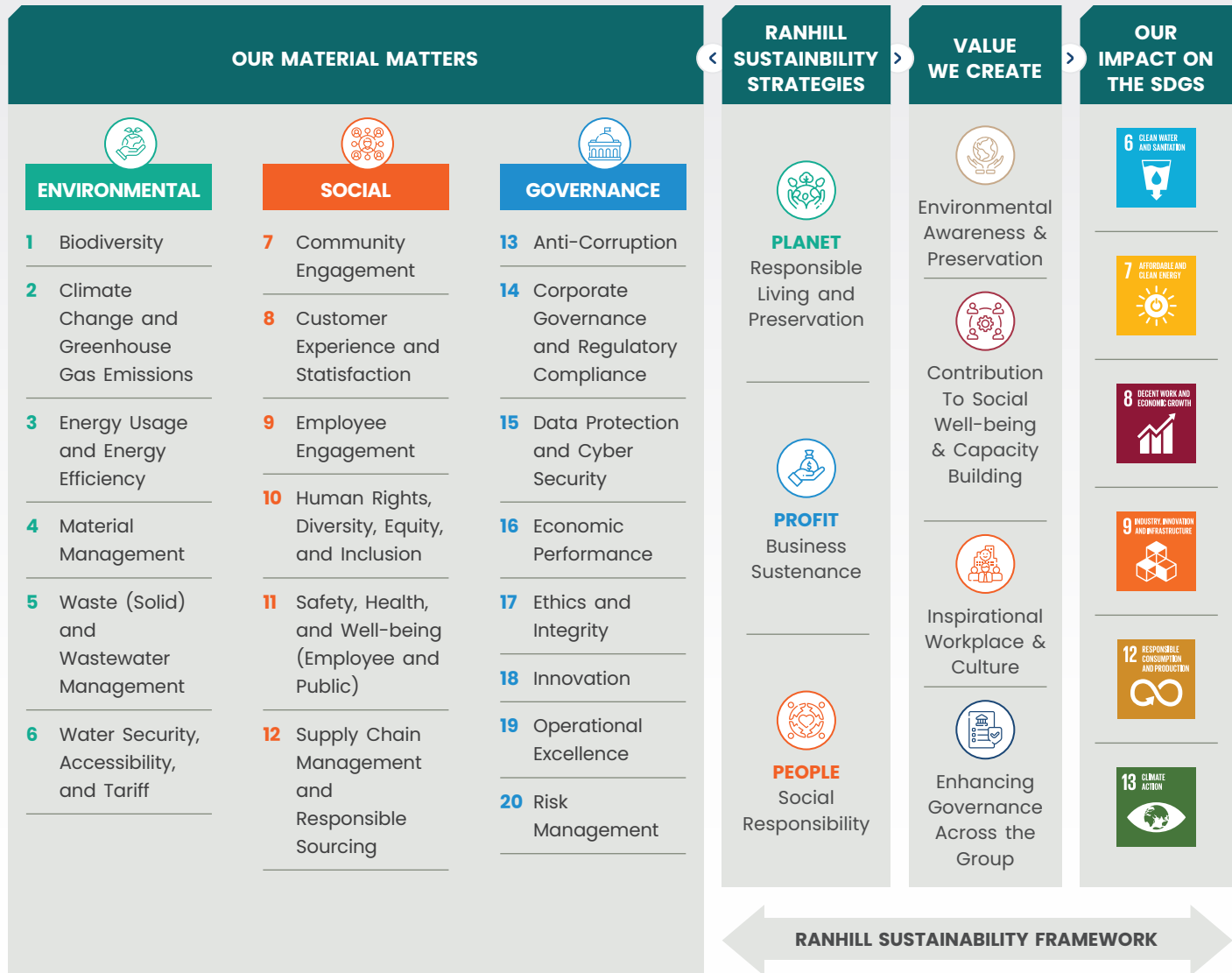


POWER SECTOR

CONSULTANCY AND
SERVICES SECTOR

Our Strategic Approach to Sustainability

INTRODUCTION



Ranhill's approach to sustainability is driven by financial and impact materiality considerations; risks and opportunities arising from sustainability matters, or topics that could positively or negatively impact the Group's business model and operations and its stakeholders.

In developing an overarching strategic perspective of material sustainability risks and opportunities, concerns and focus areas, Ranhill has established the Ranhill Sustainability Framework.

The Ranhill Sustainability Framework was developed taking into account the Group's top material topics (top is defined as the topics that have high financial or impact materiality, or both) as well as the corporate sustainability aspirations of the Group as provided for in its 3P agenda of People, Planet, and Profit ("3P").

The Framework links corporate aspirations and goals together with business, operational, and commercial realities, providing Ranhill with a definitive corporate sustainability strategy that integrates both commercial and considerations with a sustainability lens.

Importantly, the framework also focuses on value creation – demonstrating how sustainability drives value for both the organisation and its stakeholders, as reflected in its alignment with selected United Nations Sustainability Development Goals ("UNSDGs").

Anchored on four pillars – Environmental Awareness & Preservation, Social Well-being & Capacity Building, Inspirational Workplace & Culture, and Strengthen Governance Across The Group – the framework ensures that sustainability supports business resilience while creating both financial and non-financial value.

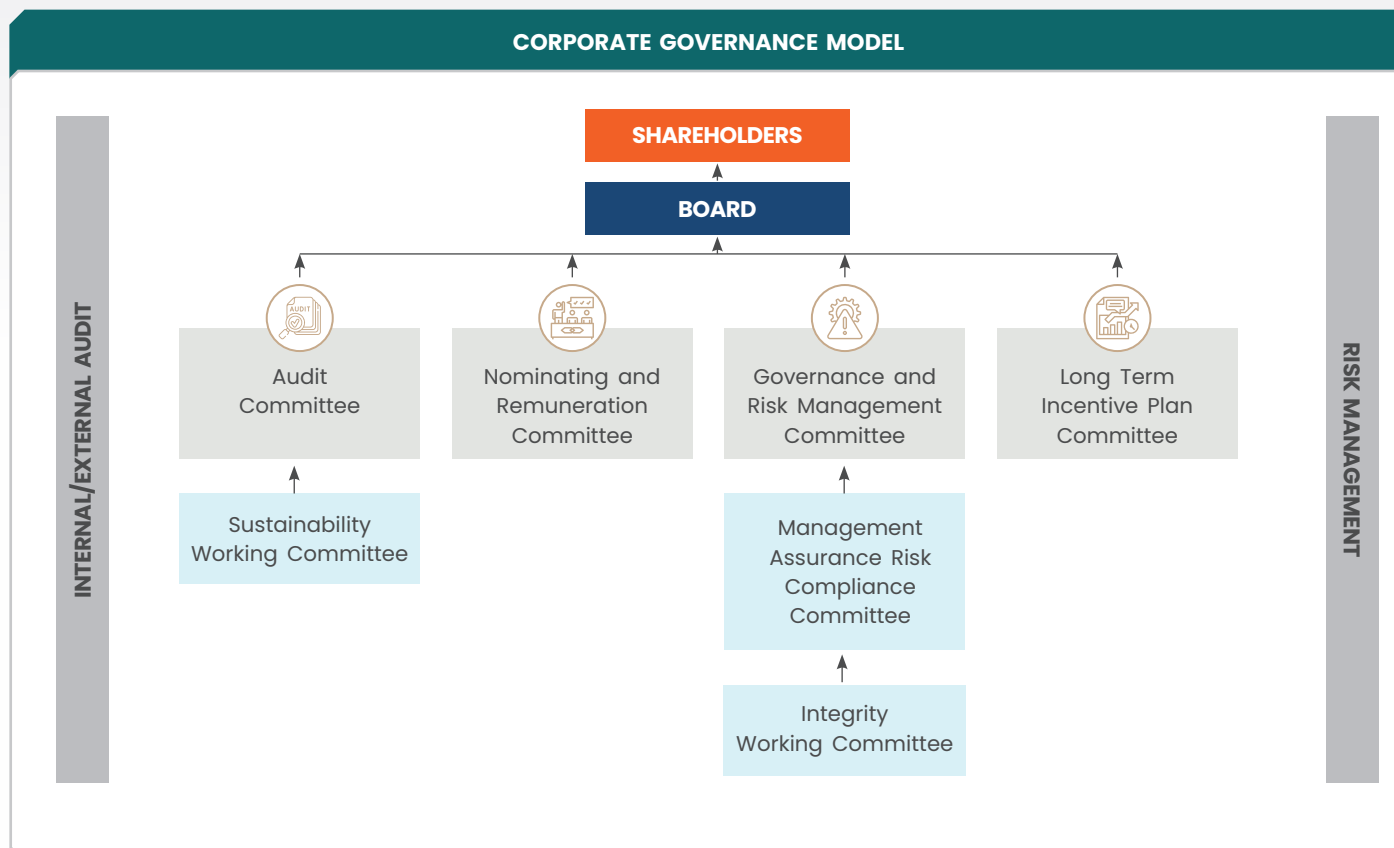
The identified and prioritised material topics will be regularly assessed for financial and impact materiality relevance and towards ensuring that both business and operational aspirations as well as to ensure that business and operational aspirations, along with environmental and social considerations, are fully integrated into the Group's overall strategic oversight and management approach.

The Board of Ranhill and its Senior Management have further mandated that all subsidiary companies align with the Group's Sustainability Framework and governance structure.



Gunung Pulai Dam, Johor

Sustainability Governance & Structure



A strong and comprehensive corporate governance structure provides the foundation for effective business and risk management, along with rigorous controls and processes to drive the sustainability agenda successfully. Clear leadership, well-defined internal processes and controls, transparent reporting, comprehensive systems of checks and balances, and a culture of ownership and accountability are all imperative to achieving both business aspirations and the Ranhill Sustainability Framework.

Ranhill has established a strong corporate governance structure and continues to strengthen it over time. This structure includes specific governance elements for oversight, control, and execution of the Ranhill Sustainability Framework, as well as the supporting business and operational strategies and plans.

The Board of Directors sets the tone from the top, holding ultimate responsibility for corporate governance and accountability to both institutional and retail shareholders. The Board is supported by a number of sub-committees, including the Governance and Risk Management Committee ("GRMC"), which plays a key role in overseeing risks arising from material Environmental, Social, and Governance ("ESG") topics. Sustainability governance is further reinforced through the Board-level Audit Committee, which receives input from the management-level Sustainability Working Committee ("SWC").

However, governance in Ranhill extends beyond the Board and Senior Management, encompassing all levels of the organisation. Governance is a shared commitment across every level of the organisation, underpinned not only by policies and systems, but also by a culture and mind-set that promotes ethical and sustainable practices.

Hence, beyond the active oversight and strategic guidance provided by the Board and Senior Management, good governance is also implemented at the working levels. The first body is the Integrity Working Committee (“IWC”) is to assist the Management Assurance Risk Compliance Committee (“MARCC”) and the GRMC in fulfilling its responsibilities relating to the issues of ethics and integrity within the Group while the SWC, is responsible for developing sustainability programmes and action plans. The IWC is chaired by the Head of Group Legal, with representation from Ranhill SAJ, RSE, RTSB, RBSB, RW, as well as representatives from the Group Human Resources, the Group Corporate Secretarial and the Group Corporate Assurance Division.

The IWC’s mandate extends beyond regulatory and procedural compliance to include promoting awareness, delivering training and educational programmes, and supporting the ethical framework through oversight of corruption allegations, breaches of ethics, and non-compliance cases. The Committee reports directly to the MARCC and GRMC on all matters related to ethics and integrity.

The SWC comprises designated sustainability champions from across the organisation, enabling a cross-functional, multi-portfolio representation. This structure not only brings together the different entities of Ranhill, but also incorporates a diverse range of skills, professional qualifications, experience, and expertise to inform the Group’s overall strategic thinking on sustainability. This is especially advantageous in the determination, assessment, and prioritisation of sustainability related risks and opportunities.

Bringing a further layer of oversight and assurance, the MARCC, comprising Senior Management and Department Heads serves as an additional layer that enables further integration of business and operational perspectives into the sustainability governance structure and subsequently in ensuring the relevance and accuracy of the Ranhill Sustainability Framework.

Subsidiaries are expected to embed sustainability into both strategic and operational planning, with emphasis on execution, monitoring, and reporting.

The Ranhill Governance structure enables comprehensive oversight of material ESG issues, the implementation of action plans, and measures progress against established KPIs and targets. At all levels, clear accountability is established through defined roles and desired outcomes reflected in set KPIs and targets.

Employees are responsible for collecting accurate and timely data for submission to higher levels for review and deliberation. They are also required to provide strategic inputs and feedback on resource requirements, existing and emerging risks and opportunities, and more. Results, progress, and outcomes are closely tracked alongside the resources allocated—whether financial, social, natural, and others.

The Board and Senior Management provide strategic feedback and guidance to operational management to ensure that action plans are implemented and results align with the Ranhill Sustainability Framework.

This governance framework addresses material topics such as climate change, energy and resource consumption, emissions management, waste reduction, human and labour rights, occupational safety and health, talent development, and others.

The structure is regularly refined to align with IFRS standards and to enhance understanding of financial and impact-material sustainability topics.

Through this comprehensive governance structure, Ranhill ensures that sustainability is not only a corporate priority but also an operational reality, enabling the Group to drive long-term value creation while fulfilling its environmental and social responsibilities.

Sustainability **Governance & Structure**

GOVERNANCE STRUCTURE COMPONENT	SPECIFIC ROLES AND RESPONSIBILITIES
Board of Directors	The Board's role is to provide the highest level of governance and decision-making, including on sustainability matters, in alignment with Malaysian Code on Corporate Governance ("MCCG") Practices 4.1–4.5. The Board sets and approves broad goals, including the Ranhill Net Zero Carbon Roadmap, monitors the Group's progress, and oversees all material sustainability matters. It advises Management to ensure sustainability remains integral to the Group's business strategy, guided by its Board Charter.
Audit Committee	The Audit Committee is responsible for overseeing the integrity of the Group's sustainability governance, reporting, and internal controls. Its role includes reviewing sustainability disclosures for accuracy and compliance, monitoring internal controls, overseeing the management of sustainability-related risks, and ensuring adherence to regulatory requirements. The Committee also provides independent assurance on the reliability of sustainability reporting, reviews audit findings, and advises the Board and Management on enhancements to sustainability practices and frameworks.
Governance and Risk Management Committee ("GRMC")	The GRMC is a sub-Board Committee and reports to the full Board on a regular basis. Its roles and responsibilities are spelt out in its Terms of Reference ("TOR"). Essentially, the GRMC is tasked with ensuring Board level oversight of all risks including sustainability risks identified by the Group's Risk Management framework. The GRMC receives regular risk reports that outline risk factors, severity levels, probabilities of occurrence, and ensures that the existing risk management framework is robust and well implemented. ESG risks are increasingly being integrated into the overall approach to risk management.
Management Assurance Risk Compliance Committee ("MARCC")	The MARCC assists the GRMC in monitoring the Group's assurance, risk, and compliance matters, and reviews the Group's overall risk and compliance processes and activities.
Integrity Working Committee ("IWC")	The purpose of the IWC is to assist the MARCC in fulfilling its responsibilities relating to the issues of ethics and integrity within the Group. The authority, functions, responsibilities, and duties of IWC are extended to all subsidiary companies.
Sustainability Working Committee ("SWC")	The SWC is the bridge between the Board and the working levels within Ranhill. The SWC's role is to operationalise sustainability; developing effective implementation plans, setting tactical level KPIs and targets, identifying improvement areas, developing internal capacity, and integrating the concept of sustainability across all facets of the Group's operations.

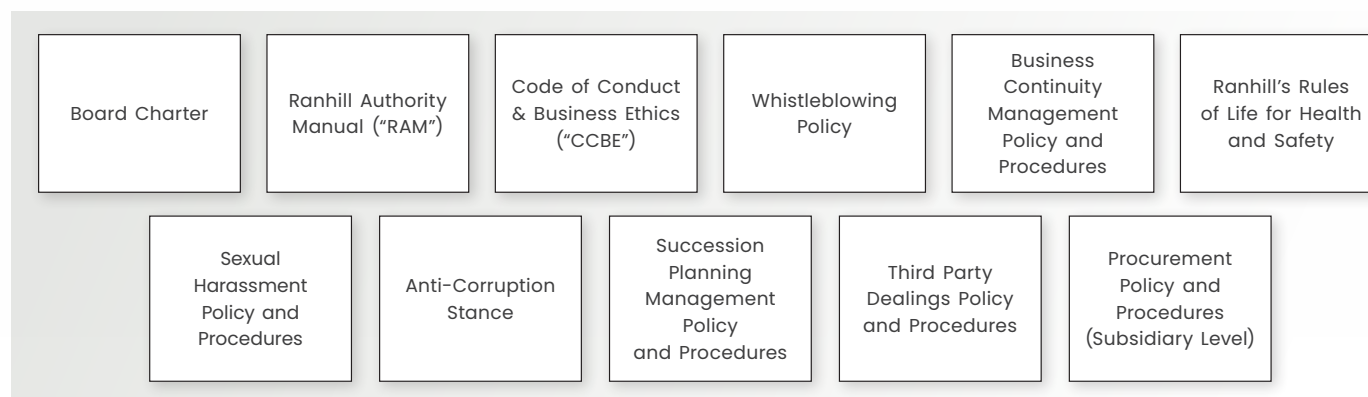
BOARD REMUNERATION AND SUSTAINABILITY TARGETS

A notable aspect of Ranhill's approach to sustainability governance is the direct linkage of senior executives' remuneration to material sustainability KPIs and targets. For instance, at Ranhill SAJ, the CEO's performance incentives are tied to water quality and customer satisfaction KPIs as prescribed by Suruhanjaya Perkhidmatan Air Negara ("SPAN"). Similarly, at RSE, the CEO together with the Head of Plant and the Safety and Health Officer have their remuneration linked to Occupational Safety and Health ("OSH") performance, reinforcing accountability for key sustainability priorities across the Group's operations.

The setting of sustainability KPIs and targets for both subsidiaries shows that a significant part of the Group's senior leadership remuneration is already linked to sustainability performance. In addition, several subsidiaries further align Senior Management's remuneration with regulatory compliance requirements, measured against industry-prescribed KPIs that cover both environmental and social aspects.

PROMOTING GOOD GOVERNANCE THROUGH INTERNAL POLICIES

Another key aspect of good governance in Ranhill is the Group's organisation-wide policies and commitment statements, which have been established to provide further guidance, clarity, and controls in setting clear rules on desired behaviour, conduct and outcomes. These policies and commitment statements are available on Ranhill's website and other sources of information available in the public domain.



All new employees are introduced to the Company's policies during the induction programme. This ensures that they are made aware from the start of their working tenure with Ranhill. When policies are revised or enhanced with new clauses and provisions, Ranhill ensures timely communication of these updates to employees and relevant stakeholders.

CODE OF CONDUCT AND BUSINESS ETHICS

Aside from the Ranhill Sustainability Framework, the Governance Structure and Policies and Commitment Statement, a further aspect of good governance in the organisation is the Ranhill Code of Conduct and Business Ethics ("CCBE"). The CCBE can be viewed here:

 <https://ranhill.com.my/investor-relations/corporate-governance/>

The CCBE sets the standard for desired corporate behaviour, actions, and practices of internal stakeholders (Board, Senior Management, and employees) within the Group and where relevant, it also applies to the behaviour, actions, and practices of external stakeholders such as contractors, suppliers, business partners, casual workers, and others who have a business arrangement or communications with Ranhill.

Sustainability **Governance & Structure**

The CCBE applies to all Ranhill subsidiaries. It is designed to ensure regulatory compliance and uphold ethical standards across key areas, including anti-corruption and bribery, sexual harassment, conflicts of interest, money laundering, criminal breach of trust, discrimination, gifts and entertainment, and human and labour rights. In particular, the CCBE is aligned with the requirements of Section 17A of the Malaysian Anti-Corruption Commission Act 2018.

The CCBE is communicated annually through periodic briefings to the Board, Senior Management, and employees. Briefing on the CCBE is also presented and discussed in detail during the onboarding programmes for new employees, management personnel, and incoming Board directors. The CCBE is also included in the Employee handbook provided to all employees.

Given the possibility of changes in the external regulatory environment such as changes to laws and requirements, the CCBE is periodically reviewed and updated by Group Human Resource. Updates are tabled to the Board for approval.

ALIGNMENT TO THE MALAYSIAN CODE ON CORPORATE GOVERNANCE

Ranhill also aligns its governance practices with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the MCCG. Specific information on how Ranhill has aligned to the latter is provided in CG2025 which can be downloaded from here:

 <https://ranhill.com.my/investor-relations/reports-presentations/>

COMMITMENT TO A CORRUPTION-FREE WORKPLACE AND PRACTICES

Ranhill implements a zero tolerance, no-compromise stance on all forms of corruption. The Group is of the view that anti-corruption is material to the realisation of the Ranhill Sustainability Framework, its Vision and Mission, and its corporate value creation aspirations.

Ensuring a corruption-free workplace, with transparent communication and dealings inside the organisation and with external stakeholders, is essential to building a high-performing and competitive organisation based on a culture of merit. Anti-corruption is key to attracting and retaining talent, and to protecting employee morale and corporate reputation. It also improves business efficiency across operations and the supply chain. In addition, it helps avoid financial and legal risks.

The CCBE clearly defines corruption, including corrupt acts and practices, in line with the law. It also mentions that both recipients and providers of corruption would be subject to disciplinary action and, where applicable, reported to the relevant enforcement authorities.

Ranhill's zero tolerance, non-compromising anti-corruption stance applies not only to the Board, Senior Management and employees, but also to all external parties with dealings with the Group, including consultants, advisors, suppliers, community leaders, and politicians.

Throughout the year, a wide range of anti-corruption communication is undertaken by Ranhill, targeted at both internal and external stakeholders. Ranhill SAJ requires all employees to sign an anti-corruption declaration as a condition for employment.

The Group has also implemented best practices in line with ISO 37001: Anti-Bribery Management System and complies with the Integrity Framework for Licensees and Certification Agencies issued by Suruhanjaya Perkhidmatan Air Negara ("SPAN"). All operating companies under Ranhill have also implemented procedures to ensure compliance with Section 17A of the MACC Act.

In FP2025, there was one reported and substantiated case of corruption. The Group was swift to act – fully co-operating with the relevant regulatory authorities. The employees in question have been investigated by the Malaysian Anti-Corruption Commission ("MACC") and the case continues to proceed in tandem with the legal process. Ranhill continues to co-operate with the MACC.

In response to the incident, Ranhill has further tightened its processes and procedures:

ACTION	DESCRIPTION
Corruption Risk Assessment	A more thorough and detailed corruption risk assessment exercise was held Groupwide. This included audits of existing processes and procedures to identify vulnerabilities strengthening of oversight, soliciting views and feedback from personnel across the Group, and more.
Organising Speaking Engagements by External Parties	Ranhill also organised a wide range of anti-corruption talks and engagement sessions, facilitated by the regulatory authorities and other parties. These included law enforcement personnel and individuals who were caught for corruption with the latter sharing their experiences.
Mandatory Anti-Corruption Training	In FP2025, all operating companies had increased their mandatory briefings on corruption, bribery, Section 17A of the MACC Act, and the CCBE. In FP2025, all Board members, management, and employees completed anti-corruption training. Training materials remain accessible via the Group's Intranet for continuous reference.
Signing the MACC's Corporate Integrity Corruption Pledge	Ranhill, through its subsidiary, Ranhill SAJ reaffirmed its commitment to integrity and ethical business practices by signing the MACC's Corporate Integrity Pledge on 23 April 2025. This follows a similar pledge signed on 14 June 2024, underscoring the continuous efforts to strengthen its anti-corruption framework and uphold the highest standards of governance across all business operations.

The above action taken were in addition to Ranhill's regular anti-corruption activities, such as the provision of the Corruption Risk Questionnaire issued to CEOs of all operating companies, supplemented by interviews with departmental heads in higher-exposure functions. Both quantitative and qualitative inputs were analysed, and risk scoring was applied to determine the overall and departmental exposure levels.

WHISTLEBLOWING CHANNEL

Ranhill has established a dedicated Whistleblowing Channel in line with the Whistleblower Protection Act 2010 (Act 711), the Companies Act 2016, and the Capital Markets and Services Act 2007. The channel provides employees and external stakeholders with a secure and confidential avenue to report incidents of misconduct, including corruption, breaches of the CCBE, labour and human rights violations, discrimination, harassment, and other unethical practices.

Whistleblowers may submit reports anonymously and if he or she chooses to reveal their identity, the whistleblowing mechanism assures confidentiality of all reporters unless required by law or enforcement agencies to facilitate further investigation or enforcement action. Ranhill enforces strict non-retaliation measures, protecting whistleblowers from reprisal, harassment, or undue pressure. Additional safeguards, including temporary relocation of workplace assignments, may be applied where necessary to ensure protection.

Sustainability **Governance & Structure**

All reports are independently reviewed and investigated by GCAD and if deemed to be genuine are escalated to the AC Chairperson. Upon completion of the process, findings are presented to the AC, and substantiated cases may result in disciplinary or contractual actions, including suspension, termination of employment, cessation of business relationships, or filing a report with MACC.

The whistleblowing channel can be accessed by any stakeholder via the following channels:

Website: <https://4uwecare.com>

Email: whistle@4uwecare.com

Telephone/Hotline: +1700-81-5333

Letter:

- a) PO Box 10891, 50740, Kuala Lumpur
- b) Head, Group Legal, Ranhill Utilities Berhad,
Bangunan Ranhill SAJ, Jalan Garuda, Larkin 80350
Johor Bahru, Johor Darul Takzim

During the 18-month financial period, the Group recorded eleven whistleblowing cases, on which all were evaluated and investigated in line with the Whistleblowing Policy. Subsequently, eight cases closed and the remainder are ongoing.

COMMITMENT TO A CORRUPTION-FREE VALUE CHAIN

Given Ranhill's extensive network and relationships with suppliers and vendors, it is challenging to assess the entire value chain towards developing a corruption-free supply chain. However, because a corruption-free approach is key to achieving competitive pricing, high product and service quality, and a stronger value proposition, Ranhill will continue working to align its suppliers with its strict anti-corruption standards.

As such, Ranhill extends its anti-corruption commitment to its business partners and supply chain. All tender documents and Requests for Proposals ("RFPs") incorporate the Group's anti-corruption requirements. Suppliers are required to acknowledge these requirements and provide written declarations affirming their commitment to remain free from corrupt practices throughout their business relationship with the Group.

Where appropriate, supplier audits and background checks are conducted prior to the award of contracts. Suppliers found to have engaged in corrupt practices are subject to immediate action, including contract termination and, where necessary, referral to the authorities. Periodic reminders are issued to all suppliers reinforcing the Group's zero-tolerance stance on corruption, including bribery.

DATA PRIVACY AND SECURITY

Ranhill adheres to the Personal Data Protection Act ("PDPA 2010") with regard to the management of data and ensuring data privacy. Several of the Group's subsidiaries, such as Ranhill SAJ, the Johor state water operator, collect and store a wide range of customer data in the course of their business operations.

The company manages millions of residential and commercial customer accounts. Such accounts contain personal data such as national registration identification card numbers, home addresses, phone numbers, and other data. This information is necessary for operations, such as managing customers' water accounts, issuing bills, providing customer service and more. Hence, the collection, storage, and use of such data are essential for delivering services. Ranhill SAJ complies with the PDPA 2010 in relation to these activities.

The company has implemented policies and procedures to safeguard personal data, obtain consent for data processing, and provide individuals with the right to access and collect their personal information.

All care is taken to safeguard such data and to ensure that the data is used only for the intended purposes and by the relevant parties only. Data is collected with the consent of data owners at all times and is stored and protected through the use of sophisticated IT systems including firewalls and dedicated servers. Data is used only with the permission of data owners procured prior. Data is used only with the permission of its owners, obtained beforehand, and is not shared with third parties without prior consent or unless officially requested by law enforcement or government agencies. From year 2022 to FP2025, there were zero data breach cases and complaints received.

OPERATIONAL SITE CERTIFICATION

Governance is further reinforced by ensuring strict adherence to all regulatory requirements as well as the adoption of industry best practices. The former includes ensuring operational sites are certified. Beyond compliance, these certifications attest to how Ranhill ensures all of its sites are fit for purpose and are safe and secure as possible with the necessary procedures and equipment in place to address any emergency or contingency.

SITE CERTIFICATION – RANHILL SAJ

ISO 9001:2015

Quality Management System (for HQ, 8 WTPs and company-wide practices) – This certification ensures the integration of customers' needs, compliance obligations, and other applicable requirements into Ranhill's business processes, goals, and strategic direction. Through proactive monitoring and evaluation, the Group enhances customer satisfaction and fulfils its compliance obligations.

ISO 45001:2018

Occupational Health & Safety Management System (for HQ, 8 WTPs and company-wide practices) – The Group providing a healthy and safe workplace, protecting the well-being of all individuals, eliminating hazards, and reducing occupational health and safety risks.

ISO/IEC 17025:2017

The Group's laboratory operations are accredited under ISO/IEC 17025, which specifies the general requirements for the competence of testing and calibration laboratories. This accreditation demonstrates the reliability, accuracy, and validity of test results produced by the laboratory. Through compliance with ISO/IEC 17025, the Group ensures traceability of measurements, consistency in testing methodologies, and adherence to international best practices in laboratory management.

ISO/IEC 27001:2022

Information Security Management System – The certification has been implemented for the Billing Information System to safeguard the Group's information assets against all threats and ensure the security of customers' data.

ISO 50001:2018

Energy Management System – (for HQ & 5 WTPs). Enables Ranhill SAJ to procure energy-efficient products and services that impact energy performance. It also guides The company in designing for energy performance improvement.

MS 1480:2019

Hazard Analysis Critical Control Point – This certification is implemented in Ranhill's 44 Water Treatment Plants ("WTPs") to ensure the production of safe treated water for its customers by implementing Hazard Analysis Critical Control Point ("HACCP") principles.

OTHERS

RSE

ISO 9001:2015 : for both power plants
ISO 27001:2022 : for both power plants
ISO 45001:2018 : for both power plants

RW

ISO 14001:2015
ISO 9001:2015
ISO 45001:2018

RTSB

ISO 9001:2015
ISO 45001:2018

RBSB

ISO 9001:2015
ISO 14001:2015
ISO 45001:2018
ISO 37001:2016

Stakeholder Engagement

Aside from the Sustainability Framework, Ranhill's overarching approach to sustainability also encompasses concerted and strategic engagement with the Group's diverse stakeholders. This includes ongoing engagement that is intrinsic to the business model as well as targeted efforts that support the effective running of operations.

Ranhill defines stakeholders as individuals, groups, or entities that can influence or are influenced by the Group's operations. This includes those directly impacted by the Group's activities and presence. In FP2025, Ranhill has continued to engage actively with its wide range of stakeholders.

Ranhill leverages stakeholder engagement as a key strategy to develop a more thorough and comprehensive understanding of risks and opportunities. This approach helps refine its business model and operations based on stakeholder feedback while also clarifying how stakeholders' roles and presence may influence both financial and impact materiality perspectives.

Engaging with stakeholders promotes inclusivity and fosters a more holistic understanding of business and sustainability risks and opportunities. It supports a strategic approach that addresses concerns while maintaining a strong operational focus. Listening to their perspectives can directly or indirectly enhance business performance. Their insights are key to sustaining operational excellence, improving customer satisfaction and service quality, ensuring regulatory compliance, and identifying and prioritising material topics.

The influence of stakeholders is growing, with regulators, investors, and local communities placing greater emphasis on environmental stewardship, social responsibility, and protecting stakeholder interests. Their perspectives offer valuable input for strengthening the Group's business model, supporting both resilience and financial sustainability.

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	OUTCOME
 Employees	- Intranet, broadcasts, and internal enterprise platforms - Training and town halls - Annual performance appraisals - Recreational and team-building sessions - Public digital platforms (website, LinkedIn, Facebook, Instagram, and others).	- Team-building activities to strengthen employee relationships. - Engagement forums that allow employees to share concerns and aspirations with Management. - Renewal of the collective bargaining agreement to safeguard employee well-being and welfare. - Developing skilled technical talents for the water industry. - Prioritising employees' mental and emotional well-being.	- Improved employees morale, higher awareness and understanding of the Group's business plans, reduced attrition rates, improved organisational culture, and greater sense of belonging to the Ranhill brand among employees. - Successful renewal of the collective agreement to the mutual benefit of both parties, the continued assurance of a harmonious and positive working environment, and a better relationship between Management and the employee union. - Development of 564 Sijil Kemahiran Malaysia ("SKM") talents in 2025. - Employees maintained positive morale and good health throughout the pandemic years. Participation in R-care programmes continues to rise.

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	OUTCOME
 Frontliners, Operators, Receptionist, and Customer Service Employees	- Customer Service Efficiency Blueprint - Exhibition - Website, social media, and SAJ Info Centre	- Enhancing the skills and service quality of frontliners, including operators, receptionists, and customer service employees. - Information on planned and unplanned water disruption and issues on water supply.	- Improved customer service levels which lead to customer satisfaction. - Faster and more efficient customer notifications help reduce concern and frustration, while also minimising complaints during water disruptions and supply issues.
 Financial Community	- Annual and extraordinary general meetings - Stock exchange announcements and website updates - Investor relations events, analyst briefings, and press releases - Regular meetings and networking sessions	- Company growth and value chain - Business strategy and direction - Financial performance and returns - Compliance, ethics, and governance - ESG risk and opportunity management	- Strengthened investor confidence through transparent and timely disclosures. - Increased understanding of Ranhill's business strategy, growth plans, and ESG commitments. - Positive recognition from analysts and investment community on governance and performance. - Improved shareholder relations, reflected in active participation during AGMs and investor briefings. - Enhanced market reputation through consistent compliance with Bursa Malaysia's disclosure requirements and global ESG standards. Our shareholder engagement programme provides a direct avenue for shareholders, investors, or clients to access information and engage with the company.
 Government and Regulators	- Compliance reporting (e.g., Bursa, SC, SPAN, DOE, DOSH, MACC, etc.) - Regular consultations and dialogue sessions with regulatory bodies - Participation in government- and regulator-led forums, briefings, and workshops - Timely submission of permits, licences, and statutory filings to ensure continued validity and compliance with regulatory requirements - Site visits, inspections, and audits by regulators - Joint programmes on environmental protection, water security, and energy transition	- Compliance with laws, regulations, and reporting requirements - Environmental protection, water security, and climate resilience - Occupational safety, health, and employee welfare - Anti-corruption, ethics, and governance standards - National sustainability and energy transition commitments - Contribution to national and state economic development - Alignment with international frameworks (e.g., IFRS S2, NSRF, SDGs)	- Strengthened compliance record with no major regulatory breaches or penalties. - Recognition as a responsible utility partner contributing to national sustainability and energy transition agendas. - Improved operational standards through alignment with updated regulations and best practices. - Reinforced trust with regulators by demonstrating transparency in disclosures and timely submission of statutory reports.

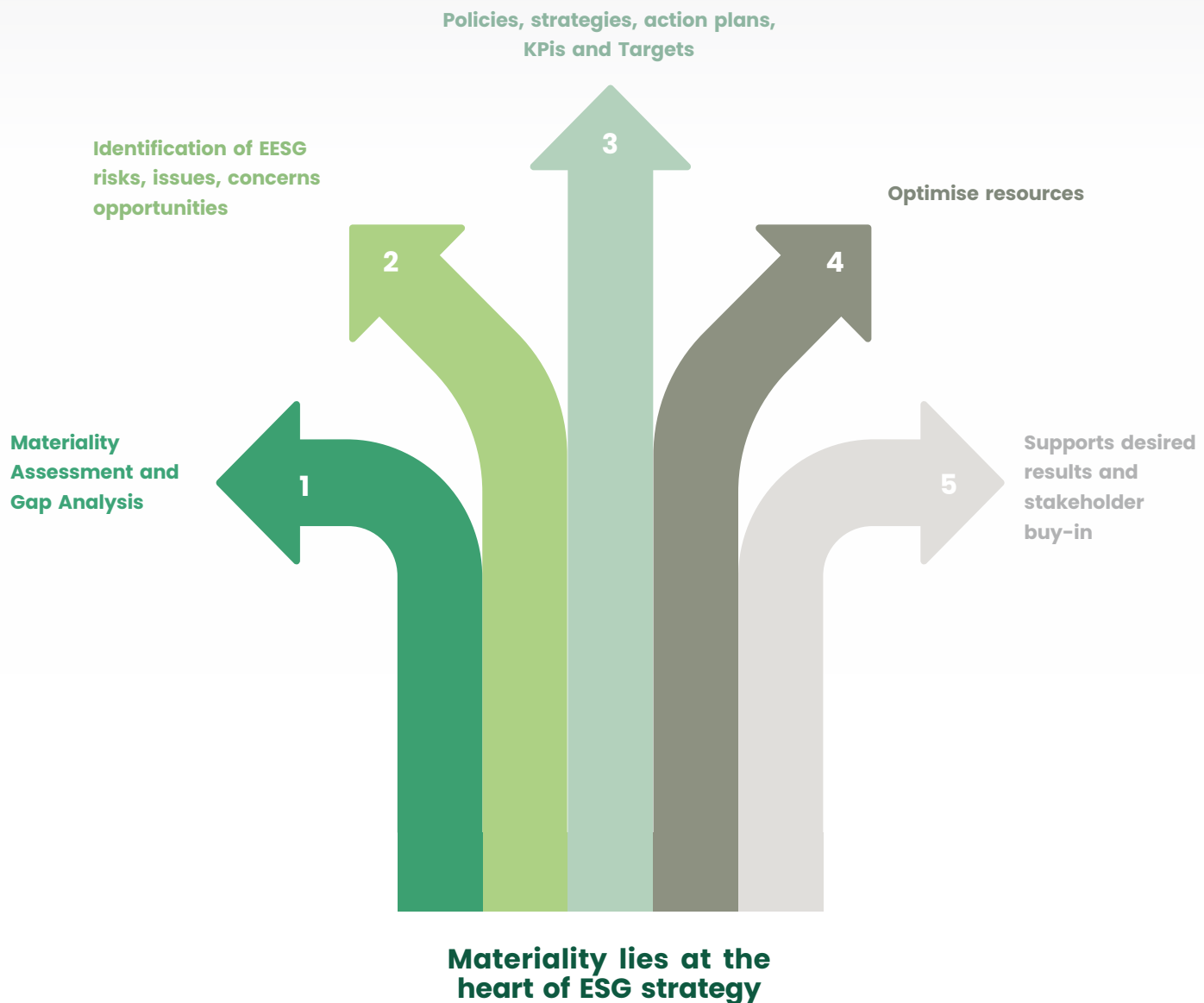
Stakeholder Engagement

STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	OUTCOME
 Local Communities	- Community outreach programmes and CSR initiatives (e.g., education, health, and environmental conservation) - Stakeholder dialogues and townhall sessions to gather feedback on local concerns - Sponsorships, donations, and disaster relief support - Awareness campaigns on water conservation, energy efficiency, and environmental protection - Collaboration with schools, NGOs, and local associations - Grievance and feedback mechanisms (hotlines, service counters, mobile apps, and websites)	- Access to clean and reliable water and energy services - Environmental protection and biodiversity conservation - Community well-being, health, and safety - Education, awareness, and capacity building - Transparency in addressing community concerns and grievances - Support during crises (e.g., floods, water disruptions, and natural disasters)	- Strengthened trust through consistent delivery of reliable water and energy services. - Improved community well-being via targeted CSR and outreach initiatives. - Enhanced awareness on sustainable water and energy use practices. - Stronger partnerships with NGOs, schools, and community organisations. - Increased resilience of communities through disaster preparedness and relief support. - Recognition as a responsible corporate citizen contributing to local socio-economic development.
 Media	- Press releases and official media statements - Media interviews with management and subject matter experts - Coverage of corporate events, launches, and community programmes - Media kits, fact sheets, and Q&A materials to support accurate reporting - Regular updates via the corporate website and social media platforms - Direct engagement with journalists and editors through media relations teams - Participation in media-led awards	- Access to accurate, timely, and transparent information - Updates on company performance, projects, and community initiatives - Insights on sustainability, ESG commitments, and regulatory compliance - Availability of spokespersons for clarification and expert commentary	- Strengthened reputation as a transparent and responsible utility provider. - Increased media coverage highlighting Ranhill's projects, sustainability, and community contributions. - Enhanced stakeholder awareness of business performance and ESG commitments. - Positive relationships with journalists and media outlets built on trust and accessibility. - Improved public perception through consistent, accurate, and timely communication.

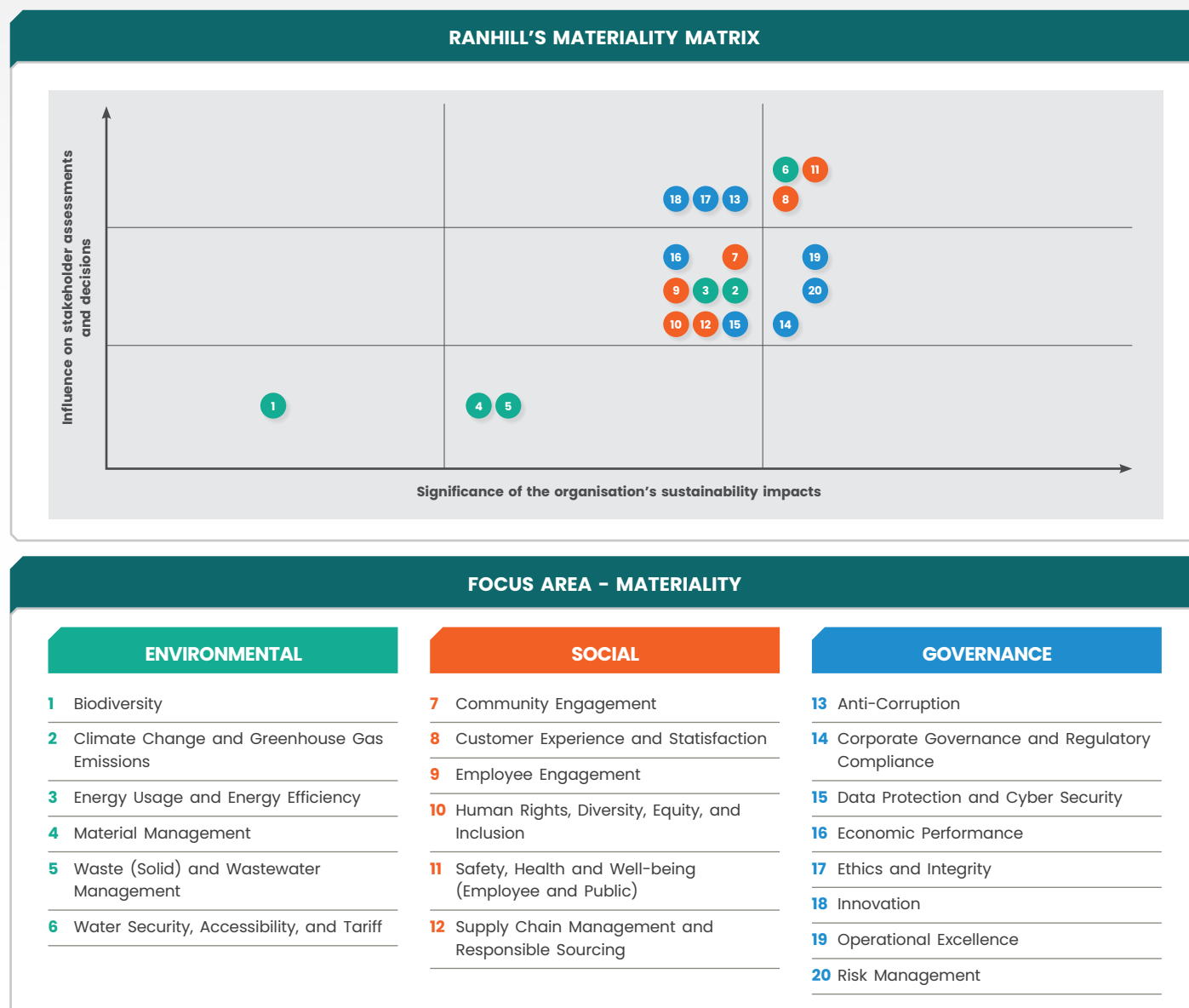
STAKEHOLDER	ENGAGEMENT METHOD	FOCUS AREA	OUTCOME
 NGOs	• Strategic partnerships on sustainability and community projects • Joint awareness and education campaigns (e.g., water conservation and climate resilience) • Participation in NGO-organised events, campaigns, and conferences	• Collaboration on environmental protection and biodiversity conservation • Advocacy on sustainability, ESG, and community welfare issues • Partnerships in capacity building, awareness, and education programmes • Support for national and global sustainability goals (e.g., SDGs and climate action)	• Stronger partnerships advancing shared sustainability and community goals. • Enhanced credibility through collaboration with respected civil society organisations. • Increased community impact via joint programmes and advocacy efforts. • Recognition as a responsible and transparent industry partner. • Contribution to national and international sustainability agendas through NGO alliances.
 Suppliers and Vendors	• Transparent tendering and procurement processes • Anti-corruption requirements in RFPs and contracts • Supplier performance evaluation and audits • Vendor registration and pre-qualification programmes	• Fair and transparent procurement practices • Compliance with anti-corruption and ethical business standards • Quality, reliability, and timely delivery of goods and services • Health, safety, and environmental compliance in local supplier development and contribution to the economy • Engagement with suppliers is important to ensure that proper transparency and governance are being practiced in procuring their services	• Strengthened trust through transparent and fair procurement practices. • Increased supplier compliance with governance and ESG requirements. • Long-term, mutually beneficial relationships with strategic vendors. • A fair, transparent and win-win relationship with our vendors and suppliers.

Determining **Materiality**

Ranhill's materiality assessment is guided by both financial and impact materiality considerations. Financial materiality assesses the extent to which a sustainability or operational matter may affect the Group's financial, business, and operational ("FBO") performance. Impact materiality evaluates how a sustainability or operational issue may affect the environment, society, local communities, and other stakeholders.



For FP2025, Ranhill has utilised both perspectives to establish its most material topics as reflected in the matrix below:



Ranhill's materiality matrix, developed in 2024 and validated in FP2025, remains relevant. The Group will be conducting new assessment and updates via incorporating latest stakeholder feedback so that the matrix is more conclusive with IFRS S1 and S2 requirements.

Economic **Performance**

Strong financial, business, and operational performance forms the foundation of any for-profit organisation. For Ranhill, financial value creation remains a key priority. It drives revenues and earnings, while also generating the capital needed to deliver long-term stakeholder value and support an effective sustainability agenda.

Sustained financial performance goes hand in hand with progress on sustainability. The resources required to fund sustainability programmes, implement strategies, ensure compliance, and carry out assessments are all made possible by a strong financial foundation. This reinforces the importance of aligning financial, business, and operational priorities with the Group's sustainability goals, targets, and aspirations.



Ranhill has developed performance ratios to establish clear efficiency and intensity benchmarks.

Detailed information on the Group's financial achievements can be found in the Group Financial Highlights section of SR2025. For an in-depth review, stakeholders are encouraged to consult the Management Discussion and Analysis section of the AR2025.

These include distribution of dividends to shareholders, payment of taxes to the government (which enables social and infrastructure development), and repayments to financiers.

INDICATOR	2022 RM' Million	2023 RM' Million	FP2025 RM' Million
Payments to Employees (Salary and emoluments)	358.8	456.7	686.1
Payments to Suppliers and Partners (Operating expenses)	1,733.3	2,276.1	3,346.4
Taxes paid to government (income tax, by country)	60.8	49.9	50.5
Returns to Shareholders (dividends)	32.2	19.3	3.2
Repayments to Financiers (loans, finance costs, distribution costs, and non-controlling interests)	155.8	215.9	324.4

PRIORITISING LOCAL PROCUREMENT

Ranhill prioritises sourcing for products and services locally as local procurement offers several advantages or benefits. These include shorter supply chains and therefore shorter speed of delivery, cost effectiveness due to reduced exposure to currency fluctuation exposure, reduced risk of supply chain disruptions, local understanding and context to local procurement requirements, and various other justifying factors.

Beyond financial materiality considerations, Ranhill prioritises local suppliers for the advantages they bring. These include reducing the environmental footprint through shorter supply chains, creating local employment, strengthening domestic supply networks, and generating socio-economic multiplier effects by providing opportunities for local businesses.

However, if specific goods or services are unavailable locally or when international suppliers present a more compelling value proposition, the Group may exercise discretion to procure from overseas sources. Emergency procurement procedures allow for expedited supplier engagement when urgent action is necessary to mitigate risks to assets, infrastructure, or human safety.

Economic **Performance**

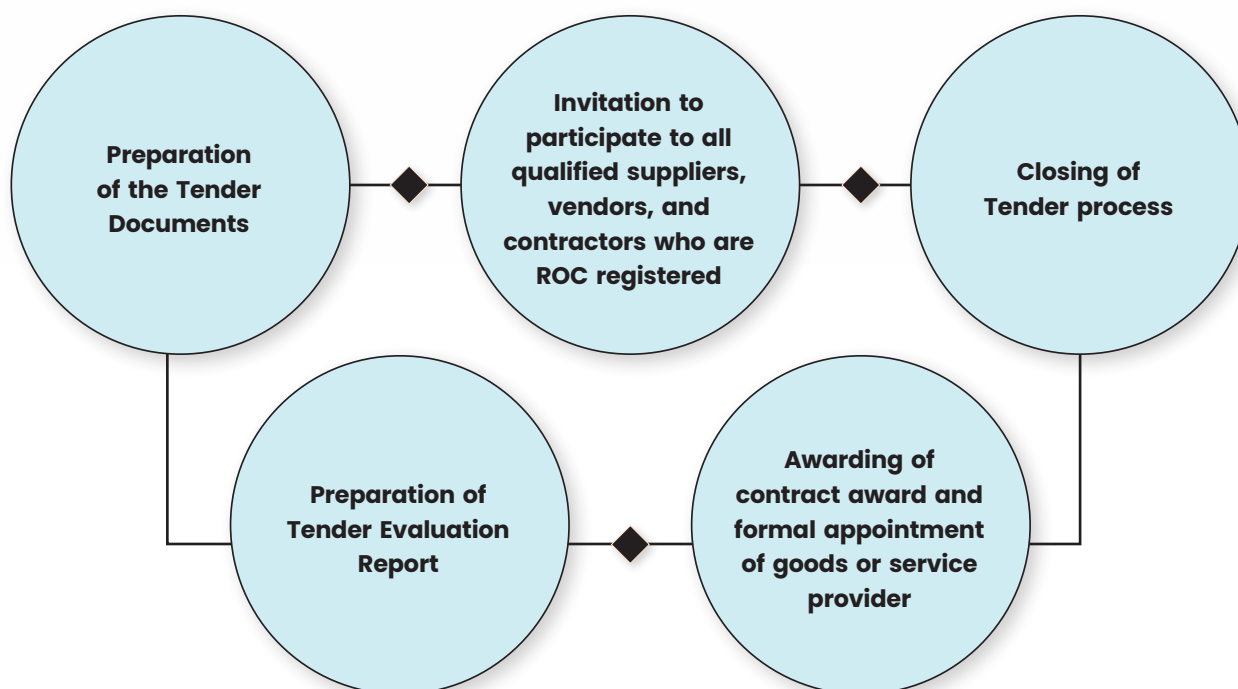
PROCUREMENT PROCESS AND PROCEDURES AT RANHILL

Ranhill SAJ and RSE aligns with regulatory requirements such as the SPAN guidelines, the Water Services Industry Act, and ISO 9001:2015 standards. Ranhill SAJ's contracts and procurement activities are managed by its dedicated department, whereas RSE's policies address procurement budgets, tender management, supplier evaluation, emergency protocols, sole-source justifications, and approval workflows.

All suppliers are required to comply with mandatory regulatory standards and must hold valid certifications from pertinent authorities including, but not limited to, the Registrar of Companies, the CIDB, the Ministry of Finance, and SPAN. Supplier eligibility is verified through official regulatory portals, ensuring compliance with social and ethical standards.

Suppliers are invited to participate through a competitive tendering process, where proposals are assessed by a dedicated Tender and Quotation Committee. This committee evaluates submissions based on cost competitiveness, scope alignment, past performance, and other relevant criteria. This includes adherence to Ranhill's Anti-Bribery and Anti-Corruption (ABAC) policy. For higher-value procurements, the CEO and Board of the relevant subsidiary may also be involved in decision-making. Approval authorities for tenders are determined based on procurement thresholds, with the CEO or Board providing final approval.

Procurement process actively encourage participation from local and Bumiputera suppliers to support inclusive economic development. Vendor selection is guided by principles of fairness and meritocracy, with emphasis on capability and pricing competitiveness.



As in previous years, Ranhill continues to maintain a close to 100% local procurement track record.

Proportion of Spending On Local Procurement

Supplier

Local (%)

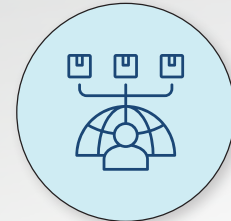
98.6



Supplier

Foreign (%)

1.4



SUPPLIER ASSESSMENT

All suppliers are assessed on a regular basis to ascertain their performance and the overall quality of their works and services. In particular, Ranhill SAJ has implemented an alphabet grading system with “A” being an excellent classification and “D” being poor.

Contractors rated “C” will receive a warning notice along with specific feedback on areas requiring improvement. Those rated “D” will be removed from the Approved Supplier List and be barred from bidding or undertaking any Ranhill SAJ jobs for a year. Similarly, other subsidiaries have also implemented their respective supplier assessment systems.

Suppliers are also being screened for their ESG performance; that is their level of compliance to environmental and social standards and their overall efforts in adopting sustainability practices within their business operations. ESG considerations are explicitly embedded in Ranhill SAJ’s Procurement Policy & Procedures (“P&P”), which require suppliers to demonstrate good ESG practices at all times.

The Group has thus far, not identified any negative social or environmental impacts arising from its supply chain.



RTSB employees conducting quality inspection on HDPE pipe jointing to ensure reliable water supply to customers

Environmental Awareness and Preservation

At the operational level, Ranhill and its subsidiaries maintain a strong and consistent track record of compliance with all regulatory requirements governing environmental performance. This includes adherence to standards set by the Department of Environment ("DOE"), Suruhanjaya Perkhidmatan Air Negara ("SPAN"), the Construction Industry Development Board ("CIDB"), and other relevant authorities.

Beyond statutory obligations, the Group's operating subsidiaries hold internationally recognised ISO certifications that strengthen best practices in environmental management and operational excellence.

Ranhill's commitment to compliance is comprehensive, covering all key regulatory areas such as noise control, effluent discharge, air quality management, and other environmental parameters. This disciplined approach not only safeguards the environment but also underscores the Group's reputation for reliability, accountability, and high governance standards in all of its operations. Ranhill has maintained a clean record with zero incidents of regulatory non-compliance since 2022.



We adopt methodologies to reuse existing resources and to produce minimal waste as much as possible within the value chain

50MWac Large-Scale Solar ("LSS") Bidor, Perak

Operating Company	Environmental Standard
Ranhill SAJ	Complies with KPIs set by SPAN and Environmental Quality Regulation of DOE.
RSE I & RSE II	DOE standard: Environmental Quality (Clean Air) Regulations 2009 (EQA 2009).
RTSB	DOE Environmental Quality Act and its regulations and Malaysia Ministry of Health ("MOH") Drinking Water Quality Standard.
RBSB	RBSB uses EAIR as part of monitoring, eliminating, and reducing environmental aspect of the organisation. EQA 1974, MASMA, and other standards are recorded in the organisation's legal requirement document.
RW	Not applicable as RW only provides consultancy and project management services.

Given Ranhill's Water and Power sector operations, it is without a doubt that environmental considerations are integral to the Group's business model and its approach to value creation. Hence, the focus on environmental related topics in the Ranhill Sustainability Framework as evidenced by the relevant material topics and alignment to UN SDGs.

The Group's water operations rely heavily on water sources and place strong emphasis on building a sustainable system from source to tap in collaboration with stakeholders. Similarly, the Power sector depends on access to raw energy sources, their pricing and availability, while also responding to the growing demand for renewable energy.

Clearly, there are both financial and impact materiality perspectives for consideration. The health of rivers, the continued availability of energy sources, and the transition to eco-friendlier alternatives are fundamental to Ranhill's business model and operations.

Hence, the Group focuses on safeguarding water resources and improving operational efficiency, notably through the progressive reduction of NRW and optimisation of water supply. It is also advancing the transition to renewable energy for its operations and to support the nation's energy needs, while adopting circular economy approaches, such as enabling the use of greywater for non-potable applications.

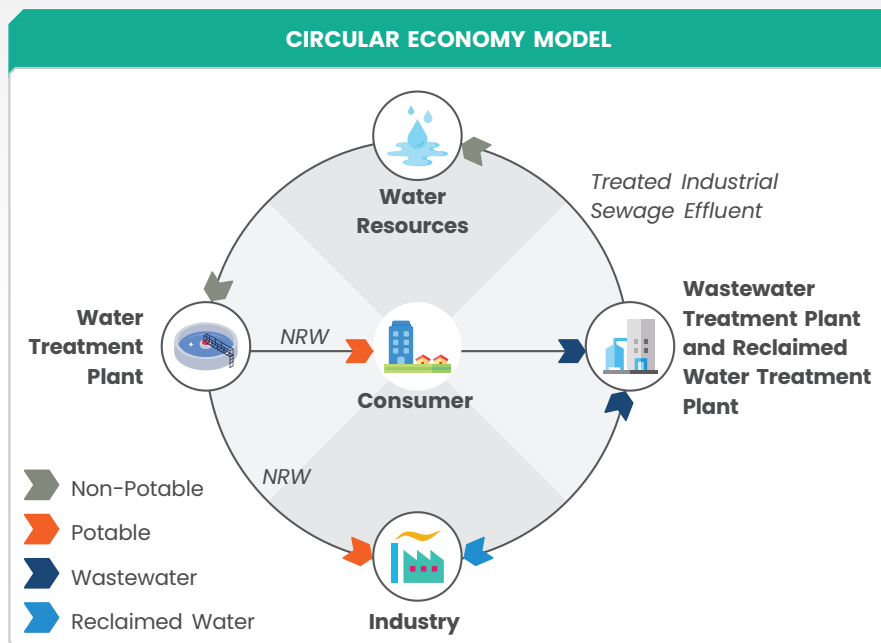
Guided by the International Water Association's ("IWA") guideline, "Water Utility Pathways in a Circular Economy", Ranhill's adoption of the circular economy approach is exemplified in the Group's reclaimed water treatment operations and its 50 MW Large Scale Solar ("LSS") plant. At Ranhill SAJ's Sultan Iskandar WTP, solar panels provide 63 kWp of clean energy while at the Gunung Ledang WTP, the mini hydro installation generates 73 kWp of clean energy.



Ranhill's 63 kWp Solar PV System at 20 MLD Sultan Iskandar WTP

Environmental Awareness and Preservation

CIRCULARITY THROUGH GREYWATER PRODUCTION



Ranhill's commitment to circularity in its business model is demonstrated through the Group's wastewater treatment operations which not only ensure effluent is treated to permissible levels but also generate reusable greywater for non-potable applications. This essentially creates a zero-discharge solution that allows wastewater to be reused, thus reducing or eliminating the need for businesses to source for potable water from the utility provider.

Given the rising risks of water scarcity due to climate change and increasing demand, recycling and reusing wastewater offers a practical solution for water-intensive operations. It reduces dependence on utility sources and associated costs, mitigates potential

conflicts with local communities that also rely on water, and ultimately contributes to overall water security.

Ranhill's greywater production operations are located primarily in Thailand with some greywater production capability located in Malaysia. In Thailand, Ranhill's greywater production operated by subsidiaries RWTT's and AnuRAK have a 17 MLD treatment capacity and in Malaysia, the Forest City STP4 plant operated by RTSB has an 11 MLD treatment capacity.



Effluent at the Forest City STP Final Discharge Point is sampled daily to ensure compliance with DOE standards

CIRCULARITY THROUGH CLEAN ENERGY GENERATION

Ranhill also practices circularity in its operations through the generation of renewable energy, notably from its 50 MW LSS4 solar plant in Bidor, Perak. Since commencing operations in 2024, the plant has dispatched over 148,235,448 kWh of clean energy to the Peninsular grid.

CIRCULARITY THROUGH ADDRESSING NON-REVENUE WATER LOSS

One of the serious challenges facing Malaysia's water industry is the chronic issue of Non-Revenue Water ("NRW") loss, with some states in the country reported NRW levels of as high as 50% which means that only 50% of produced water is reaching consumers, with the rest loss through leaky pipes, faulty meters, water theft, and other reasons.

Ranhill continues to play a strategic role in managing and reducing NRW in Malaysia, demonstrated by its strong track record in Johor and nationwide NRW reduction initiatives. Through its subsidiaries Ranhill SAJ and RTSB, the Group has implemented pipe rehabilitation and replacement projects that have effectively lowered NRW levels. In Johor, these efforts have enabled the state to consistently record the lowest NRW in the country, at just 24.2%.

Addressing NRW is material from both financial and impact materiality perspectives as provided as follows:



FINANCIAL IMPACTS

- Reduces revenue loss.
- Contributes to reduced CAPEX and OPEX.



SUPPLY IMPACTS

- Reduces need to abstract additional water from rivers.
- Reduces requirements for additional infrastructure i.e. WTPs and other means.
- Alleviates issues of low reserve margins, particularly in high water consumption locations.



ENVIRONMENTAL IMPACTS

- Reduces energy consumption, particular electricity, as there is less requirement to abstract additional water.

CLIMATE CHANGE

Ranhill remains cognisant of climate change as one of the Group's significant material topics, given its business model which is presently energy intensive and its dependence on water sources. The Group's water operations have a higher exposure to climate change due to the effects of climate change on upstream rivers and other water sources as well as the presently high consumption of grid sourced electricity by its water assets.

Whilst Ranhill has yet to undertake a comprehensive, Group wide Climate Risk Assessment ("CRA") exercise, the Group has broadly identified its physical and transition climate risks and opportunities.

CLIMATE CHANGE CONSIDERATIONS

Physical Risks

Transition Risks

DOUBLE MATERIALITY PERSPECTIVE

Impacts to Environment and Society

Financial Impacts

IDENTIFIED IMPACTS

Lack of water supply affects abstraction capability and thus revenues

Increased maintenance, CAPEX, and OPEX costs

Lack of water supply to meet growing consumption demand

Implications arising from potential carbon tax imposition

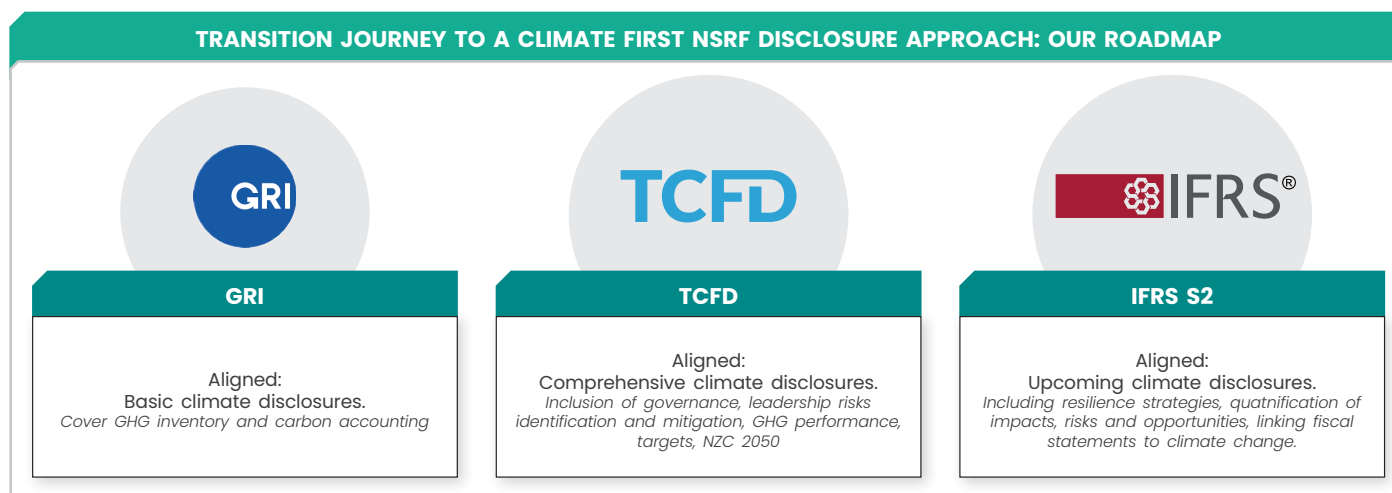
Increased urgency to decarbonise operations

Environmental Awareness and Preservation

The full disclosure of physical and transition risks is provided in the prescribed format under the Taskforce on Climate-related Financial Disclosures (“TCFD”) section on pages 72–87 of this report. The disclosures will be further expanded in line with the climate-related requirements of the NSRF’s Climate First approach for implementing IFRS disclosures.

This includes identification and prioritisation of Climate-Related Risks and Opportunities (“CRROs”) based on risk and severity levels over short-, medium-, and long-term horizons, ascertained from the use of relevant climate scenarios. Subsequently, the CRA paves the way for financial quantification of CRROs, based on the establishment of current and anticipated effects to financial performance and financial position.

Going forward, the Group intends to further categorise these risks based on an IFRS disclosure approach, determining the severity and likelihood of climate risks over short-, medium-, and long-term horizons. Where relevant, this will include financial quantification of the current and anticipated effects of these risks on the Group’s financial performance and position.



DRIVING DECARBONISATION THROUGH NET ZERO 2050 ASPIRATIONS

Ranhill’s management approach to address climate change risks is driven by its long-term decarbonisation Net Zero 2050 roadmap. The Ranhill Net Zero 2050 Roadmap serves as the overarching Groupwide strategy to enable an effective and realistic decarbonisation pathway towards mitigating against climate risks, particularly transition risks such as rising costs, exposure to carbon taxes and more.

The roadmap provides for a systematic transition from dependence on fossil fuels and grid-based electricity towards long-term energy alternatives and ultimately, self-sufficiency. Accelerating decarbonisation is central to Ranhill’s Net Zero 2050 ambition.

Primarily, the roadmap is centred on the development of internal renewable energy sources such as solar farms and more, to meet the Group’s energy requirements going forward. This includes green energy to power water operations, which are presently the Group’s biggest consumer of energy. While mini-hydro and solar installations at selected WTPs have demonstrated impact, scale is required. The Group is expanding participation in Large-Scale Solar (“LSS”) projects and the Corporate Green Power Programme (“CGPP”), enabling renewable energy to be channelled to the grid while offsetting consumption at its facilities—fast-tracking the transition to clean energy.

Reduction targets for short-, medium-, and long-term horizons have been set based on the 2022 baseline emissions of 1,932,031 tCO₂e for Scope 1 and Scope 2 carbon emissions.

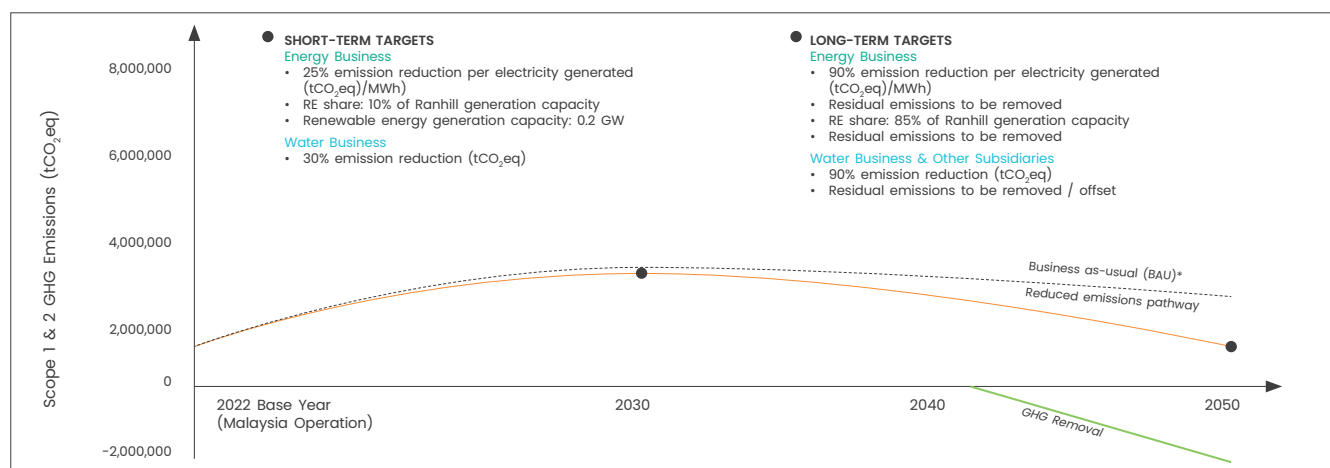
Notable aspects of the roadmap include a stretch target to reduce Scope 1 and Scope 2 emissions by 90% from the 2022 baseline by 2050, with residual emissions to be addressed through carbon removal or offset solutions. The roadmap also outlines the measurement and progressive reduction of Scope 3 emissions and encompasses all seven (7) GHG variants.

For short-term targets, Ranhill is committed to a 25% reduction in emissions per electricity generated in the Energy Business and a 30% reduction in the Water Business by 2030.

The energy business will pivot to focus on renewables by expanding its portfolio of utility-scale solar farms while also exploring the potential of geothermal and wind energy. With regards to the Combined Cycle Gas Turbine ("CCGT") operations, Ranhill shall continue pursuing optimal operational efficiencies and explore carbon capture and storage technologies.

For Ranhill's water operations, specifically Ranhill SAJ, the Group aims to replace grid-sourced electricity with renewable alternatives, primarily from solar farms established by the Group. Energy efficiency and operational optimisation will focus on replacing less efficient motors and implementing improved pump scheduling for "Source-to-Tap" operations.

RANHILL NET ZERO ROADMAP SUMMARY



ACCELERATE ACTION (2023-2030)

SCALING ACTION (2031-2040)

(2041-2050)

Mitigation Options

Energy Business

- Plant Maintenance
- Performance Optimisation
- Solar Farm

Water Business

- Equipment Maintenance
- Process Optimisation
- Efficient Pump
- Solar Farm (Self-Consumption)

Energy Business

- Co-Firing with Hydrogen
- High-Efficiency Gas Turbine
- Floating Solar Farm
- Geothermal
- Wind Energy

Water Business

- Floating Solar (Self-Consumption)
- Solar Farm (Self-Consumption)

Energy Business

- Carbon Capture
- New RE Technologies

Water Business

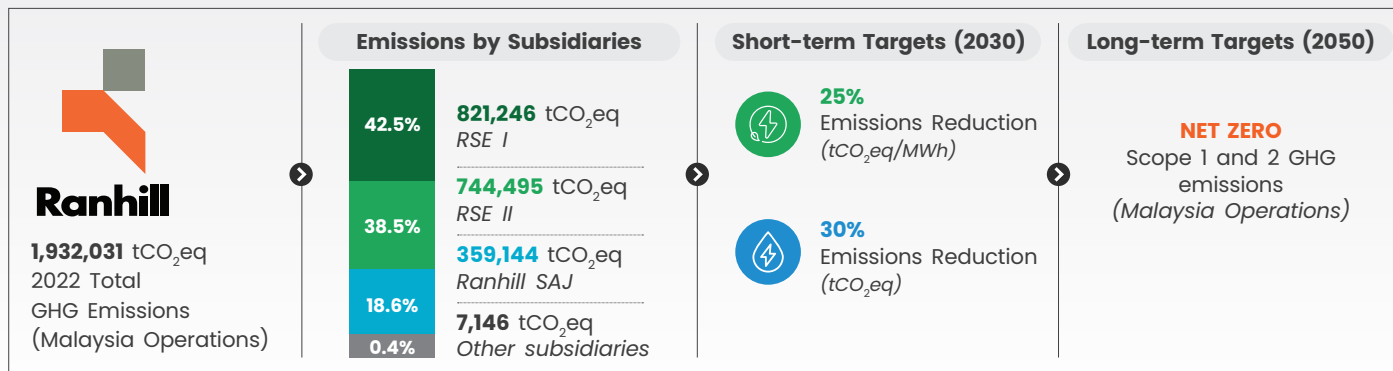
- Low Carbon Water Treatment

Group-wide Initiatives

- Decarbonising the Value Chain
- Leading the Low Carbon Market
- Normalising Low Carbon Practices
- GHG Management and Governance
- Carbon Removals/Offsets

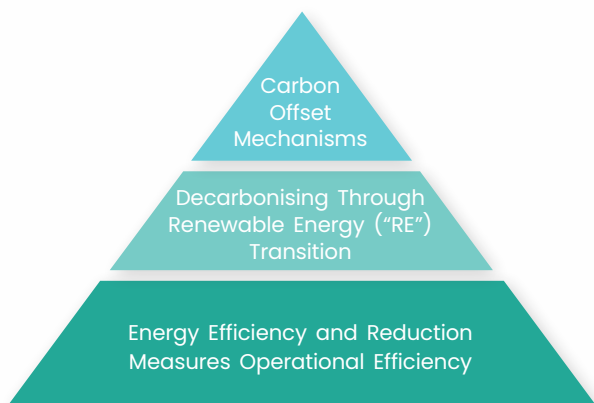
* Business as usual (BAU) is assuming three new OCGT extended the Power Purchase Agreement (PPA) and still operated by Ranhill Utilities Berhad.

Environmental Awareness and Preservation



Ranhill's Scope 3 emissions tracking is currently at a preliminary stage. At present, monitoring covers purchased goods and services, fuel- and energy-related activities, waste generated in operations, business travel, and employee commuting. The focus is on ensuring that the data captured for these categories is as robust and accurate as possible throughout the year.

RANHILL'S TACTICAL EXECUTION TOWARDS NET ZERO 2050

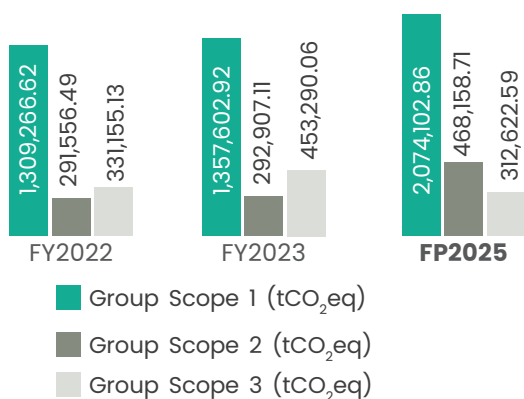


RSE I, RSE II and Ranhill SAJ are the largest energy consumers, together accounting for nearly 99% of total energy use and contributing 99.6% of Group-wide emissions.

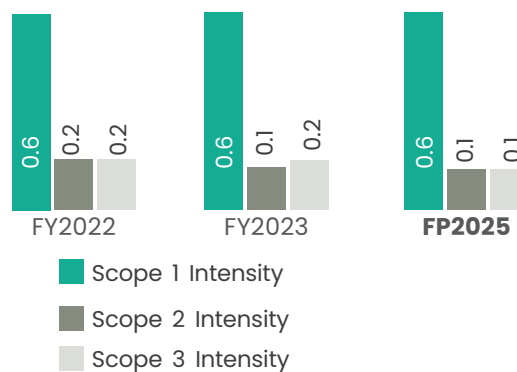
This system provides robust insights into consumption patterns and emissions drivers, enabling targeted reduction strategies. Key focus is placed on pump systems at WTPs, the single largest source of energy consumption.

CCGT plants utilise natural gas as the primary fuel source. Compared to other hydrocarbons, natural gas is a cleaner-burning fossil fuel, enabling reduced emissions intensity per unit of energy produced.

Group GHG Emission (tCO₂eq)



Intensity Carbon Emissions (Tonnes CO₂eq)/Revenue (RM'000)



OTHER AIR EMISSIONS

Aside from carbon emissions, Ranhill reports on other air emissions emitted from operations, namely air emissions from RSE's CCGT power plants. All emissions in FP2025 were within the permissible limits set by the Department of Environment, which do not exceed 150 mg/m³ for Nitrogen Dioxide ("NO₂") and 100 mg/m³ for Carbon Monoxide ("CO").

Emissions levels are monitored by the DOE through the Continuous Emissions Monitoring System ("CEMS"). Measurements are carried out in accordance with Standard Operating Procedures ("SOPs") established by the DOE of Sabah and verified by an independent third-party environmental consultant.

Air Emissions Data	2022	2023	FP2025
NOx emissions (excluding N ₂ O (mg/m ³))	RSE I HRSG 11: 21.01 mg/m ³ HRSG 12: 21.77 mg/m ³ HRSG 21: 17.40 mg/m ³ HRSG 22: 19.61 mg/m ³ RSE II HRSG1A = 25.15 mg/m ³ HRSG1B = 11.40 mg/m ³	RSE I HRSG 11: 12.04 mg/m ³ HRSG 12: 11.49 mg/m ³ HRSG 21: 11.34 mg/m ³ HRSG 22: 10.95 mg/m ³ RSE II HRSG1A = 20.58 mg/m ³ HRSG1B = 23.40 mg/m ³	RSE I HRSG 11: 23.11 mg/m ³ HRSG 12: 24.65 mg/m ³ HRSG 21: 37.52 mg/m ³ HRSG 22: 36.81 mg/m ³ RSE II HRSG1A: 12.41 mg/m ³ HRSG1B: 21.48 mg/m ³
Other standard categories of air emissions identified In relevant regulations – CO (mg/m ³)	RSE I HRSG 11: 12.6 mg/m ³ HRSG 12: 10.0 mg/m ³ HRSG 21: 9.4 mg/m ³ HRSG 22: 7.05 mg/m ³ RSE II: HRSG1A = 17.98 mg/m ³ HRSG1B = 21.53 mg/m ³	RSE I HRSG 11: 0.0 mg/m ³ HRSG 12: 0.0 mg/m ³ HRSG 21: 0.0 mg/m ³ HRSG 22: 0.0 mg/m ³ RSE II HRSG1A = 0.80 mg/m ³ HRSG1B = 1.05 mg/m ³	RSE I HRSG 11: 0.0 mg/m ³ HRSG 12: 0.0 mg/m ³ HRSG 21: 0.0 mg/m ³ HRSG 22: 0.0 mg/m ³ RSE II HRSG1A: Not Detected HRSG1B: Not Detected
GHG emissions associated with power deliveries (tCO ₂ eq) (%)	RSE I HRSG 11: 2.70% HRSG 12: 2.60% HRSG 21: 2.70% HRSG 22: 3.20% RSE II HRSG1A = 1.17% HRSG1B = 1.20%	RSE I HRSG 11: 1.00% HRSG 12: 1.22% HRSG 21: 1.36% HRSG 22: 1.06% RSE II HRSG1A = 1.02% HRSG1B = 1.00%	RSE I HRSG 11: 1.03% HRSG 12: 1.09% HRSG 21: 1.0% HRSG 22: 1.28% RSE II HRSG1A: 0.7% HRSG1B: 0.93%

Note: Station's emission limit complied with Third Schedule, part A (2), Environmental Quality (Clean Air) Regulations 2014 (first enforced in June 2019), based on emission sources and O₂ references corrected at 15%.

Environmental Awareness and Preservation

GROUP ENERGY CONSUMPTION

As previously mentioned, Ranhill’s water operations under Ranhill SAJ in Johor depend on grid-sourced electricity to power all 47 WTPs. Diesel and petrol are used for fleet operations, machinery, and diesel generator sets during grid disruptions.

Progressively, the removal of energy subsidies and higher electricity tariffs will increase energy cost exposure over the medium to long term.

Hence, the continued emphasis on pursuing energy efficiency and gradually reducing dependence on grid-sourced energy. At the same time, company vehicles across the Group, which are primarily powered by internal combustion engines (“ICE”), will also need to transition incrementally to electric alternatives.

In FP2025, Ranhill, through its operations, generated 148,235,448 kWh of clean energy from February 2024 (Commercial Operation Date) to June 2025. This solar energy was primarily produced from the Group’s 50 MW Large-Scale Solar (“LSS”) farm located in Bidor, Perak.



50MWac Large-Scale Solar (“LSS”) Bidor, Perak

Other RE initiatives include leveraging mini-hydro and mini solar energy generation at selected WTPs by Ranhill SAJ. These are the solar and hydro derived electricity from the Sultan Iskandar and Gunung Ledang WTPs.

Both RSE I and RSE II CCGT power plant operations maintain an auxiliary load of below 5%—the proportion of electricity generated that is consumed internally to operate machinery, lighting, heating, and cooling systems. Where necessary, the plants also draw minimal electricity from the grid. RSI also operates the 50 MW Large-Scale Solar in Bidor, Perak.

The following table provides in concise form how each energy intensive subsidiary has developed its respective management approaches to drive energy efficiency:

SUBSIDIARY	DESCRIPTION
Ranhill SAJ	Energy management at Ranhill SAJ is governed by its ISO 50001-certified Energy Management System (“EnMS”) and compliance with the Efficient Electrical Power Management Regulations 2008 (“EMEER 2008”).
RSE	Energy efficiency is emphasised through strict adherence to the Grid Code for Sabah and Labuan (Amendments) 2017. Continuous improvement is pursued through: • Optimising turbine and asset performance for maximum efficiency. • Conducting timely, scheduled maintenance to prevent unnecessary energy losses. • Implementing operational best practices to reduce fuel use and emissions.

Total Energy Consumption (in GigaJoule ("GJ"))	2022	2023	FP2025
Direct Energy Consumption (GJ)	23,172,251.64	24,020,438.81	36,620,763.39
Indirect Energy Consumption (GJ)	1,346,918.85	1,352,761.87	1,463,802.12
RE Derived Electricity Consumption (GJ)	484.67	1,057.06	713.47
Total Energy Consumed (GJ)	24,519,655.16	25,374,257.74	38,085,278.98
Energy Intensity (GJ/Revenue RM' Million)	14,203.59	11,125.16	11,579.94

PRESERVING WATER RESOURCES

Given the inherent connection between Ranhill's water operations and upstream water sources, it is necessary for Ranhill, working closely with regulatory stakeholders, industry players, and local communities, to safeguard Johor's rivers, particularly the upstream riverine network. Rivers continue to come under increasing pressure from a wide range of external factors. These include pollution, climate change, increasing abstraction of water, and others.

Notably, climate change has led to irregular or disrupted rainfall patterns, rising temperatures, and prolonged droughts, which can affect river water levels. Rising sea levels due to climate change can cause inundation of rivers with saltwater, further affecting supply and causing temporary but significant disruptions. Pollution due to natural or man-made impacts can also affect supply of raw water available for abstraction. These challenges include the effects of climate change on upstream rivers

as well as inundation of rivers with salt water due to rising sea water levels and more. Altered weather patterns can potentially exacerbate drought or disrupt rainfall thus affecting supply of available water.

In essence, increasing the supply of potable water must be paired with a strategy to ensure sustainability, safeguarding river health to maintain adequate supply. Both a demand and supply focused two-pronged approach is necessary.

Ranhill, through Ranhill SAJ, aims to ensure sufficient water supply by building new WTPs and upgrading existing ones, implementing ORS and raw water transfer projects, and carrying out rezoning of Water Supply Systems ("WSS"). In addition, Ranhill SAJ continues to reduce NRW loss by undertaking pipe rehabilitation and replacement projects. These go hand-in-hand with combatting pollution, exploring alternative water sources such as groundwater and seawater desalination.

Abstraction

- Raw water transfer activities
- Groundwater extraction

Supply and Infrastructure

- Reducing NRW levels
- Improving operational efficiency of existing WTPs
- Upgrading existing WTPs
- Adding new WTPs into the network
- Developing offriver storage

Capacity

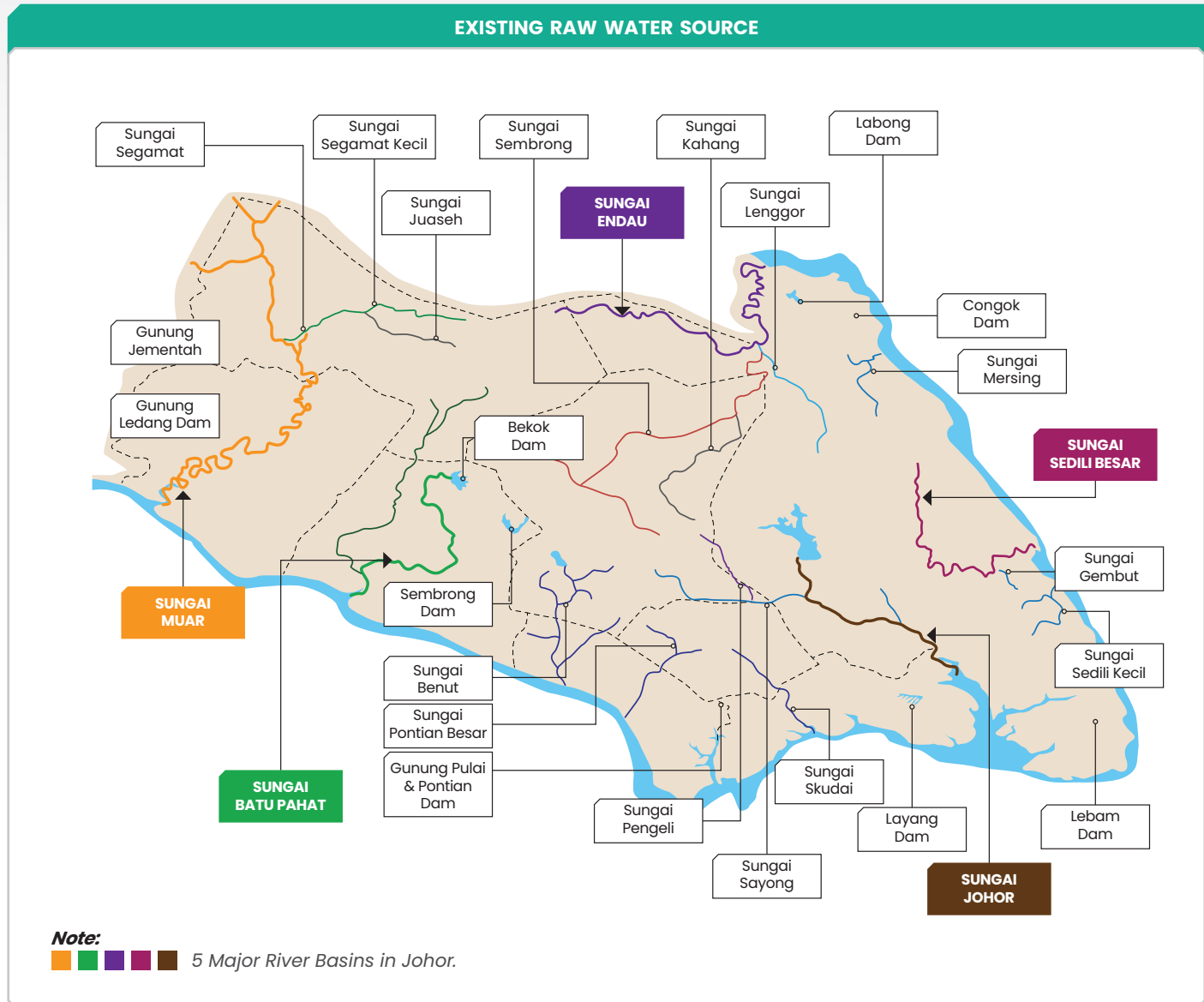
- Ensuring sufficient reserve margins, notably at water stressed areas

Whilst sustainable abstraction is a fundamental part of the management approach, equally imperative is the optimum delivery of produced potable water to consumers. Hence, the strong commitment towards reducing non-revenue water in Johor. Ranhill's efforts have been effective, successfully establishing Johor as the state with the lowest NRW rate in Malaysia at just 24.2%, below the regulator's KPI of 25.0%.

Ranhill SAJ is well aware that some of its water operations in Johor are located in water-stressed areas, defined by SPAN as locations with a water reserve margin below 15%. This has driven the company to implement measures to safeguard water availability and ensure sustainable supply in these critical areas.

Environmental Awareness and Preservation

Following are Ranhill SAJ's water sources across Johor:



COMBATTING WATER POLLUTION

The main sources of river pollution are untreated or poorly treated effluents, primarily from industrial activities, but also from agricultural runoff, domestic waste, and untreated sewage. Many of these pollutants originate from illegal factories, unregulated farms, and non-compliant industrial operations. In addition, sand mining, construction activities, and rock blasting contribute to high levels of sedimentation, as rainwater and site-washing activities carry soil and debris into river systems.

In many instances, effluent treatment systems prior to discharge into rivers are inadequate and are below the DOE's minimum standards. This consequently results in non-compliant discharge being channelled into rivers. In other instances, effluent is dumped without any treatment.

When pollutants in river water exceed an ammonia content of 10 parts per million (ppm), WTPs must be shut down as WTP operations for the most part are not equipped to remove pollutants exceeding this level. The plants must be shutdown to prevent contaminated water from getting into the water distribution system. This would translate into acute or protracted disruption in water supply, affecting consumers accordingly.

These shutdowns carry material consequences:

- **Operational and financial impact** – supply disruptions directly reduce the volume of water sold, with revenue losses proportional to the duration of the shutdown, which may extend from a few hours to several days.
- **Customer impact** – households face service interruptions, while industrial and commercial customers may incur significant financial losses due to operational downtime.
- **Increased operating costs and emissions** – to mitigate supply disruption, Ranhill SAJ deploys tanker deliveries to affected communities, which drives higher costs and elevated GHG emissions through increased diesel consumption.

Ranhill's Environmental Crime Prevention Unit ("UCJAS") works closely with regulatory authorities to tackle pollution. UCJAS works closely with Badan Kawalselia Air Johor ("BAKAJ"), the DOE, the Ministry of Health ("MOH"), the National Water Services Commission ("SPAN"), and the Royal Malaysian Police to identify perpetrators and to ensure legal action is taken against polluters. Over the years, the swift and strategic action by all parties including UCJAS has led to a decline in pollution cases in Johor. UCJAS employs drones and high-tech probes to monitor potential polluters, verify pollution incidents, and collect scientifically valid water samples. These measures allow for concrete evidence and tangible proof to be obtained to identify and prosecute polluters with enforcement action taken by agencies.



Pollutant Removal System, Simpang Renggam, Johor

Ranhill SAJ has gone beyond its mandated obligations to address river water pollution. A notable installation is the Pollutant Removal System ("PRS") at the Simpang Renggam WTP, which reduces ammonia levels in raw water to below 10 ppm.

In addition to enforcement support, Ranhill SAJ prioritises preventive action. Stakeholder engagement and education programmes, including site visits to river-adjacent communities and industries, are undertaken to promote responsible practices and reduce pollution risks at source.

Environmental Awareness and Preservation

Impacts

- Excessive water pollutant levels pose harm to consumers.
- Contaminated rivers and water bodies can impact riverside communities as well as local wildlife.

Operational Impacts

- The need to shutdown WTPs that abstract water from along the polluted source.
- Damages to pipes due to airlocks that build up when water supply is shutdown.

Financial Impacts

- WTP shutdowns lead to inability to supply water and therefore revenue losses.
- Costs associated with provision of alternative supply i.e. sending water tankers, etc.
- Impacts to brand reputation and credibility.

Total No. of Water Pollution Incidents and WTP Shutdowns

	FY2022	2023	FP2025
Interruption Due to *Contamination In Raw Water (No. of Cases)	1	0	0
Total Hours of Shutdown	52	0	0
Financial Losses (RM' Million)	0.006	0	0

Note: Data includes all types of interruption including ammonia contamination.

WATER QUALITY

As in previous years, Ranhill SAJ has continued to achieve a high level of compliance with all SPAN indicators for water quality. At the core of Ranhill SAJ's compliance framework is the Water Safety Plan ("WSP"), a rigorous risk management approach that anticipates, identifies, and mitigates hazards to safeguard the quality, safety, and reliability of drinking water delivered to consumers.

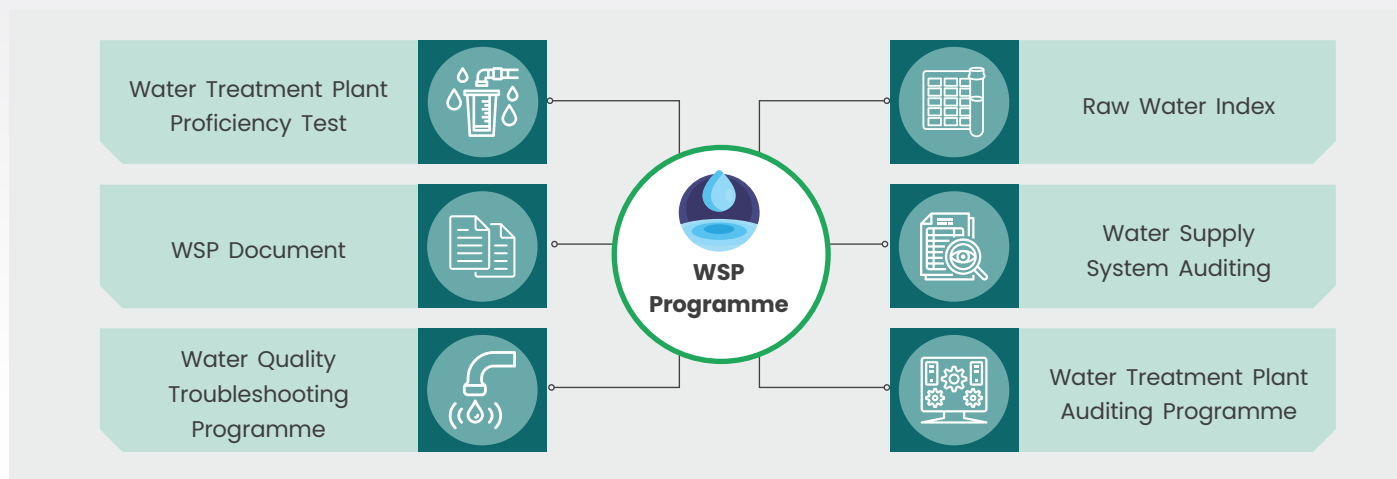
Audits are conducted based on ISO 9001 & ISO 45001 standards. No major non-compliance cases were identified. For external audits, conducted by regulatory bodies or independent third parties, four Category 2 non-compliance cases related to Malaysia Laboratory Accreditation Scheme ("SAMM") ISO/IEC 17025 laboratory standards were reported and subsequently resolved within FP2025.

The Group is proud to continue maintaining its track record of HACCP certification of all Ranhill SAJ operated WTPs in Malaysia for the financial period. Ranhill SAJ maintains its distinction as the only water operator in Malaysia which has all WTPs HACCP certified.

Similarly, RWTT and AnuRAK have also achieved high compliance with the respective water authorities of Thailand. Kindly refer to the appendix section for the full compliance tables for both Ranhill SAJ's and RWTT and AnuRAK's operations in FP2025.



Ranhill SAJ monitors water quality to ensure safe, reliable, and sustainable drinking water for the communities it serves



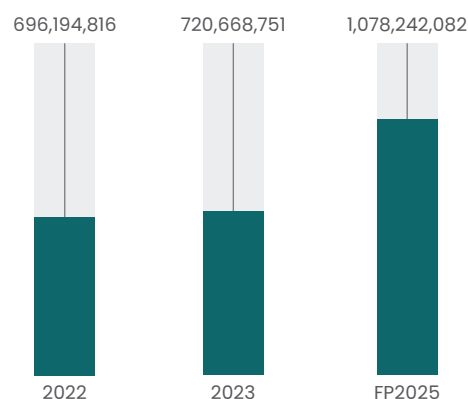
WATER CONSUMPTION

The Group's total water consumption for the FP2025 reflected a slight increase compared to previous years, mainly driven by higher operational demand. The increase also corresponds with the commissioning of new Water Treatment Plants ("WTPs") in FP2025, which contributed to additional supply capacity. Ranhill remains focused on enhancing water-use efficiency and reducing NRW, while ensuring sustainable and reliable water supply for customers and stakeholders.

The majority of the Group's water consumption is attributable to Ranhill SAJ's operations in Johor, where raw water abstraction from rivers and dams underpins large-scale treatment and distribution to millions of consumers across the state. In addition to supplying potable water, a proportion of this abstraction is utilised internally for plant maintenance and operational requirements, reflecting both the scale and criticality of Ranhill SAJ's role within the Group.

RWTT and AnuRAK contribute to overall water consumption primarily through their water and wastewater treatment operations. These entities also integrate a significant proportion of recycled water into their processes, underscoring the Group's commitment to optimising resources and reducing reliance on fresh water sources.

GROUP WATER CONSUMPTION (m³)



At RSE, water is consumed primarily for the production of demineralised water required for turbine and boiler operations, alongside other maintenance-related activities. While the volume consumed is comparatively modest relative to other subsidiaries, it remains vital in ensuring the reliability and continuity of power generation in Sabah.

Environmental Awareness and Preservation

WASTE MANAGEMENT

Regarding waste, Ranhill's operations produce both scheduled (hazardous) and non-scheduled (non-hazardous) waste. In line with its circular economy approach, waste management focuses not only on safe disposal but also on waste reduction through the 4R strategy: Refuse, Reduce, Reuse, and Recycle.

Effective waste management is not only an environmental obligation but also a business imperative. Poorly managed waste contributes to carbon emissions, pollutes ecosystems, and threatens community health. By contrast, robust waste management strengthens compliance, protects natural resources, reduces operational risks, and enhances stakeholder trust.

Compliance with regulatory standards is a fundamental aspect of the management approach. In Malaysia, Ranhill's operations are guided by the DOE's Environmental Quality Act 1974, Effluent Standards A and B, and the Scheduled Waste Order 2005. This includes for sludge produced from water and wastewater treatment operations in Malaysia. In Thailand, waste sludge is managed under the Ministry of Industry's Notification on Industrial Waste Management and Disposal B.E. 2548 (2005).

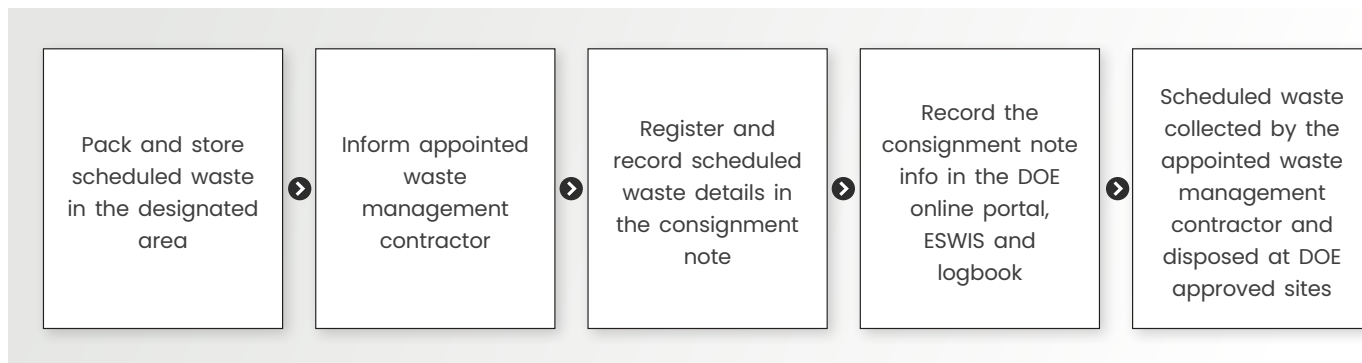
Proper sludge management is critical to environmental protection. Without adequate treatment, sludge can leach harmful contaminants into soil and groundwater, release

greenhouse gases, and degrade river systems. Effective handling not only prevents environmental pollution but also protects biodiversity, safeguards community health, and supports the long-term sustainability of water resources. While the Group does not currently have specific initiatives targeted at sludge reduction or reuse, efforts are underway to explore sustainable solutions to better manage and minimise sludge generation in the future.

All effluents discharged have been treated in accordance with Standard B, 5th & 8th Schedule Environmental Quality (Industrial Effluents) Regulation 2009 issued by the DOE. There were zero cases of non-compliance recorded in FP2025.

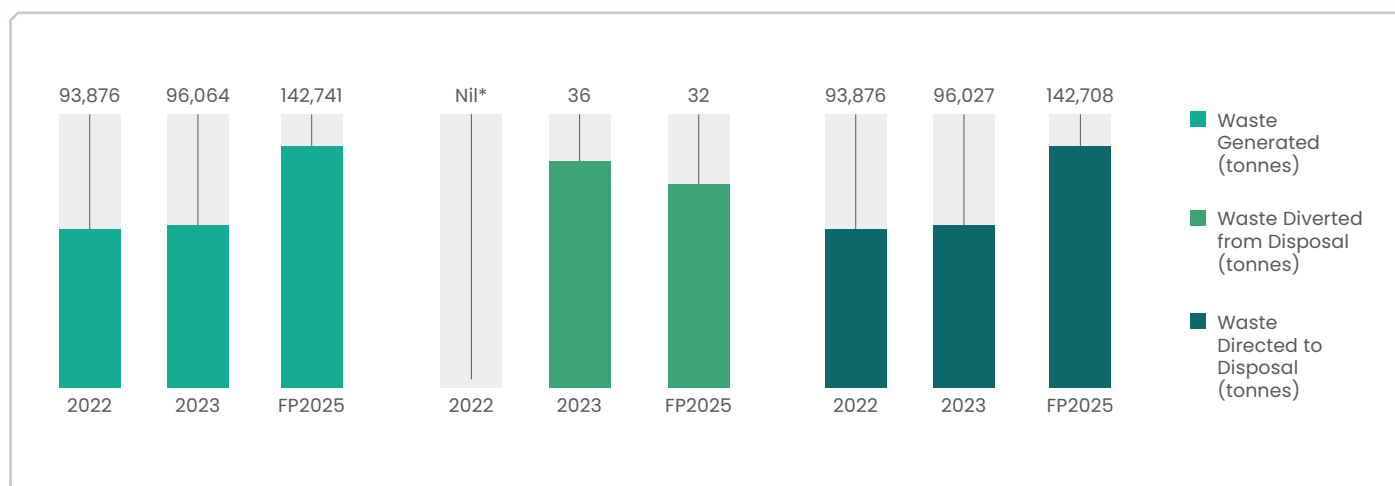
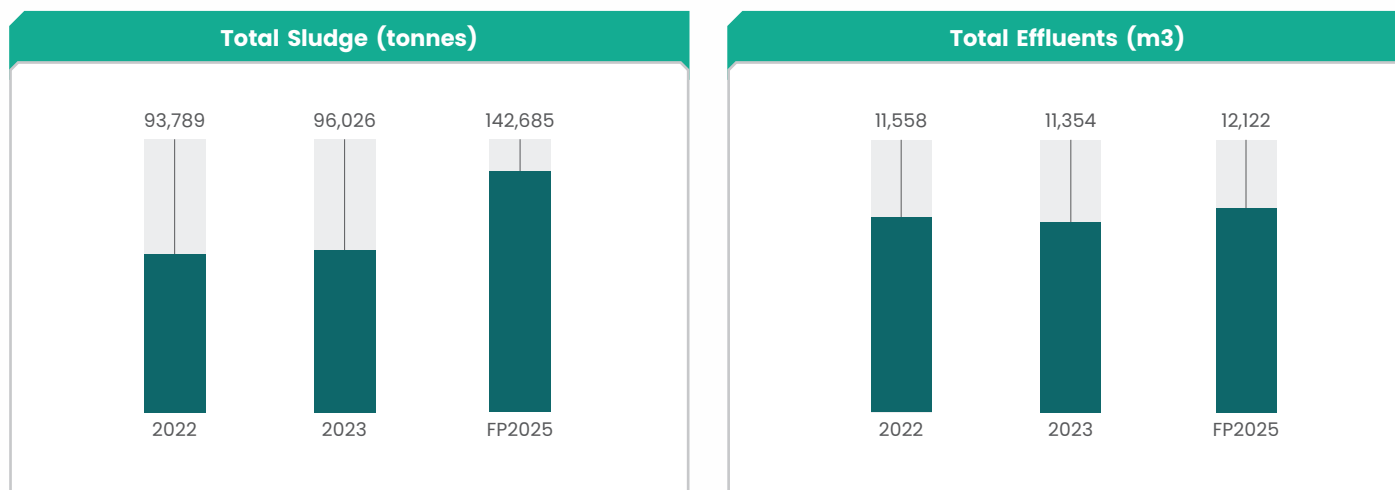
Licensed third-party contractors, approved by the DOE, ensure responsible treatment and disposal at designated facilities.

Thus far, all discharge, effluents, and emissions from operations remain within the permissible levels as stipulated by the DOE and other regulatory bodies. Ranhill or its subsidiaries have had zero incidents of fines, censures, or any other form of punitive action for non-compliance to environmental regulatory standards including for waste management in FP2025.



COMPANY	TYPES OF WASTE PRODUCED
Ranhill SAJ	Sludge
RSE	Heat from turbines, heat recovery steam generator and steam turbines, wastewater, electronics, used lubricating & hydraulic oil, contaminated sand & absorbents, used chemical container, contaminated oil filter, contaminated cotton rags, chemical waste from the lab.
RWTT	Sludge

At RSE, all waste streams produced by its power plants are managed in accordance with DOE requirements. Its Environmental Policy Statement clearly affirms the company's commitment to preventing pollution, minimising waste, and reducing resource consumption. Among the strategic measures implemented are regular maintenance, refurbishment, and overhauls of turbines and major equipment. These efforts optimise asset lifespan, reduce operational waste, and ensure resources are used more efficiently.



* No data for 2022 as the waste tracking initiative was implemented starting 2023.

Environmental Awareness **and Preservation**

RECYCLING INITIATIVES

Ranhill continues to advance its recycling efforts through targeted initiatives that address different waste streams, supporting the principles of the circular economy and reducing environmental impact.

Through the Ranhill Re-bin initiative, established in collaboration with Kloth Malaysia at Ranhill Headquarters, old and unwanted clothing is collected and channelled into reuse, repurpose, or recycling streams. Depending on quality, items may be donated to those in need, repurposed into new products, or upcycled into other useful materials, ensuring maximum value is derived before end-of-life. As of June 2025, a total of 9,691.3 kg of textiles had been collected since the programme's inception, resulting in the avoidance of approximately 12,983 kgCO₂e emissions. This initiative not only extends the lifecycle of materials but also reduces resource depletion and waste-to-landfill.

In parallel, Ranhill has also introduced an e-waste collection programme in partnership with Electronic Recycling Through Heroes ("ERTH"). This programme enables the safe disposal of computers, mobile phones, peripherals, and other electronic devices, thereby reducing environmental and health risks while recovering valuable materials. Beginning in 2025, RTSB joined the initiative by establishing a collection point at its office, further broadening employee participation and reach within the Group. By June 2025, the programme had successfully collected 3,350 kg of e-waste, corresponding to an avoidance of about 4,464 kgCO₂e emissions.

Together, these initiatives highlight Ranhill's commitment to responsible waste management and sustainable resource use, while embedding recycling practices across its operations and stakeholder engagement activities.

BIODIVERSITY

Ranhill is aware that it is essential to safeguard biodiversity by managing and mitigating potential environmental impacts. As a responsible corporate citizen, Ranhill continues to operate in compliance with environmental regulatory requirements while considering its effects on natural and physical environments. While biodiversity may not be directly material to Ranhill's business model, it is of profound importance to the Group's stakeholders and to society at large.

In doing so, Ranhill directly supports the United Nations Sustainable Development Goals, particularly SDG 14: Life Below Water and SDG 15: Life on Land, by safeguarding water quality, protecting ecosystems, and promoting sustainable practices. These efforts reflect the Group's belief that protecting biodiversity today is an investment in the health, resilience, and prosperity of future generations.

The Water, Energy, and Engineering sectors of Ranhill are all committed towards considering or including biodiversity impacts as part of their approach in formulating business and operational strategies. This includes ensuring that effluents, air emissions and waste products can be avoided, reduced and most importantly, well within the parameters set by regulators.

Beyond its regulatory obligations, the Group continues to seek opportunities to contribute to environmental preservation. Going forward, the focus will be on conducting biodiversity assessments to identify opportunities for positive contributions, particularly in areas where Ranhill operates or nearby.

This commitment is embedded in how Ranhill manages its core water and energy operations. Through stringent control of effluent discharge, sustainable water resource management, and circular economy practices, the Group actively helps protect aquatic ecosystems and maintain water quality, which in turn preserves biodiversity. Likewise, Ranhill's efforts to increase energy efficiency and reduce greenhouse gas emissions contribute to global climate change mitigation, thereby addressing one of the most significant long-term threats to biodiversity worldwide.

To the Group's knowledge, Ranhill's operations are not currently located in or near areas identified as having high levels of biodiversity. No IUCN Red List species have been discovered in the areas that Ranhill's operations are located. This includes the operations of Ranhill SAJ, RSE, RTSB, RBSB, and RW. Although Ranhill's operations are not located in areas identified as having significant biodiversity importance, the Group continues to be vigilant across its potential material biodiversity risks and impacts.



Sungai Layang Dam, Johor

Contributions To Social Well-Being & Capacity Building

As part of its approach to being a socially responsible organisation, Ranhill in FP2025 has continued to focus on two aspects deemed material to its business operations and corporate aspirations. These are serving and supporting local communities by enabling positive impact, and the second, retaining its focus on talent management as a means to drive business and operational productivity, innovation, and to strengthen and enhance employee morale.

Community development and corporate social responsibility ("CSR") initiatives typically are driven from an impact materiality perspective while the emphasis on talent has both financial and impact materiality considerations. It has been established that the ability of an organisation to recruit, retain, and develop talent over the medium to long-term is linked to the retention of innate company knowledge, to improved productivity and innovation, and ultimately competitive ability. At the same time, focusing on talent enables direct and indirect beneficial effects such as improved household incomes, improved quality of living, poverty eradication, social mobility, and more.



Ranhill as a responsible corporate citizen continues to create positive multiplier effects that benefit a wide range of stakeholders

SERVING AND EMPOWERING COMMUNITIES

Ranhill is of the view that for a business to be truly sustainable, it is not enough to do no harm; it must also go beyond and create lasting, meaningful positive impacts and outcomes. In essence, fully embracing the capabilities and potential to be a force for good and where possible, to contribute to the benefit of society and the environment. In this regard, Ranhill chooses to serve by undertaking a wide range of strategic CSR programmes and activities, while also undertaking ad-hoc, one-off initiatives. Ranhill's efforts are consistent with UN SDG 4: Quality Education and SDG 8: Decent Work & Economic Growth.

In FP2025, Ranhill continued to make meaningful contributions to the communities it serves, with total investments amounting to RM1.51 million. These initiatives reached a total of 2,807 beneficiaries, spanning programmes that support education, community development, and social welfare. The Group remains committed to aligning its community engagement efforts with its sustainability objectives, ensuring that CSR activities deliver tangible benefits and foster long-term positive impact.



An eco-friendly solar-powered water treatment technology that transforms underground water into clean drinking water for the Orang Asli community in Kampung Kangkar Senangar, Batu Pahat, Johor

Contributions To Social Well-Being & **Capacity Building**

Smart Partnership Programme: Iskandar Malaysia Eco-Life Challenge ("IMELC")

The Iskandar Malaysia Eco-Life Challenge ("IMELC"), launched in 2023, is a flagship school-based initiative that promotes innovative solutions for water conservation while supporting Johor's ambition to become a Low Carbon City under the Iskandar Malaysia Low Carbon Society Blueprint 2025 ("LCSBPIM2025"). As an early and key partner, Ranhill SAJ has played an important role in driving this programme forward, particularly in strengthening awareness of water conservation among students. Through the Water Conservation Ambassadors initiative, students are empowered to lead conservation campaigns within schools and communities, amplifying awareness on sustainability.

IMELC forms part of the Johor Education for Sustainable Development Action Plan 2019–2025 and contributes to the achievement of the United Nations Sustainable Development Goals ("SDGs"). The programme is delivered through strong partnerships with Ranhill SAJ, Jabatan Pendidikan Negeri Johor ("JPNJ"), Iskandar Regional Development Authority ("IRDA"), Universiti Teknologi Malaysia ("UTM"), Majlis Bandaraya Iskandar Puteri ("MBIP"), SWM Environment Sdn. Bhd., UNICEF,

UNDP Accelerator Labs, and supported by the Green Technology Application for the Development of Low Carbon Cities ("GTALCC"). In 2024, IMELC reached 909 schools and engaged more than 100,000 students across Johor through six low-carbon challenges and six physical roadshows covering ten districts, namely Johor Bahru, Pasir Gudang, Kulai, Pontian, Batu Pahat, Kluang, Muar, Segamat, Tangkak, Kota Tinggi, and Mersing.



Ranhill Promotes Biodiversity Conservation

Ranhill, together with its subsidiaries RTSB and Ranhill SAJ Sdn Bhd, continued its commitment to biodiversity protection through a CSR programme at Tanjung Piai National Park, Johor. The initiative involved mangrove planting, seeding, and clean-up activities to support coastal protection, restore natural habitats, and strengthen resilience against climate change. By engaging employees in hands-on conservation efforts, Ranhill contributes to environmental sustainability while fostering greater awareness of biodiversity.



Sharing with Community

In conjunction with the holy month of Ramadan, Ranhill SAJ extended its community outreach by distributing *Juadah Berbuka Puasa* to e-hailing and taxi drivers, food delivery riders, and frontliners across Johor. This initiative was aimed at appreciating their essential services and ensuring they could break fast on time while on duty. The programme not only fostered goodwill within the community but also reinforced Ranhill's commitment to supporting and uplifting those who contribute to the well-being of society.



Safeguarding Essential Needs During Disruptions

As part of its commitment to social well-being, Ranhill SAJ continues to prioritise community needs during water supply disruptions. The company mobilises water tankers to affected areas and places static water tanks at crucial locations such as hospitals, schools, places of worship, and community halls, ensuring that essential needs are met without interruption.

Supporting The Basic Human Right to Water (Water Rebate Programme)

In line with its commitment to SDG 6: Clean Water and Sanitation, Ranhill SAJ upholds access to clean water as a fundamental human right, consistent with the United Nations General Assembly Resolution 64/292 (2010), which recognises the right to safe and clean drinking water and sanitation as essential for the full enjoyment of life and all human rights. Guided by this principle, Ranhill integrates respect for the right to water into its operational practices and social responsibility initiatives.

In FY2025, Ranhill SAJ provided RM1.3 million in water bill rebates benefitting 2,748 poor and hardcore poor households across Johor. The households were identified under the Johor State's e-Kasih programme. This initiative not only eases the financial burden for vulnerable families but also guarantees uninterrupted access to clean water.

As a responsible corporate citizen, Ranhill goes beyond compliance by actively bridging the gap between regulatory requirements and societal needs, ensuring that clean water remains accessible for all, especially the most vulnerable segments of society.

Inspirational Workplace & Culture

At Ranhill, talent is recognised as a core driver of long-term business sustainability and performance. Equally, the recruitment, retention, and continuous development of skilled professionals are fundamental to Ranhill's operational excellence. Recognising this critical link between talent and business performance, talent management is a key aspect of the Ranhill Sustainability Framework.

A workforce equipped with strong technical expertise, leadership capability, and sound decision-making skills enhances efficiency, drives innovation, and ensures consistent delivery of high-quality services. The continuous professional development of human capital remains a cornerstone aspect of the Group's approach to talent management.

Ongoing investments in developing employees' competencies and qualifications ensure they are equipped with the skills and expertise to perform optimally and drive operational productivity. Across the Group, employee training is prioritised and delivered systematically through customised professional development programmes. These programmes are aligned with employees' specific training needs, as identified through annual performance appraisals.

Through this integrated approach, Ranhill ensures that talent development is not only a social responsibility but also a strategic investment in sustaining the Group's competitive advantage and resilience in a rapidly evolving business environment.



Ranhill has continued to focus on a key aspect deemed material to its business operations and corporate aspirations, strengthening talent management through workforce development, employee empowerment, and nurturing long-term growth

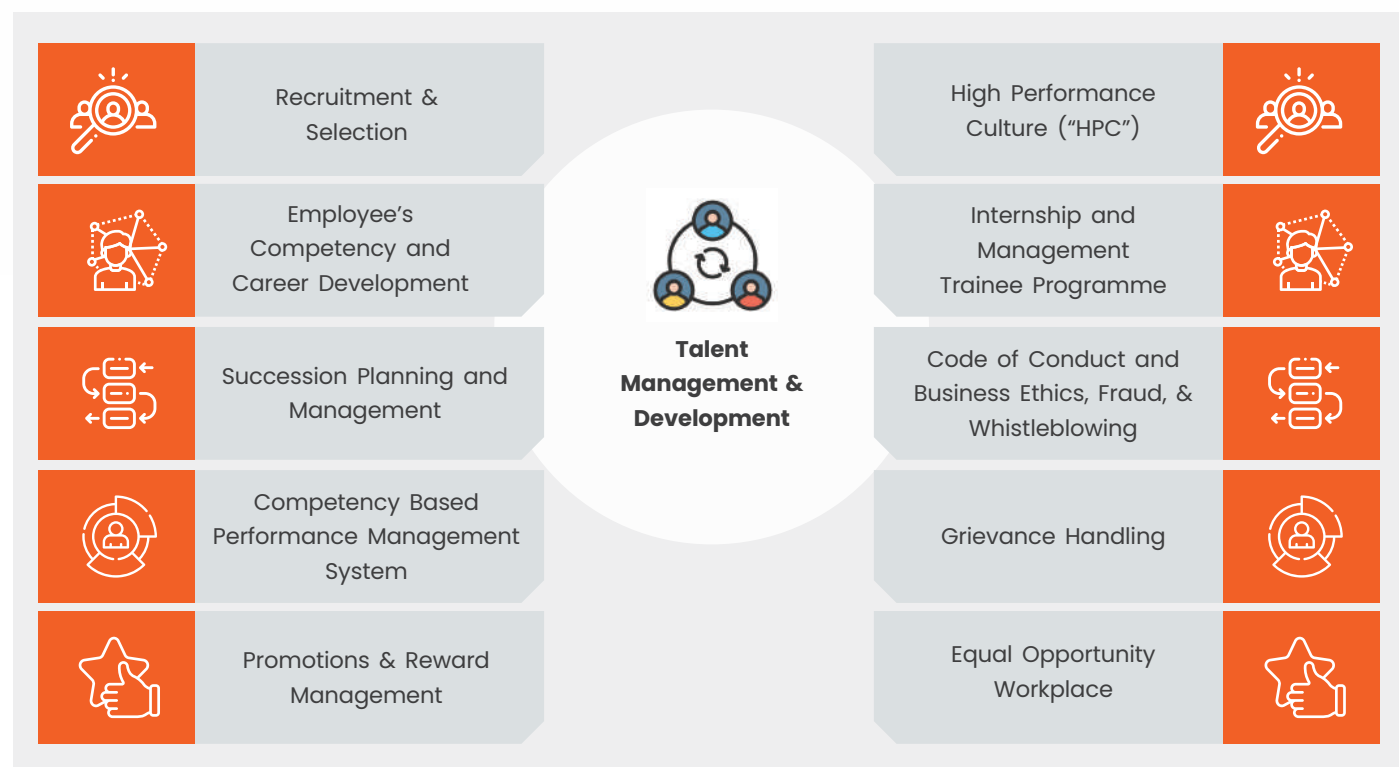
BOARD OVERSIGHT ON TALENT MANAGEMENT AND DEVELOPMENT

Recognising the fundamental link between talent and business performance, talent management is a key aspect of the Ranhill Sustainability Framework, overseen by the Group Board of Directors as well as the Boards of the respective subsidiaries. The Nominating and Remuneration Committee ("NRC"), supported by the Group Human Resources ("GHR"), has been entrusted with direct oversight of talent-related strategies, ensuring alignment between people development and Ranhill's strategic priorities. Through this integrated oversight, the Board demonstrates its commitment to nurturing human capital as a strategic driver of competitiveness and resilience.

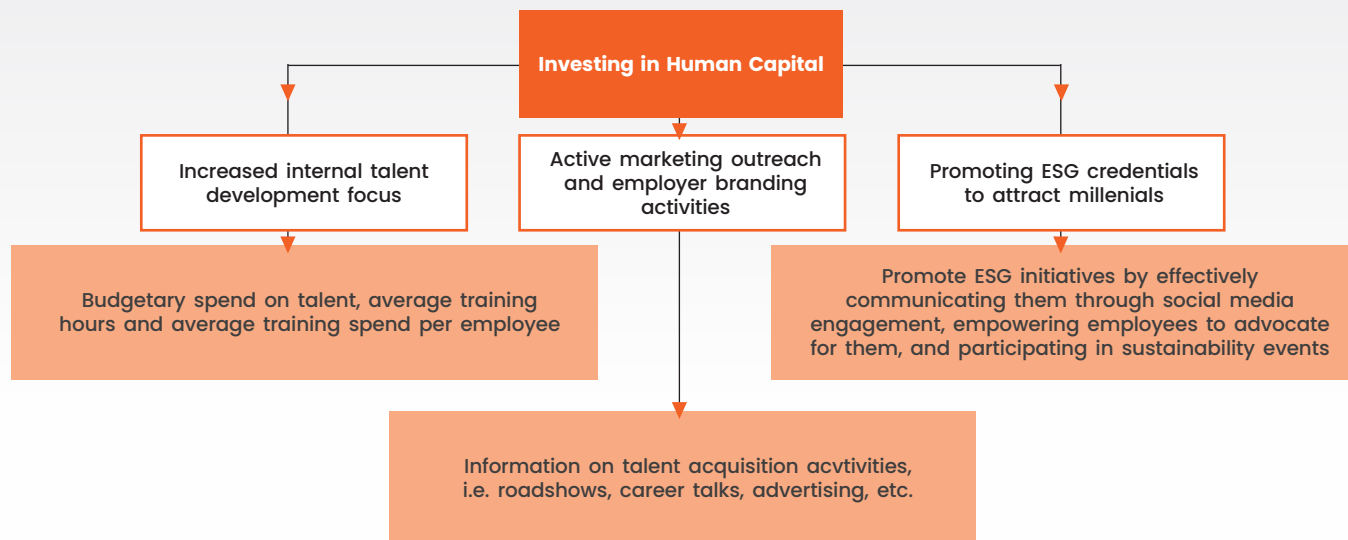
In ensuring management's accountability towards talent management, the remuneration of key management personnel at Ranhill subsidiaries have been linked to the achievement of human capital KPIs and targets.

While the NRC provides strategic direction and monitors progress, the execution of talent strategies is driven by GHR and subsidiary-level HR functions, with CEOs of subsidiaries serving as talent champions within their respective organisations. GHR as well as HR functions at the subsidiary companies recommend and propose initiatives to the NRC for approval. This structured governance ensures that talent cultivation, succession planning, and capability building are embedded at every level of the Group and across all subsidiaries.

Ranhill employs the Balanced Scorecard system to measure employee and business productivity towards identifying best practices and enhance management techniques. Each subsidiary adopts distinct approaches, reflecting their commitment to efficiency and continuous improvement.



Inspirational Workplace & Culture



COMMITMENT TO LABOUR LAW COMPLIANCE

Ranhill fully complies with the Malaysian Employment Act 1955, the Sabah Labour Ordinance, and equivalent statutes in Thailand. Beyond national legislation, Ranhill aligns its practices with globally recognised frameworks, including the International Labour Organisation ("ILO") conventions, the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, and the UN Global Compact's Ten Principles.

The Group upholds fundamental labour rights such as prohibiting child and forced labour, ensuring non-discrimination and equal opportunity, providing a safe and harassment-free workplace, prohibiting retaliation and inappropriate disciplinary practices, and respecting workers' rights to freedom of association. Ranhill also ensures full compliance with laws on working hours and wages, thereby safeguarding fair and decent work conditions for all employees.

By embedding these principles into its policies and procedures, Ranhill strengthens its reputation as a trusted employer and responsible business partner. Strong labour governance enhances employee well-being, drives productivity, and fosters long-term organisational resilience. At the same time, it contributes to the Group's wider ESG commitments by ensuring that human rights, ethical practices, and social sustainability remain integral to Ranhill's growth and operations.

- | | | | | | |
|---|---|---|--|---|--|
| 1 | • Human rights, labour, environment and anti-corruption | 4 | • Prohibiting child and forced labour | 7 | • Prohibiting retaliation or any form of physical and mental disciplinary practice |
| 2 | • UN Guiding Principles on Business and Human Rights | 5 | • Ensuring non-discrimination and equal opportunity | 8 | • Respecting workers' right to freedom of association |
| 3 | • International Labour Law | 6 | • Supporting a harassment-free and violence free workplace | 9 | • Ensuring compliance with laws governing working hours and wages |

The rights of workers have been reinforced with the establishment and implementation of the following policies and procedures:

Elimination of excessive working hours	Procedure on Fatigue Management.
Compliance with minimum wage	Compliance with Minimum Wage Order 2018
Right to freedom of association and collective bargaining	Policy Statement on Human Rights and Labour Standards
Prevention of child or forced labour	Policy Statement on Recruitment for both employees and vendors
Written policies that address non-discrimination, the creation of an equal opportunity workplace, gender, and ethnic diversity	

All of the above are clearly stipulated and provided in Ranhill's policies related to employment and human and labour rights. All employees have easy and full access to these policies so they may be constantly aware of their rights and benefits.

All employees entitled to overtime pay are also paid accordingly as per stipulated rates under relevant labour laws. Employees are not allowed to work beyond the stipulated number of overtime hours. In 2025, there were zero cases of excessive working hours recorded.

Subsidiaries such as Ranhill SAJ and RSE maintain explicit policies prohibiting child and forced labour, aligned with the Malaysian Employment Act. RBSB reinforces compliance through grievance procedures and the eCCBE platform. Ranhill SAJ provides policies in two languages – English and Bahasa Melayu. RBSB translates and disseminates the Group's Sustainability Policy into relevant languages. RTSB uses the InfoRWS platform to reach employees in Bahasa Melayu and equips new hires with an employee handbook. These measures reflect the Group's commitment to transparency, accessibility, and clarity in policy communication.

In reinforcing workplace integrity, Ranhill provides targeted training and embeds strict labour safeguards across its

operations. Managers receive guidance on handling harassment and misconduct cases, while Ranhill SAJ conducts Domestic Inquiry training for executive-levels and above. Misconduct cases across other subsidiaries are addressed through the Group's established industrial relations mechanisms.

RW delivers an annual Code of Conduct training for all employees, including new hires.

As part of its approach as a responsible employer, Ranhill continues to actively engage with relevant government bodies and industry associations. Subsidiaries such as Ranhill SAJ, RT, and RSE actively collaborate with the relevant government ministries and the Malaysian Employers Federation ("MEF"). These engagements ensure the Group remains fully aligned with evolving labour regulations and best practices, while also providing a platform for Ranhill to contribute perspectives as a responsible employer.

In FP2025, there were zero reports or grievance cases filed for labour rights infringements Group-wide. These included reports or grievances filed for non-compliance with employment laws or related company policies, incidents of unfair or discriminatory treatment, harassment, forced labour, excessive working hours, or human rights violations.

	2022	2023	FP2025
No. of Reported Incidents and Cases	0	0	0

Inspirational Workplace & Culture

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

Ranhill respects the rights of eligible employees to freedom of association and collective bargaining. Employees are free to negotiate collectively with the Company on matters such as wages, rights, and benefits without any restrictions. A union has been established for non-executive employees, managed in accordance with the Trade Union Act 1959, Industrial Relations Act 1967. Beyond remuneration, collective bargaining agreements also cover healthcare and other employee benefits.

Employees may join, participate in, or associate with any legal professional or political body, civil society group, or NGO, provided that such activities or organisations are not in violation of the law.

The Group actively communicates with employees, unions, and employee interest groups, ensuring that employee rights are respected while strengthening engagement, trust, and workforce stability—critical for long-term organisational performance. In FP2025, 64.6% of Ranhill SAJ employees were covered by collective bargaining agreements, underscoring the Group’s ongoing commitment to ensuring fair representation and safeguarding employee welfare.

EMPLOYEE ACCESS TO GRIEVANCE MECHANISMS

Ranhill respects the rights of employees to convey grievances, regarding work conditions, remuneration, or any other matter if employees so choose. These include issues such as bullying, harassment, discrimination, abuse, violence, coercion, and other workplace or human rights concerns. Formal grievance channels have been established such as the Ranhill Internal Communication Channel (“RICH”) and the whistleblowing channel. Grievances can be conveyed on an individual basis or as a collective, or where relevant, via union representatives and union channels such as formal meetings.

These mechanisms aim to identify employee concerns early and reach mutually satisfactory resolutions, preventing frustration, low morale, reduced productivity, and potential attrition.

These practices reflect Ranhill’s commitment to providing a safe, responsive, and inclusive work environment. In FP2025, Ranhill recorded zero grievance cases across all channels, highlighting the effectiveness of its systems and its dedication to employee well-being.

	2022	2023	FP2025
Grievance Cases Reported	0	0	0

MINIMUM NOTICE PERIOD FOR OPERATIONAL CHANGES

As much as possible, Ranhill strives to implement a minimum notice period for significant operational changes. These include changes to nature of and location of work. This is to enable affected employees to have sufficient time to adjust to said the changes or seek clarification or further information.

The Group’s approach complies with Malaysian labour laws, including the Employment Act 1955, as well as international labour standards such as the ILO Convention on Termination of Employment (C158).

There may be exceptions due to emergency situations that require immediate action. In FP2025, no employee complaints were received regarding a lack of a minimum notice period for operational changes.

EQUAL OPPORTUNITY & WORKFORCE DIVERSITY

Ranhill's focus on Equality, Diversity, and Inclusivity ("EDI") stems from the understanding that a diverse workforce drives innovation, creativity, and effective problem-solving by bringing together varied skillsets, backgrounds, and experiences. This enables the fostering of a shared, high-performance culture where work results and contributions are the main determinant of the remuneration and reward system for employees. Diversity is viewed as a business strength.

Hence, Ranhill continues to practice a principle of equal opportunity based on meritocracy towards attracting, retaining and rewarding talent. This is reflected in the Group's HR policies where equal opportunities are stipulated as a prerequisite approach for employees recruitment, training, development, and promotion. This goes hand-in-hand with other clauses such as ensuring a non-discriminatory, harassment free workplace. There are clear and strict prohibitions that disallow employees to be judged or assessed based on gender, race, religion, or any other demographic factors. The four key aspects emphasised are as follows:

- Equal opportunity in recruitment, training, and career advancement
- Equal pay for equal work, benchmarked against industry standards
- Zero tolerance for discrimination, harassment, abuse, or retaliation
- Fair compliance with working hours, wages, and employment benefits

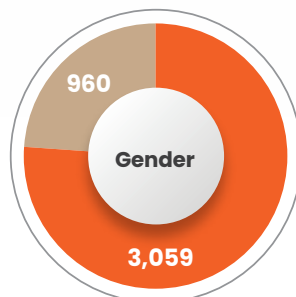
By embedding EDI into our governance, policies, and culture, Ranhill not only fulfils its legal and ethical responsibilities but also secures the diverse talent needed to drive sustainable growth.

While sectors such as water, power, and engineering have traditionally seen higher male representation in Malaysia, especially for more physically intensive jobs, the Group continues to practice a policy of equal opportunities for both genders to apply for any position.

Notably, a closer male to female ratio is observed for office-based roles and office-based work environments. Ranhill continues to create avenues that encourage greater female participation across all levels of the organisation.



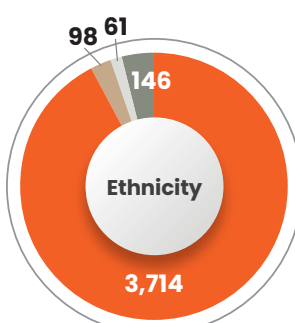
■ Total Workforce



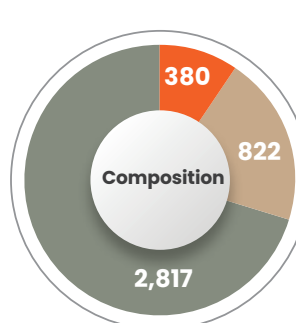
■ Male ■ Female



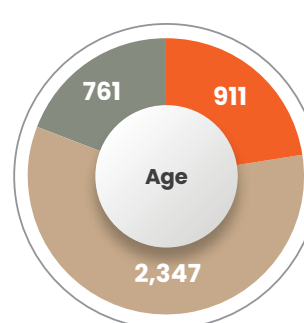
■ Local ■ International



■ Malay ■ Chinese
■ Indian ■ Others



■ Management ■ Executive
■ Non-executive



■ 30 and below ■ 31-50
■ 51 and above

Inspirational Workplace & Culture

Ranhill's workforce comprises entirely non-disabled employees across all levels, reflecting the current composition of the Group. While the Group does not presently have employees with disabilities, it remains committed to fostering an inclusive and accessible workplace, and will continue to explore opportunities to enhance diversity and accommodate differently-abled talent in the future.

Workforce by Permanent and Non-Permanent Employees

Information Required

Percentage of permanent employees (%)

86.1



Percentage of employees that are contractors or temporary (%)

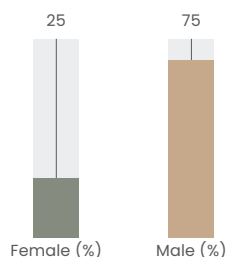
13.9



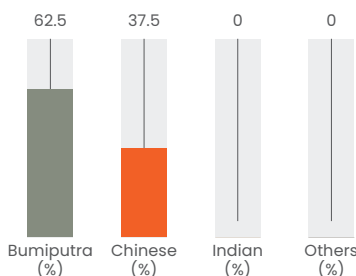
BOARD DIVERSITY AND COMPOSITION

Ranhill's Board of Directors comprises a wide range of high-calibre professionals and subject matter experts with in-depth corporate and industry related expertise and experience. The Board is also diverse in terms of gender, age, and ethnic compositions.

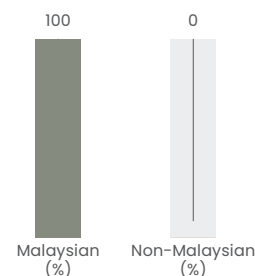
Board of Directors – Gender Breakdown



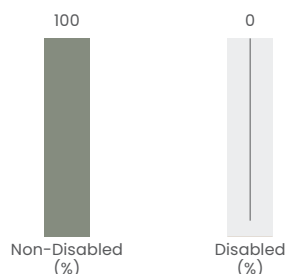
Board of Directors – Ethnicity Breakdown



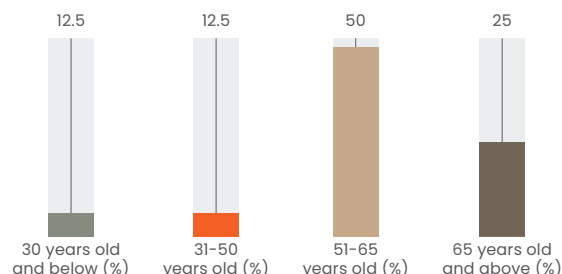
Board of Directors – Nationality Breakdown



Board of Directors – Disability Breakdown



Board of Directors – Age Breakdown



EMPLOYEE REMUNERATION AND BENEFITS

FAIR AND COMPETITIVE REMUNERATION

Part of Ranhill's approach to EDI is ensuring fair and competitive remuneration for employees as part of its overall strategy to attract and retain talent. As per the other aspects of talent, remuneration is determined based on the principle of merit; that is salaries, benefits, and other aspects of the compensation package is to commensurate with an employee's skills, duration of tenure, and expertise including professional qualifications and their overall performance in relation to personal, departmental and company performance KPIs and targets.

Aside from merit, the other principle applied in determining remuneration is the principle of equal work for equal pay. It is prohibited for employees' remuneration to be determined based on ethnicity, gender, age, religion, marital status, or political affiliation.

In ensuring that the Group pays fair and competitive wages, salary benchmarking exercises are conducted by GHR. This is to ensure that compensation is comparable to industry norms. This approach reflects Ranhill's people philosophy of cultivating a high-performance, inclusive, and resilient workforce. By ensuring fair and competitive remuneration, Ranhill strengthens loyalty, encourages professional development, and drives long-term organisational sustainability.

Ranhill upholds fair labour practices by ensuring that its workforce is compensated in full compliance with national minimum wage requirements, reflecting the Group's commitment to fair and competitive compensation.

Ranhill maintains a principle of equal pay for equal work across all key employee categories. In FP2025, the ratio of basic salary and remuneration of women to men remained at 1:1, reflecting the Group's commitment to fairness, meritocracy, and gender equality in compensation.

Ranhill makes payments for employees' retirement schemes, medical and other insurance payments. These are statutory payments as well as voluntary benefits paid in the interest of employees. As the employer, Ranhill contributes 12% of an employee's salary to the Employees Provident Fund ("EPF") for salaries above RM5,000, and 13% for salaries of RM5,000 and below. Employees, in turn, contribute 11% of their monthly salary to the EPF.

Information Required	FY2022	FY2023	FP2025
Total payments made to employees in terms of salaries, bonuses, and benefits (RM' Million)	275.7	312.5	533.7
Total statutory payments made for employees' retirement benefits (EPF) (RM' Million)	30.2	35.8	59.7
Total payments in medical insurance (SOC SO) for employees (RM' Million)	3.1	3.3	6.3
TOTAL	309.0	351.6	599.8

Inspirational Workplace & Culture

Leave Entitlements

Ranhill employees are entitled to a wide range of leave beyond statutory leave requirements stipulated under the Employment Act 1955. These include study leave, emergency leave, bereavement and compassionate leave, pilgrimage leave, and parental leave among others.

Pertaining to parental leave, in accordance with revisions to the Employment Act 1955, female employees are entitled to paid maternity leave of 98 consecutive days for each confinement period, up to 5 surviving children. Male employees are granted paternity leave of 7 consecutive days up to the births of 5 children.

For FP2025, Ranhill continued to support employees' work-life balance through its parental leave policy. A total of 3,482 employees were entitled to maternity and paternity leave, with 58 women and 233 men taking leave during the period. The Group achieved a 100% return-to-work rate for both male and female employees following parental leave, while retention rates remained strong, with all men and women staying with the organisation for 12 months or more post-leave. This underscores Ranhill's commitment to fostering a supportive and inclusive workplace that enables employees to balance career and family responsibilities.

Employee Medical Trust Fund

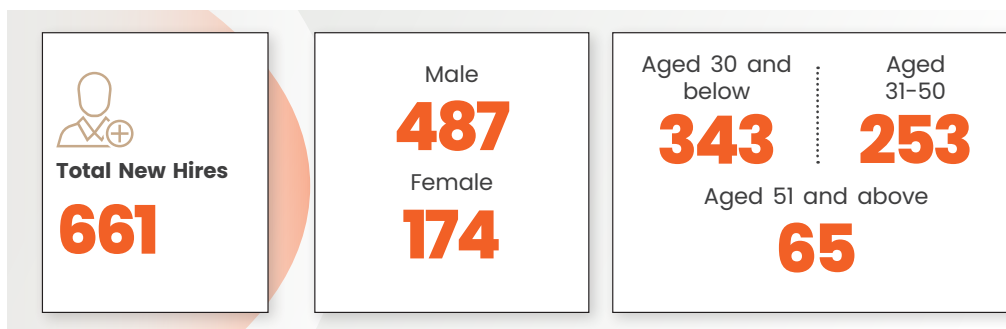
Ranhill SAJ's Medical Trust Fund ("MTF") is a company-wide initiative designed to enable employee access to comprehensive medical services. As an employee-focused employer, Ranhill SAJ contributes RM10 per employee per month to the fund, with participating employees contributing the same amount. The fund provides coverage for medical items and services not typically included in standard insurance, including vitamin supplements, medical equipment such as weighing scales, blood pressure monitors, glucose test kits, as well as wheelchairs and orthopaedic beds.

The fund is administered by a dedicated committee responsible for managing contributions and authorising cash disbursements. Participation in the MTF is voluntary, and in FP2025, 1,974 employees, representing 81% of eligible employees, opted to join the fund. During the period, the fund disbursed RM598,548.30 to eligible employees, reflecting Ranhill's commitment to supporting the health and well-being of its workforce.

TALENT RECRUITMENT & RETENTION

Consistent with Ranhill's upholding of EDI in all aspects of talent management, a similar approach is applied to recruitment. All job vacancies are communicated transparently and broadly to attract the widest possible pool of candidates. Selections are made on the basis of merit and professional capability, without regard to socio-demographic factors such as ethnicity, gender, age, marital status, or political affiliation. This ensures that opportunities remain accessible, fair, and inclusive across the organisation.

The Group remains committed to enabling individuals with disabilities to access suitable positions and contribute meaningfully. While priority is given to local candidates, foreign applicants are equally welcomed to apply for all advertised positions, reflecting Ranhill's inclusive hiring philosophy and commitment to building a diverse and dynamic workforce.



In FP2025, the Group experienced a substantial increase in employee turnover, reaching 1,118 employees, mainly due to a large number of RW personnel on contract employment reaching the end of their contracts as projects were concluded.

EMPLOYEE PROFESSIONAL DEVELOPMENT AND TRAINING

Talent development is also central to Ranhill's commitment to sustainability and ESG. By equipping employees with skills and knowledge on environmental management, operational efficiency, and social responsibility, the Group ensures its workforce actively supports sustainability goals through sustainable practices such as efficient resource use, water quality management, and community engagement.

Ranhill's Young Water Professional ("YWP") programme continues to develop talent for the local water industry. In FP2025, 170 participants were selected for the YWP – thus benefitting from gaining industry experience of the local water industry. This will hold them in good stead if they choose to pursue a career in the domestic water sector. The programme serves to develop the next echelon of local industry talent to meet the requirements of a growing domestic water sector.

Training enhances individual and collective competencies, develops leaders for key operational and strategic roles, and ensures that organisational human capital needs are effectively met. Investing in employees' training develops a skilled and capable workforce and supports operational excellence, productivity, and long-term business success.

Complementing YWP, one of the Group's notable training highlights in FP2025 was the continued development of Water Operators through the Sijil Kemahiran Malaysia ("SKM") Certification, with 86 employees trained during the reporting period. As of June 2025, a total of 564 employees have received SKM certification, underscoring Ranhill's commitment to strengthening technical competencies and ensuring operational excellence across its water services.

Ranhill's approach is guided by its Human Capital Development Framework ("HCDF") and the Succession Planning and Management Policy. In addition, Ranhill has also implemented the Ranhill Development Framework for the cultivation of its leadership bench and the next echelon of leaders across the organisation.

The identification of training requirements typically commences with an employee appraisal, that aims to identify improvement opportunities such as skill gaps for present and even future job roles within the organisation. Employees are encouraged to discuss appraisal outcomes with supervisors or HR to reach a mutually agreed outcome. Upon completion of this process, a training needs analysis and personal development plan is developed for each employee. HR also plays a role in at this stage of the process towards the end objective of matching employees with specific professional courses and programmes to enable a gap closure with the required knowledge, competencies, and skills.

All training is paid for by Ranhill or its operating companies. Employees receive full wages for days they attend training. The Group contributes to the Human Resources Development Fund ("HRDF"), a statutory training fund under the Human Resources Ministry. Funds are utilised to pay for employees' training courses.

Inspirational Workplace & Culture

	2022	2023	FP2025
Total training hours as a company	90,586.4	165,599.3	210,906.43
Average training hours per employee	32.3	39.4	52.5
- Male employee	32.2	38.5	56.8
- Female employee	32.6	37.4	48.0

ASSESSMENT OF TRAINING EFFECTIVENESS

After an employee has undergone training, an evaluation process is undertaken to determine the overall effectiveness of the programme. This includes improvements in knowledge and skills of the employee as well as other aspects. All programmes are evaluated using post training mechanisms such as feedback forms, interviews, and more. In ensuring tangible outcomes, the employees' application of newly acquired skills is assessed in the workplace by their supervisors against key performance indicators, including:

- Measurable improvements in work performance
- Positive changes in behaviour, motivation, and engagement
- Demonstrated ability to apply acquired knowledge effectively to their roles

Courses that meet these criteria are considered effective, and follow-up actions, such as refresher training or advanced development opportunities, are implemented to reinforce learning. This systematic approach ensures that training is not only a developmental exercise but a strategic lever to strengthen Ranhill's talent pool, enhance operational performance, and support succession planning.

Internship And Management Trainee Programmes

Ranhill's management approach to talent also includes the provision of internship opportunities across the Group. Interns are given the opportunity to job hop or rotate roles across the specific subsidiary which has provided the internship opportunity. This enables the intern to gain first-hand, on-the-job experience of different job functions. Interns who show promise can be absorbed into the Group via the provision of full time, permanent employment.

RSE has established the Human Resources Policies and Procedures ("HRPP") 0404 - Internship and Management Trainee Programme Policy & Procedure, reflecting a commitment to supporting youth employment initiatives. RW affirms having a policy in place for this purpose. RBSB actively supports sustainability through policies encouraging apprenticeships and offering opportunities for graduate placements, with registration in TalentCorp and the Protege programme. RTSB engages in Protege and intern programmes, while RTSB welcomes students for training and hires graduate employees, collectively demonstrating a commitment to addressing youth unemployment and fostering talent development.

Information Required	2022	2023	FP2025
Number of Internships Provided	361	341	340
Number of Interns Absorbed into the Group	23	15	5
Number of Management Trainees	30	9	28
Number of Management Trainees retained by Ranhill/ Operating Company	6	4	9

KNOWLEDGE SHARING & EMPLOYEE ENGAGEMENT

Employees are one of Ranhill's key stakeholders. The Group therefore maintains regular two-way engagement across all levels of employees through formal channels such as town halls, official meetings, and annual employee engagement surveys conducted by each subsidiary.

In addition, more informal sessions are organised for employees, such as casual outside office events and activities. The latter includes recreational and sporting activities. These activities are part of Ranhill's management approach to work-life balance for the employees.

The goal of engagement is to help Management understand employees' concerns and overall perceptions of the workforce, ensuring that issues are heard and addressed. It also provides insights into building a positive work culture focused on performance, while keeping employees informed about future business plans and strategies.

Title

Total Spend (RM) on Employee Engagement activities

1,628,984



EMPLOYEE ENGAGEMENT ACTIVITIES

International Women's Day



Women's Day Celebration at Ranhill Headquarters

Ranhill commemorated International Women's Day with a dedicated programme that brought together 50 employees to recognise and celebrate the contributions of women leaders and employees. The event featured a mental wellness talk and engaging activities such as Pick & Empower and Trivia Wheels games encouraged participation, fostered teamwork, and created a supportive environment that highlighted the value of women's leadership and contributions within Ranhill.

GreenWave Campaign



GreenWave Campaign launched by En. Izani Ibrahim, CEO of RTSB

Launched on 21 May 2025, the RTSB GreenWave Campaign marks RTSB's inaugural environmental initiative, reflecting the organisation's commitment to fostering a culture of environmental responsibility and sustainable practices. The campaign featured activities ranging from hydroponic tower planting and recycling initiatives, to digital awareness programmes, and a Preloved Party, engaging employees across all levels. The launch also included a session by SWM Environment Sdn. Bhd., highlighting responsible waste management and promoting their KITAREcycle programme, further reinforcing sustainable workplace practices.

Inspirational Workplace & Culture

Ranhill Tower Farm: Seedling & Planting Session



Hydroponics planting session at Ranhill Headquarters

Ranhill organised a hydroponics seeding and planting activity at Ranhill Tower Farm to strengthen employee engagement and promote a sustainable workplace culture. The initiative provided employees with hands-on exposure to these water-efficient farming practices while fostering teamwork and collaboration. Demonstrating hydroponics as a sustainable solution that combines efficiency, productivity, and environmental stewardship, the activity culminated in employees harvesting and enjoying the produce they nurtured.

Energy Efficiency Awareness Programme



Employees participating in activities during the Energy Efficiency Awareness Programme 2025

Ranhill SAJ hosted the Energy Efficiency Awareness Programme 2025, as part of its commitment to promoting a low-carbon, energy-efficient workplace. The programme featured expert briefings on the Energy Efficiency and Conservation Act 2025 by Suruhanjaya Tenaga and Malaysian Green Technology and Climate Change Corporation ("MGTC"), an internal session by Ranhill SAJ Energy Manager, and interactive booths and energy-themed games that actively engaged employees. Through these initiatives, employees gained practical knowledge and inspiration to adopt energy-saving practices, reinforcing Ranhill SAJ's role in supporting Malaysia's transition towards sustainable energy management.

Amata Nakorn Learning Centre



RWTT's Amata Nakorn Learning Centre, Thailand

The Amata Nakorn Learning Centre of RWTT continues to serve as a strategic platform in driving awareness and acceptance of the circular economy, particularly in showcasing the potential of greywater reuse. In FP2025, the centre welcomed 292 visitors, including local and international delegations such as the National Assembly of Lao People's Democratic Republic. The centre plays a pivotal role in shifting mindsets towards sustainable business practices and remains an important avenue for knowledge sharing and advocacy.

Employee engagement surveys are conducted periodically across Ranhill's subsidiaries to measure levels of satisfaction, workplace culture, and the effectiveness of management practices. In FP2025, the Group recorded an average satisfaction score of above 80%, reflecting a positive perception among employees towards their working environment, leadership, and opportunities for growth. While the overall results reaffirm employees' confidence in the Group's culture and direction, areas for further improvement have also been identified, enabling Management to take targeted action.

The survey outcomes are not only used to track progress year-on-year but also to strengthen engagement strategies across the Group. Feedback is carefully analysed and translated into initiatives that enhance employee well-being, communication, and alignment with business priorities. This continuous cycle of assessment and response underscores Ranhill's commitment to fostering an engaged, inclusive, and high-performing workforce. Moving forward, the Group will continue to leverage these survey insights to refine engagement initiatives and to strengthen alignment between employee aspirations and Ranhill's long-term strategic goals.

Enhancing Governance **Across The Group**

OCCUPATIONAL SAFETY AND HEALTH

Occupational Safety and Health (“OSH”) is a significant material topic for Ranhill given the nature of the Group’s operations. OSH is material from both financial and impact perspectives. Any significant OSH incident could lead to operational disruptions and damage that could be financially material, while injuries or fatalities would have significant adverse effects in terms of corporate reputation. Injuries, property damage, or fatalities can disrupt operations, result in financial losses, and adversely affect individuals, families, and society. Such incidents can also damage the Group’s reputation, potentially eroding confidence among regulators, investors, and local communities. OSH incidents may also directly and indirectly lead to environmental impacts.



Ranhill has developed its OSH Management approach based on industry best practices and the Group’s own Ranhill’s Rules of Life

OSH has been prioritised with the establishment of a robust governance structure with Board and Senior Management visibility and involvement at both Group and subsidiary levels. OSH considerations are integrated across all operational aspects, encompassing key work activities, site locations, travel, and employee well-being, with particular attention to field operations where risks are higher than in office environments. Matters pertaining to OSH are reported from all operational sites all the way up to the Board level GRMC and then the full Board. These include OSH statistics and training data, reports on incidents, remedial actions taken, risks assessments, and other pertinent information.

Ranhill has developed its OSH Management approach based on industry best practices and the Group's own Ranhill's Rules of Life ("ROL"). The Group wide OSH Policy covers all stakeholders including employees, visitor, and third party workers. The OSH Policy can be viewed here: <https://ranhill.com.my/sustainability/sustainability-policies/>. Most of Ranhill's subsidiaries such as Ranhill SAJ and RSE are certified ISO 45001.

OSH has been included in the Ranhill Risk Register, with risk profile reports submitted to the GRMC on a quarterly basis along with the Health, Safety and Environment ("HSE") performance report. Reports from subsidiaries are submitted monthly to Group HSE. Throughout Ranhill's operations, the Group employs both leading and lagging indicators to assess OSH performance. HSE/OSH Committees are established at all subsidiaries, and the practice is cascaded across all operational sites. Employees are represented on joint worker-employee HSE/OSH committees.

In addition, Ranhill employs a range of practices to manage OSH effectively, including Unsafe Act/Unsafe Condition ("UAUC") reporting, Toolbox Meetings, knowledge sharing, Hazard Identification, Risk Assessment, and Risk Control ("HIRARC"). This comprehensive approach reinforces Ranhill's zero-compromise stance on the safety, security, and well-being of all personnel.

BOARD AND CEO OVERSIGHT ON HEALTH AND SAFETY

Given the significant materiality of OSH to Ranhill's business operations and its stakeholders, OSH comes under the direct purview of the Board and Senior Management of the Group as well as the oversight of the Board and Senior Management of subsidiaries, where relevant.

At the subsidiary level, the CEO of each subsidiary has been designated the management level champion for OSH with remuneration of the CEO linked to specific OSH performance indicators. At RSE, OSH related KPIs have been included in employees' performance appraisals.

JOINT WORKER-MANAGEMENT OSH COMMITTEES

Ranhill continues to uphold to an inclusive approach with employees and those operating on site having a direct say in the implementation of OSH measures and practices at their respective workplaces. This ensures that those who are physically on-ground or are directly working on operating sites can play a role to ensure that rigorous OSH measures have been implemented to achieve the safest and most secure work environment possible.

This approach promotes ownership and accountability, strengthens employee morale at the workplace, and creates a joint management-employee mechanism that allows for constructive communication and feedback between both stakeholders. It fosters shared responsibility for OSH through mutual support and cooperation, built on respect and an understanding of each site's specific operational context. This approach ensures employee safety while supporting optimal operational productivity. In essence, joint worker-management OSH committees allows employees to have a direct role in shaping the safety of their work environments, while enabling Management to remain attuned to concerns, issues, and recommendations from those most exposed to operational risks.

In FP2025, approximately 11.5% of employees across the Group were represented in formal OSH committees, reflecting Ranhill's continued commitment to embedding safety culture at all levels of the organisation. This representation not only ensures compliance with regulatory expectations but also strengthens the Group's ability to maintain safe, secure, and productive workplaces.

Enhancing Governance **Across The Group**

IDENTIFICATION AND ASSESSMENT OF HIGH-RISK LOCATIONS & MITIGATION MEASURES

The Hazard Identification, Risk Assessment & Risk Control (“HIRARC”) methodology has been implemented at all Ranhill subsidiaries to ensure that potential and actual OSH risks are identified, mitigated, and reduced if not eliminated altogether. For FP2025, the use of HIRARC has enabled the identification of the following as higher risk operations, processes, or locations:

RANHILL SAJ

- Chlorine installation and chlorine leaks
- Working at height
- Diving works
- Confined space activities
- Drowning while working at dams and reservoirs
- Struck by falling objects
- Traffic accidents when working by road sides or high traffic areas

RTSB

- Working at height
- Excavation work
- Confined space activity
- Lifting activity
- Biological hazards

RSE I & RSE II

- Electrical switching activities
- Working in “online” condition
- Lifting activities
- Working at height
- Working at transformer area
- Confined space activities
- Manual handling of hazardous chemical

HEALTH AND SAFETY RELATED TRAINING

Given the significance of OSH, Ranhill continues to provide necessary and additional OSH related training for employees across all subsidiaries. Training is based on meeting regulatory requirements as well as providing additional training or professional development in improving skills and competencies, knowledge and awareness and ultimately equipping employees to use machinery and equipment safely and proficiently. This consequently empowers employees to execute their jobs safely with a high level of professionalism, while developing and maintaining a high level of proactive vigilance at their respective jobs and/or at operational sites.

In line with this commitment, Ranhill has consistently expanded the reach of its OSH training programmes. Over the past three years, the Group has steadily increased the number of employees trained, demonstrating its proactive approach towards strengthening safety culture and operational resilience.

Number of employees
trained to OSH Standards

2,122



Promoting a Culture of Safety



Practical fire safety training session at RSE Safety Day

RSE continued to strengthen its safety culture through dedicated programmes and milestones that reinforce the importance of Occupational Safety and Health (“OSH”) across operations. In FP2025, RSE organised its annual Safety Day, providing a platform to engage employees, contractors, and stakeholders on critical safety topics through awareness sessions, training, and interactive activities. The initiative served not only to reinforce compliance with regulatory requirements but also to embed proactive safety mindsets among its workforce.

Complementing this effort, RSE also celebrated a major milestone of achieving 2 million man-hours without Lost Time Injury (“LTI”), underscoring the effectiveness of its safety management systems, vigilance, and shared commitment to creating a secure work environment. This achievement reflects both the dedication of employees in adhering to best practices and Management’s sustained focus on risk prevention, operational excellence, and continuous improvement in workplace safety.

OSH PERFORMANCE

Ranhill monitors health and safety performance across its operations. Performance is tracked through a comprehensive system comprising monthly performance reports, internal audits, DOSH and DOE inspections, workplace audits, safety observation reports, and Unsafe Act/Unsafe Condition (“UAUC”) reports.

HSE performance is benchmarked against industry standards as defined by regulatory authorities, using the HSE Performance Index, and internal targets have been established accordingly. All HSE data undergoes independent verification during ISO 9001 audits as well as through routine internal audits, ensuring accuracy, reliability, and alignment with the Group’s commitment to operational safety and regulatory compliance.

OSH GROUP	2022	2023	FP2025
Man-hours	8,040,468	9,056,784	13,699,379
Company fatalities	0	0	0
Contractor fatalities	0	0	2
Lost Time Injury Frequency Rate (“LTIFR”)	0.25	0.22	0.22
Lost Time Injury Frequency (“LTIF”)	0.05	0.04	0.15

Enhancing Governance **Across The Group**

INCIDENT INVESTIGATION

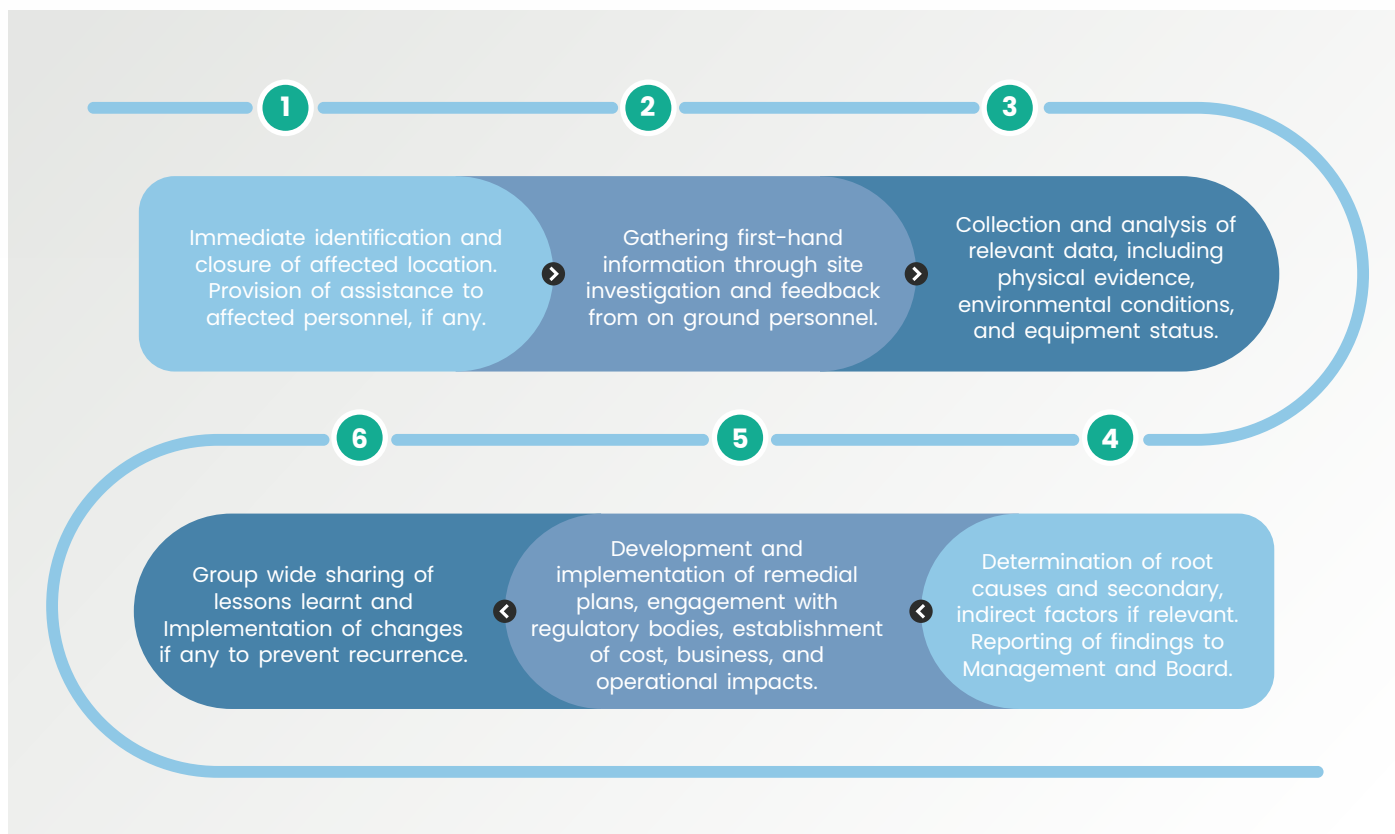
While Ranhill has continued to achieve a zero major incident track record for several consecutive years, the Group has established a rigorous incident investigation process in the event of any OSH event for both major and minor incidents. This is part of the Group's management approach to identify the root causes of incidents and address them conclusively to prevent recurrence. Where elimination is not possible due to external or uncontrollable factors, the focus is on minimising the likelihood of such events. Incident investigation is also part of ensuring lessons are well learnt and the knowledge gained is shared Group wide.

All OSH incidents, regardless of severity, are subject to a detailed and systematic investigation process. All investigations are conducted internally, but, if necessary, external authorities such as the DOSH, local municipal bodies, or other relevant agencies will be involved where necessary.

Upon completion, a detailed investigation report is compiled, encompassing all relevant facts, findings, and recommended corrective actions. Incident reports are comprehensive, extending beyond describing the event to include targeted preventive measures designed to eliminate or mitigate future risks. Lessons learned from each incident are documented and disseminated throughout the Group's operations to drive continuous improvement in safety performance.

This report is submitted to the OSH Committee of the respective subsidiary for review and then escalated to the Senior Management and Board of the affected subsidiary. This is then escalated to the GRMC and full Board of the Group.

The investigation process includes:



CUSTOMER SATISFACTION AND TRUST

Ranhill is of the view that given the nature of its business operations, ensuring its products and services effectively meet customers' needs, expectations and requirements is not just a basic business premise but an important responsibility and commitment. Both Ranhill's Water and Power sector provide essential services and hence the burden of ensuring customer satisfaction is highly material.

Similarly, the Group's Engineering Sector has a significant and fundamental responsibility to deliver built-to-spec, fit-for-use infrastructure solutions and services, as these play critical roles in the oil and gas and engineering value chains.

Ranhill SAJ delivers potable water to over 4 million residential and non-residential consumers. Ensuring high levels of satisfaction is not only central to regulatory compliance with SPAN's KPIs but also critical to operational reliability, brand reputation, and the long-term sustainability of the company's water services.

Ranhill SAJ's approach is anchored in its ISO 9001:2015 certified Quality Management System ("QMS"), which integrates regulatory obligations and operational excellence. The QMS addresses all aspects of customer satisfaction, including water quality, supply continuity, water pressure, service responsiveness, complaint resolution, and account management processes.

Performance is monitored through Service Level Agreements ("SLAs"), which define timelines for complaint resolution and escalation procedures based on severity. This structured framework ensures timely interventions, reinforces accountability, and underpins Ranhill SAJ's commitment to providing safe, reliable, and customer-centric water services.

The following are Ranhill SAJ's customer satisfaction related performance data. Data is based on a comprehensive customer survey conducted once every three years.

Customer Services Data	2022	2023	FP2025
Customer Satisfaction Scores (%)	89.0	N / A*	N/A*
Customer complaints received	169,673	183,619	289,299
Resolution Rate (%)	100	100	100
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0
Total number of identified leaks, thefts, or losses of customer data	0	0	0
Number of complaints from regulatory bodies	50	90	259
Percentage of complaints from regulatory bodies resolved	100%	100%	100%

* Customer satisfaction surveys are conducted once every three years. Therefore, no survey was undertaken in 2023.

At RSE, customer satisfaction remains a key priority and is embedded into the Group's operational strategy. As the sole customer of both RSE I and RSE II, Sabah Electricity Sdn. Bhd. ("SESB") plays a central role in shaping service expectations, and the Group continues to uphold the highest standards of reliability, safety, and responsiveness in meeting these expectations.

In FP2025, RSE I and RSE II, which own CCGT power plants respectively, achieved a 100% customer satisfaction rating, maintaining the strong track record of performance recorded in 2022 and 2023. Notably, there were no customer complaints received during the reporting period, underscoring RSE's ability to deliver uninterrupted power supply and operational excellence.

The Group committed to sustaining its record of zero complaints and 100% satisfaction by maintaining strong operational reliability, ensuring strict compliance with safety and regulatory standards, and continuing structured engagement with SESB. These combined efforts reinforce confidence in the company's ability to deliver safe, efficient, and dependable power supply.

Task Force on Climate Related Financial Disclosures

INDICATORS

Governance

6(a)

The governance body(s) or individual(s) responsible for overseeing climate-related risks and opportunities.

Ranhill's Response

6(a)(i)

Responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions, and other related policies applicable to that body(s) or individual(s);

Ranhill has established its Sustainability Policy and continues to review its Board Charter and Terms of References for Board and Management level committees to ensure a strong and clear mandate for the Board and Management to have oversight of, and to pursue a Ranhill-focused agenda that effectively addresses climate related risks and opportunities ("CRROs.")

The Board Charter and TORs can be found here. Ranhill plans to review these documents to ensure they comprehensively address CRROs, including strategic oversight, responsibilities, strategies, action plans, and targets. The aim is to provide the Board with a clear mandate to play an effective role in managing CRROs.

6(a)(ii)

Body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;

The Board and the GRMC as well as the larger governance structure frequently assesses the adequacy of skills and competencies in relation to sustainability across the organisation. This includes ensuring sufficient manpower financial resources for salaries, training, and more. The Board and the GRMC also assesses if Board members and management personnel require specific sustainability and climate related training or professional development courses.

6(a)(iii)

Frequency with which body(s) or individual(s) is informed about climate-related risks and opportunities;

The frequency of meetings for the Board and other bodies within the governance framework is provided for in the Board Charter, the respective TORs and other governance documents. Frequency of meetings typically range from monthly to quarterly, and once every six months. The Board Charter and TORs can be found here: <https://ranhill.com.my/investor-relations/corporate-governance/>

INDICATORS

Governance (continued)

6(a)(iv)	Approach which the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions, its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities.	All risks including sustainability risks are reported to the Board of Directors of Ranhill in a periodic manner. Risk reports are shared with the full Board for their deliberation and recommendations of action to Management. Prior to risks being shared with the full Board during Board meetings, the Board level Governance, and Risk Management Committee ("GRMC"), which is a sub-committee that rigorously reviews and questions the findings brought by Management. The GRMC, comprising experienced risk and finance professionals, closely reviews all risk findings, including those related to sustainability and climate risks and opportunities.
6(a)(v)	Approach which body(s) or individual(s) that oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	The Board is responsible for ultimate oversight and realisation of the Ranhill Net Zero 2050 roadmap. This includes monitoring progress towards set milestones, the progress and effectiveness of Management's implemented action plans, to recommend, and instruct management to take remedial or alternative strategies to achieve its objectives. The Board plays an oversight role, reviewing data on energy and GHG emissions and approving the strategic direction for decarbonisation plans. For further information on the existing sustainability governance structure and roles and responsibility of each body within the task force, please refer to page 12-14.
6(b)	Management's role in the governance processes, controls, and procedures to monitor, manage, and oversee climate-related risks and opportunities.	
6(b)(i)	Delegation of roles to specific management-level positions or committees and the oversight mechanisms in place for those roles.	Supporting the Board of Directors is Management in the form of the MARCC and the Sustainability Working Committee. The role of Management is to develop effective plans to drive the realisation of the Net Zero 2050 Roadmap. This includes undertaking necessary cost-benefit analysis of RE implementation in operations, developing multiple strategic options supported by estimated budgets for the approval of the Board.

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Governance (continued)

6(b)(ii)

Controls and procedures supporting the oversight of sustainability-related risks and opportunities, including their integration with other internal functions.

While there is a central taskforce driving the effort, Management also involves the direct management of subsidiaries, with the latter tasked to develop specific decarbonisation plans for their respective operations. In this manner, a cross-functional approach is developed, where ideas, resources can be better streamlined and business and operational synergies can be realised.

Management's role naturally would include addressing operational or day-to-day matters related to climate risks as well as decarbonisation. These include developing tangible KPIs and targets and ensuring such targets are achieved. The inclusion of climate risks in the respective Risk Registers are also a fundamental responsibility of Management. Each subsidiary is required to undertake a climate risk assessment and to determine its material physical and transition risks.

Strategy

10

Climate-related risks and opportunities

10(a)

Climate-related risks and opportunities reasonably expected to impact the entity's prospects.

CLIMATE CHANGE: PHYSICAL RISKS:

- Disrupted rainfall patterns that may lead to a sudden deluge of rain or protracted periods of drought. The former may lead to flash floods which could impact the operations of WTPs in affected areas. Notably flood prone areas would be more exposed to such impacts. Such events could lead to WTPs being unable to operate or even become damaged, thus reducing water supply and leading to revenue loss. Damages incurred would also lead to increased operational costs or higher insurance premiums for assets.
- Frequent incidents of flooding may necessitate WTPs being relocated to avoid further damage. This would incur significant CAPEX. Damages cost by flooding to WTPs and other water assets would ultimately require additional OPEX for repair works and to source replacements for equipment and machinery.
- Flash floods can also see roads and other infrastructure being inundated. This may significantly hamper NRW and pipe rehabilitate and replacement activities. Hence, infrastructure leakage index ("ILI") may increase if flash floods or heavy rainfall continue over extended periods of time.

INDICATORS

Strategy (continued)

10(a)
(continued)

Climate-related risks and opportunities reasonably expected to impact the entity's prospects.
(continued)

- The possibility of droughts may affect river water levels, thus reducing the overall quantities of water available for abstraction. Diminished supply may lead to reduced ability to abstract, treat, and supply water. Water rationing may need to be implemented, which would affect revenues and also inconvenience customers. Increased costs and losses may be incurred due to the inability or diminished ability to supply water.
- In addition, during times of drought, any pollution incidents may be more severe as the reduced water quantity would effectively lead to a higher concentration of pollutant in river waters. This would exacerbate the impact of pollution on water supply.
- While Ranhill has yet to apply any specific climate scenarios such as the Representative Concentration Pathway ("RCP") scenarios, the Group's initial assessment based on previous incidents is that sea water levels can be expected to rise over the next decade in tandem with rising ambient temperatures.
- Rising seawater would affect coastal operations. The other impact is the seawater flowing up to 20-40km into rivers inland. This would lead to rivers being salinised and thus impact WTP abstraction and supply operations. This would impact water supply as well as lead to revenue loss as WTPs in affected areas would need to be temporarily shut down to prevent salinised water entering the Johor water system.
- Hotter temperatures, heatwaves, and such affect worker productivity, when undertaking construction or any infrastructure works including pipe rehabilitation and replacement works. This may delay or hamper the pace of such works.
- It is also possible that collectively or individually, flash floods, heavy rainfall, and hotter temperatures may pose increase OSH risks to workers.

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Strategy (continued)

10(a) (continued)	Climate-related risks and opportunities reasonably expected to impact the entity's prospects. (continued)	CLIMATE CHANGE: TRANSITIONAL RISKS • Transition risks mainly involve risks associated with Ranhill's ongoing decarbonisation journey. Ranhill aims to become Net Zero by 2050. However, the potential pitfalls may become apparent well before that. • The potential risk arise from lower-than-expected return on investments made from switching to solar. This includes total CAPEX and thereafter maintenance and other OPEX costs. The rising cost of solar panels, which are beyond the Group's control is also a factor that could diminish the return on investment ("ROI") expected. • Legal risks include non-compliance or high tax exposures to any potential carbon tax imposed by the government. • Other transition risks include potential opportunity costs, as funds and resources are allocated for decarbonisation, which could be utilised for other business purposes that may generate higher and faster returns. For example, leveraging internally generated funds to develop CCGT power plants.
10(b)	Explanation of identified climate-related risks as either physical risks or transition risks.	As provided in 10(a)
10(c)	Specify short-, medium-, and long-term time horizons for each identified climate-related risk and opportunity, along with their reasonably expected impacts.	Ranhill intends to undertake a more systematic and strategic approach to climate risk assessment. This includes organising formal, CRAs Group-wide, that would take into consideration cross-functional subsidiary insights and perspectives that would subsequently inform and develop a comprehensive climate risk profile based on Group, subsidiary, and eventually site-specific risk disclosures. This includes assessing and prioritising risks based on severity and likelihood levels and nature of risks i.e. acute or chronic over the short-, medium-, and long-term horizons.
10(d)	Definitions of 'short-term,' 'medium-term,' and 'long-term' and their linkage to the entity's planning horizons for strategic decision-making.	

INDICATORS

Strategy (continued)

13 Business model and value chain

13(a) Description(s) of the current and anticipated impacts of climate-related risks and opportunities on the entity's business model and value chain. As provided in 10(a)

13(b) Description(s) of where in the entity's business model and value chain climate-related risks and opportunities are concentrated. As provided in 10(a)

14 Strategy and decision making

14(a)(i) Current and anticipated changes to the entity's business model and resource allocation to address climate-related risks and opportunities. As provided on pages 33–47 of SR2025.

14(a)(ii) Current and anticipated direct mitigation and adaptation efforts. In developing a stronger financial, business, and operational perspective of the potential and actual impacts of climate change, Ranhill intends to develop suitable financial metrics or financial quantification. The metrics would revolve around impacts to revenues, earnings, costs, and cash flows, as well as balance sheet metrics such as impacts to assets and liabilities. The latter includes erosion of asset values, the necessity for provisions and impairments, and so on.

14(a)(iii) Current and anticipated indirect mitigation and adaptation efforts. The Group intends to introduce these metrics based on the NSRF's Climate First approach for the implementation of IFRS S1 and IFRS S2. The process should commence with a CRA exercise in FY2026 to first identify climate related risks and opportunities ("CRROs") and subsequently, financial quantification of material CRROs.

14(a)(iv) Describe any climate-related transition plan, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies. Ranhill's targets are provided in the Group's narratives pertaining to its Net Zero 2050 roadmap on pages 34–36 of SR2025.

14(a)(v) Describe plans to achieve any climate-related targets, including any greenhouse gas emissions targets. As provided in 14(a)(iv)

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Strategy (continued)

14(b)	Information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 14(a).	As provided in 14(a)(iv)
14(c)	Quantitative and qualitative information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 14(a).	As provided in 14(a)(iv)
16	Financial position, financial performance, and cash flows	
16(a)	Impact of climate-related risks and opportunities on financial position, financial performance, and cash flows for the reporting period.	
16(b)	The climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Ranhill has yet to establish climate related financial disclosures. The Group intends to undertake this task through a series of CRA workshops or activities that ultimately would enable material climate risks to be financially quantified in terms of current and anticipated effects to financial performance and financial position.
16(c)	Expected changes in the entity's financial position over the short-, medium-, and long-term based on its strategy for managing climate-related risks and opportunities.	
16(c)(i)	Investment and disposal plans.	
16(c)(ii)	Its planned sources of funding to implement its strategy.	
16(d)	Financial performance and cash flows to change over the short-, medium-, and long-term, given the strategy to manage climate-related risks and opportunities.	

INDICATORS

Strategy (continued)

22	Climate resilience	
22(a)(i)	The implications, if any, of the assessment for its strategy and business model, including the response to the effects identified in the climate-related scenario analysis.	The Group has developed a wide range of mitigation measures to the climate risks listed in 10(a). These strategies position Ranhill's operations to attain financial, business, and operational resilience. However, further and continuous review and strategic analysis is warranted to truly establish resilience over the short-, medium-, and long-term.
22(a)(ii)	The significant areas of uncertainty considered in the assessment of its climate resilience.	
22(a)(iii)(1)	The availability and flexibility of existing financial resources to address the impacts identified in the climate-related scenario analysis, including mitigating risks and leveraging opportunities.	Ranhill's present healthy financial position as reflected by its balance sheet and assets and continued ample access to financing provides a measure of short- to medium-term assurance of access to financial capital. The present position continues to be assessed regularly to ensure continued access to financial capital and financial resilience.
22(a)(iii)(2)	The ability to redeploy, repurpose, upgrade, or decommission existing assets.	To be ascertained going forward through progressive CRA workshops and deliberation by Management.
22(b)(i)	Climate-related scenario analysis	
22(b)(i)(1)	The climate-related scenarios used for the analysis and the sources of those scenarios.	
22(b)(i)(2)	If the analysis included a diverse range of climate-related scenarios.	
22(b)(i)(3)	If the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.	Ranhill as part of its CRAs going forward will apply climate related scenarios. Scenarios being considered are SSP2-4.5 and NGFS 2050.
22(b)(i)(4)	If scenarios aligned with the latest international agreement on climate change.	

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Strategy (continued)

22(b)(i)(5)	If the chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties.	
22(b)(i)(6)	The time horizons used in the analysis.	As provided in 22(b)(i)(1)
22(b)(i)(7)	The scope of operations in the analysis.	As provided in 22(b)(i)(1)
22(b)(ii)	The key assumptions the entity made in the scenario analysis	
22(b)(ii)(1)	Climate-related policies in the jurisdictions of operation.	Ranhill has given due consideration to the national decarbonisation agenda of achieving net zero carbon by 2050. The Group has also considered the potential imposition of carbon tax, notably on carbon intensive industries, the removal of energy subsidies, and the introduction of higher prices for grid sourced electricity.
22(b)(ii)(2)	Macroeconomic trends.	
22(b)(ii)(3)	National- or regional-level variables.	
22(b)(ii)(4)	Energy usage and mix.	
22(b)(ii)(5)	Developments in technology.	
22(b)(iii)	The reporting period.	Ranhill's Net Zero 2050 roadmap also has been developed taking into account the Group's present energy consumption mix of mainly diesel, petrol, electricity dependence, and solar energy generation. A key focus area in terms of technology is the niche of Carbon Capture, Utilisation, and Storage ("CCUS") in which subsidiary, RW continues to establish itself as a proven and capable specialist solutions provider.

INDICATORS

Risk Management

25	The processes and related policies the entity uses to identify, assess, prioritise, and monitor climate-related risks	
25(a)(i)	The inputs and parameters the entity uses.	Ranhill's management approach to risk management is driven by the Groupwide risk management framework which is developed in accordance with the best practice ISO30001 risk management standard. Hence, internal controls and procedures and reporting mechanisms and oversight (based on a triple-tier approach) have been developed and implemented. These include Board and Senior Management oversight, auditing and assurance processes, and more. Specific information on the Risk Management Framework is provided in the Statement of Risk Management and Internal Control in AR2025. AR2025 can be downloaded via: Material/significant identified risks are listed into a Groupwide Enterprise Risk Register with appropriate mitigation measures then developed accordingly. Specific to climate risks and impacts, Ranhill has disclosed its mitigation measures and strategies as provided in pages 33 & 34 in SR2025.
25(a)(ii)	If climate-related scenario analysis is used to inform the identification of climate-related risks.	
25(a)(iii)	The assessment of the nature, likelihood, and magnitude of the effects of those risks.	
25(a)(iv)	The prioritisation of climate-related risks relative to other types of risks.	
25(a)(v)	The approach to monitoring climate-related risks.	
25(a)(vi)	The changes in the processes used to compare with the previous reporting period.	
25(b)	The processes used to identify, assess, prioritise, and monitor climate-related opportunities, including information about how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities.	Pertaining to climate risks, Ranhill has adopted a high-level, macro-overview of climate risks, based on insights and data gathered from the Group's operations. The Group has leveraged industry information pertaining to climate risks as well as drawing from the perspective of sectoral peers, locally and abroad.
25(c)	The extent to which, and how, the processes for identifying, assessing, prioritising, and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Ranhill going forward, intends to undertake a more systematic and strategic approach to climate risk assessment. This includes organising formal, CRA activities Group wide, that would entail cross-functional subsidiary insights and perspectives to emerge and to subsequently inform and develop a comprehensive climate risks profile based on Group, subsidiary, and eventually site-specific risk disclosures. This includes assessing and prioritising risks based on severity and likelihood levels and nature of risks i.e. acute or chronic over the short-, medium-, and long-term horizons.

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Metrics and targets

28 Information relevant to cross-industry metric categories

28(a)	Information relevant to the cross-industry metric categories.	In developing a stronger financial, business, and operational perspective of the potential and actual impacts of climate change, Ranhill intends to develop suitable financial metrics or financial quantification. In essence, metrics would revolve around impacts to revenues, earnings, costs, and cash flows, as well as balance sheet metrics such as impacts to assets and liabilities. The latter includes, erosion of asset values, the necessity for provisions and impairments, and so on. The Group intends to introduce these metrics based on the NSRF's Climate First approach for the implementation of IFRS S1 and IFRS S2. The process in doing so should commence with a CRA exercise in FY2026 to first identify climate related risks and opportunities ("CRROs") and subsequently, financial quantification of material CRROs.
28(b)	Industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry.	Ranhill has incorporated disclosures on industry-based metrics in SR2025. In addition, Ranhill has applied relevant ISSB and SASB sector specific indicators.
28(c)	Targets set by the entity, and any other targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks, or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets.	Ranhill has established carbon reduction targets as provided in its Net Zero Roadmap 2050. While there are currently no legally mandated climate-related targets set by regulatory authorities, the Group continues to comply with all regulatory KPIs established by the respective governing bodies overseeing its operations.

INDICATORS

Metrics and targets (continued)

29 Climate-related metrics

29(a) Greenhouse gases emissions

29(a)(i)(1)(2)(3)	Disclose its absolute gross greenhouse gas ("GHG") emissions generated during the reporting period, expressed as metric tonnes of CO ₂ equivalent (Scope 1, 2 & 3).	Disclosure on the Group's GHG emissions inventory for scopes 1, 2, and 3 is provided on pages 34-36 of this report. In addition, emissions intensity disclosures are also provided together with direct and indirect energy consumption figures on pages 38 & 39 in SR2025. All figures are provided for a three-year reporting period on a rolling basis.
29(a)(ii)	Measurement of greenhouse gas emissions in accordance with the Greenhouse Gas Protocol.	Ranhill measures emissions based on the IPCC Emissions Factor Database GHG Protocol.
29(a)(iii)	Disclosure of the approach used to measure its greenhouse gas emissions.	GHG inventory has been developed using an organisational boundary and scoped to all pertinent, activities, operations and processes of the Group.
29(a)(iii)(1)	The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions.	
29(a)(iii)(2)	The reason for the entity's chosen measurement approach, inputs, and assumptions for greenhouse gas emissions.	Kindly refer to pages 34-36 of SR2025.
29(a)(iii)(3)	Changes to the measurement approach, inputs, and assumptions during the reporting period, along with their reasons.	No changes were made to the approach as compared to previous years, with the exception of change due to the change in the reporting period which has been adjusted to match the new financial year period of 1 July 2024 - 30 June 2025. Hence, this transition year sees an 18-month period.
29(a)(iv)	For Scope 1 and Scope 2: the consolidated accounting group.	
29(a)(v)	Disclosure of location-based Scope 2 greenhouse gas emissions.	Kindly refer to pages 34-36 of SR2025.
29(a)(vi)(1)	The categories included within Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Metrics and targets (continued)

29(a)(vi)(2)	Additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking, or insurance.	Ranhill has not disclosed as the Group's activities exclude asset management, commercial banking, or insurance.
29(b)	Climate-related transition risks: the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Refer to 10 (a)
29(c)	Climate-related physical risks: the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
29(d)	Climate-related opportunities: the amount and percentage of assets or business activities aligned with climate-related opportunities.	CLIMATE CHANGE OPPORTUNITIES: - The onset of climate change has generated increased awareness and interest on more sustainable solutions for business. This includes increased appetite for RE and greywater use, Carbon Capture, Utilisation, and Storage ("CCUS"), addressing NRW and others. All of these present potential commercial opportunities for Ranhill. - The establishment of the Voluntary Carbon Market ("VCM") in Malaysia in FY2022, provides opportunities for Ranhill which will enable the Group to effectively reduce any fugitive carbon emissions or emissions that it cannot completely reduce. The purchase of carbon credits will be useful in reducing any outstanding emissions towards achieving its Zero Carbon by 2050 goal. - The increased focus on RE, especially through the CGPP programme enables Ranhill to not only increase the nation's installed RE capacity but also expand the business of its power sector and subsequently revenues. Locally as well as abroad, there is an increasing momentum for RE adoption and Ranhill's Power sector is well positioned to capitalise on this development. - RBSB is also well positioned to bid and propose "green" based infrastructure development i.e. thermal energy storage, district cooling system, and others.

INDICATORS

Metrics and targets (continued)

29(e)	Capital deployment—the amount of capital expenditure, financing, or investment deployed towards climate-related risks and opportunities.	Ranhill shall disclose upon completion of its CRAs and the establishment of financial quantification.
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29(f) Internal carbon prices

29(f)(i)	Explanation of the application of carbon price in decision-making.	Ranhill has not established an internal carbon price but would align with any national carbon price set by the government. If required, the Group may use the national carbon prices set by Thailand or Singapore as references in determining carbon pricing of products and services.
29(f)(ii)	The price for each metric tonne of greenhouse gas emissions used to assess the costs of greenhouse gas emissions.	

29(g) Remuneration

29(g)(i)	The description of climate-related considerations factored into executive remuneration.	Presently, climate related KPIs and targets have not been linked to Board and Senior Management remuneration.
29(g)(ii)	The percentage of executive management remuneration recognised in the current period is linked to climate-related considerations.	

32 Industry-based metrics

	Industry-based metrics linked to specific business models, activities, or common industry traits. The entity should refer to the Industry-based Guidance on Implementing IFRS S2 to determine relevant disclosures.	Ranhill has incorporated disclosures on industry-based metrics in SR2025. In addition, Ranhill has applied relevant ISSB and SASB sector specific indicators.
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33 Climate-related targets

33(a)	The metric used to set the target.	Ranhill has established medium- to long-term targets as provided in its Net Zero Roadmap. Full disclosures are provided on page 34–36.
33(b)	The objective of the target.	
33(c)	The scope and boundary of the target.	

Task Force on Climate **Related Financial Disclosures**

INDICATORS

Metrics and targets (continued)

33(d)	The period over which the target applies.	
33(e)	The base period from which progress is measured.	
33(f)	Any milestones and interim targets.	As provided in 33(a)
33(g)	If the target is quantitative, whether it is an absolute target or an intensity target.	
33(h)	If the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	In the establishment of targets, Ranhill has considered the Paris accord and targets as well as aspirations set out at the various Conference of Parties ("COP") gatherings held annually.
34(a)	The target and its third-party validated methodology of target settings.	Ranhill's Net Zero roadmap was established by the. MGTC, an agency of the Ministry of Natural Resources and Environmental Sustainability ("NRES") mandated to drive the country in the scope of Green Growth, Climate Change Mitigation, and Green Lifestyle. MGTC implements initiatives and programmes that provide specific details in achieving the long-term impact of the Nationally Determined Contribution ("NDC") to reduce the intensity of greenhouse gas emissions by 45% based on Gross Domestic Product ("GDP") compared to the intensity of emissions in 2005 by 2030, increasing the rate of GDP from green technology to RM100 Billion and the generation of 230,000 green jobs.
34(b)	The entity's processes for reviewing the target.	Ranhill conducts an annual review of progress achieved against the Net Zero Roadmap. Metrics used are the reduction in absolute carbon emissions and carbon emissions intensity, the reduction in fossil fuel consumption, and reduced dependence on grid sourced electricity.
34(c)	The metrics used to monitor progress towards reaching the target.	
34(d)	The revisions to the target and an explanation for those revisions.	No revisions have been made to the Net Zero Roadmap in FP2025.

INDICATORS

Metrics and targets (continued)

35 Performance against each climate-related target and an analysis of trends or changes in the entity's performance.

36 Greenhouse gas emissions target

36(a) Greenhouse gases covered by the target. The Net Zero Roadmap covers Scope 1 and Scope 2 emissions target.

36(b) Greenhouse gases emissions of Scope 1, Scope 2, and Scope 3 covered by the target.

36(c) Specify whether the target is for gross or net greenhouse gas emissions. If a net target is disclosed, the related gross target must also be provided.

36(d) The target derivation using a sectoral decarbonisation approach.

36(e) The use of carbon credits to offset greenhouse gas emissions in achieving net emissions targets.

36(e)(i) The extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits. Ranhill has not purchased or used any carbon credits during the reporting period.

36(e)(ii) The third-party scheme(s) used to verify or certify the carbon credits.

36(e)(iii) The type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal.

36(e)(iv) Any other factors necessary for users of general-purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use.

Performance Data Table

APPENDIX 1: RSAJ COMPLIANCE TO SPAN KPI

Performance Measures		Key Performance Indicator	2024		JUNE, 2025	
		(KPI)	Tgt	Ach	Tgt	Ach
1	WATER SERVICES PERFORMANCE					
	Supply Coverage	% coverage Urban Areas	100%	100%	100%	100%
1.1	% of water supply coverage	% coverage Rural Areas	99.5%	99.8%	99.5%	99.4%
		% of water quality tests that meet the NDWQ Standards				
	Treated Water Quality Compliance Rate	• Residual Chlorine	99.0%	99.9%	99.0%	100%
		• E Coli	99.9%	100%	99.9%	100%
		• Res. Chlorine & E Coli	99.95%	100%	99.95%	100%
		• Turbidity	99.7%	99.8%	99.7%	100%
		• Aluminium	95.0%	97.7%	95.0%	99.7%
	Continuity of Water Supply	Comm. pipe failures to be repaired within 24 hours; (for cases where service are affected)	95.0%	100%	95.0%	100%
	Water interruptions and Main Breaks	Pipe repair and restoration of supply for pipe below 200mm dia. to be within 24 hours	95.0%	100%	95.0%	100%
1.3		Pipe repair and restoration of supply for pipes size 200mm up to 600mm dia. to be within 36 hours	95.0%	100%	95.0%	100%
		Pipe repair and restoration of supply for mains exceeding 600mm dia. to be within 48 hours	95.0%	100%	95.0%	100%
1.4	Water Pressure	Minimum pressure of 10m at meter point to be maintained for all premise types (Unit : % compliance)	99.0%	99.4%	99.0%	99.47%
		Water Treatment Plants reserve margin of at least 15%				
	Security of Supply	• JOHOR	10%	16%	10%	15%
		• Johor Bahru	10%	13%	7%	12%
		• Batu Pahat	6%	12%	4%	13%
		• Muar	12%	16%	10%	15%
		• Kluang	15%	24%	15%	23%
		• Kola Tinggi	15%	33%	15%	30%
		• Segamat	15%	20%	12%	20%
		• Pontian	2%	4%	2%	5%
		• Mersing	15%	17%	15%	18%

Performance Measures		Key Performance Indicator	2024		JUNE, 2025	
		(KPI)	Tgt	Ach	Tgt	Ach
1	WATER SERVICES PERFORMANCE (CONT'D.)					
1.5	Security of Supply	Interconnections between water treatment plants via network system not less than 80%				
		• JOHOR	93%	94%	93%	94%
		• Johor Bahru	100%	100%	100%	100%
		• Batu Pahat	100%	100%	100%	100%
		• Muar	100%	100%	100%	100%
		• Kluang	80%	80%	80%	83%
		• Kota Tinggi	90%	91%	90%	91%
		• Segamat	85%	89%	85%	89%
		• Pontian	—	—	—	—
		• Mersing	100%	100%	100%	100%
		Percentage of external storages having storage capacity not less than 24 hrs supply.				
		• JOHOR	100%	100%	100%	62.7%
		• Johor Bahru	100%	100%	100%	70%
		• Batu Pahat	100%	100%	100%	67.4%
		• Muar	50%	81%	50%	78%
		• Kluang	100%	100%	100%	70.9%
		• Kota Tinggi	100%	100%	100%	65%
		• Segamat	80%	100%	80%	56.3
		• Pontian	60%	86%	60%	80%
		• Mersing	70%	86%	70%	54.3%
2	CUSTOMER SERVICE					
2.1	Water Supply Complaints	Response time to complaints				
		Percentage responded within 24 hours	96.5%	100%	96.5%	99.29%
		Response and resolution of Complaints within 3 working days	70%	98%	70.0%	99.65
		Telephone Complaints: – % responded within 10 seconds (excluding crisis period beyond our control and include abandoned calls)	92.0%	95.7%	92.0%	96.57%
2.2	Customer Satisfaction Level	Implementation of Customer Satisfaction Level survey	Starts in 2026	—	Starts in 2026	—
		Customer Satisfaction Index	Starts in 2026	—	Starts in 2026	—

Performance Data Table

APPENDIX 1: RSAJ COMPLIANCE TO SPAN KPI (Cont'd.)

Performance Measures		Key Performance Indicator	2024		JUNE, 2025	
		(KPI)	Tgt	Ach	Tgt	Ach
3	OPERATIONAL AND ECONOMIC PERFORMANCE					
3.1	Non-Revenue Water	NRW				
		% Total of NRW				
		• JOHOR	25.0%	24.1%	24.5%	23.8%
		• Johor Bahru	21.0%	18.2%	20.7%	17.6%
		• Batu Pahat	33.7%	34.5%	32.2%	33.2%
		• Muar	29.5%	30.2%	29.3%	30.4%
		• Kluang	29.1%	32.7%	28.8%	32.7%
		• Kola Tinggi	23.9%	23.5%	23.5%	26.2%
		• Segamat	35.1%	36.4%	33.3%	35.7%
		• Pontian	28.6%	33.1%	28.4%	33.4%
		• Mersing	22.5%	23.6%	22.2%	25.4%
3.2	Operating Cost	Real losses volume: Liter/connection/day (l/con/day)	292	313	287	313
		Commercial loss: number of meters not functioning or stop	0.2%	0.2%	0.2%	0.2%
		Infrastructure Leakage Index (ILI)	8.2	8.9	8.1	8.8
		Operating Cost per 1000 accounts	658,911	629,201	723,058	342,269
3.3	Collection Efficiency	Operating Cost per rubic meter produced RM/m3	1.16	1.13	1.26	1.238
		Billing efficiency	99.50%	99.61%	99.5%	99.57%
		Average collection period	<45 days	31	<45 days	30.17
3.4	Operating Ratio	Percentage of total active debts more than 120 days	<34%	15%	<34%	13.78%
		Operating cost or revenue	0.61	0.59	0.56	0.63
4	ENVIRONMENTAL PERFORMANCE					
4.1	Sludge Treatment	% of wafer treatment plants with sludge treatment facilities compared to total no. of water treatment plants	90%	100%	100%	100%
4.2		% of total volume of treatment residue treated compared to total volume of treatment residue generated	90%	100%	100%	100%

Performance Measures		Key Performance Indicator	2024		JUNE, 2025	
		(KPI)	Tgt	Ach	Tgt	Ach
5	COMPETENCY					
5.1	Requirement of competent employee to operate water treatment plant and distribution system	Water Treatment Plant				
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 2	90%	99%	95%	100%
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 3	90%	100%	95%	100%
		Water Distribution				
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 2	80%	100%	90%	100%
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 3	80%	84%	90%	84.38%
		Water Treatment Quality				
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 2	50%	100%	75%	100%
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 3	50%	100%	75%	100%
		Non-Revenue Water (NRW)				
		– Percentage of worker obtained Sijil Kemahiran Malaysia (SKM) Level 3			75%	0%

Performance Data Table

APPENDIX 2: RWTT COMPLIANCE TO REGULATOR'S KPI

LIST OF CONCESSION/O&M

Thailand

		Target	Actual	Actual	Actual
			YTD December 2023	YTD December 2024	YTD June 2025
1	Amata City Chonburi Industrial Estate WTP-2CB Stage 1 & Stage 2 (Concession)				
	Color	15	5	7	8
	Turbidity	4	0.80	0.88	1.00
	pH range	6.5-8.5	7.50	7.33	7.45
	Total Dissolved Solids (TDS)	600	358	307	282
	Influent Compliance	100	100	100	100
2	Amata City Chonburi Industrial Estate WWTP-1CB (Concession)				
	Color	300	N/A	N/A	N/A
	pH at 20°C	5.5-9	7.10	7.14	7.00
	Total Dissolved Solids (TDS)	3,000	1,232	1,165	1,213
	Total Suspended Solids	50	28.0	22.6	23.7
	BOD (5 days, at 20°C)	20	7.9	3.9	4.5
	COD	120	54	52.83	46.03
	Total Kjeldahl Nitrogen as N	100	3.20	3.10	<5
	Oil & Grease & Fat	5	<3.0	<3.0	<3.0
	Effluent Compliance	100	100	100	100
3	Amata City Chonburi Industrial Estate WRTP-1CB (Concession)				
	Color	15	5	5.00	5.00
	Turbidity	4	0.50	0.53	0.55
	pH (20°C)	6.5-8.5	7.40	7.33	7.23
	Total Dissolved Solids (TDS)	600	444	460	372
	Influent Compliance	100	100	100	100
4	Amata City Rayong Industrial Estate WTP-2RY (Concession)				
	Color	≤15	5	5	5
	Turbidity	4	1.43	0.69	0.70
	pH (20°C)	6.5-8.5	7.60	7.17	7.10
	Total Dissolved Solids (TDS)	≤600	153	228	283
	Influent Compliance	100	100	100	100

		Target	Actual	Actual	Actual
			YTD December 2023	YTD December 2024	YTD June 2025
5	Amata City Rayong Industrial Estate WWTP-2RY (Concession)				
	pH at 25°C	5.5-9.0	7.30	7.14	7.20
	Total Dissolved Solids (TDS)	<3,000	788	936	853
	Total Suspended Solids	<50	12.0	7.2	5.6
	BOD (5 Day, at 20°C)	<20	6.4	5.6	4.5
	COD	<120	37	39	32
	Total Kjeldahl Nitrogen as N	<100	8.00	6.20	7.20
	Oil & Grease & FAT	<5	<3.0	<3.0	<3.0
	Effluent Compliance	100	100	100	100
6	Amata City Rayong Industrial Estate WTP1/2-RY (Concession)				
	pH (25°C)	6.5-8.5	7.20	7.14	7.17
	Turbidity	4	0.89	3.02	0.61
	Colour	≤15	5	8	5
	Total Dissolved Solids (TDS)	≤600	156	257	315
	Total Hardness (as CaCO3)	≤300	58	77	72
	Chloride (Cl)	≤250	28	53	49
	Influent Compliance	100	100	100	100
7	Amata City Rayong Industrial Estate WWTP-4RY (Concession)				
	Color	300	N/A	N/A	N/A
	pH at 25°C	5.5-9.0	7.20	6.90	7.14
	Total Dissolved Solids (TDS)	<3,000	2,132	1,608	1,276
	Total Suspended Solids	<50	13	23	13
	BOD (5 Day, at 20°C)	<20	12.0	9.1	8.9
	COD	<120	31	43	48
	Total Kjeldahl Nitrogen as N	<100	15.40	12.22	12.02
	Oil & Grease & FAT	<5	<3.0	<3.0	<3.0
	Effluent Compliance	100	100	100	100

Performance **Data Table**

APPENDIX 2: RWTT COMPLIANCE TO REGULATOR’S KPI (Cont’d.)

		Target	Actual	Actual	Actual
			YTD December 2023	YTD December 2024	YTD June 2025
8	AIT Concession				
	pH at 25°C	5.0–9.0	6.80	6.97	7.07
	BOD (5 days, at 20°C)	<20	16	12.6	12.4
	Total Suspended Solids	<30	5	6	5
	Total Dissolved Solids (TDS)	<500***	424	357	341
	Oil & Grease	<5.0	<3	<3.0	<3.0
	Total Kjeldahl Nitrogen	<35	3.20	7.66	11.83
	Effluent Compliance	100	100	100	100
9	Amata City Rayong Industrial Estate WRTP2-RY (Concession)				
	Color	15	5	5	5
	Turbidity	4	0.50	0.55	0.60
	pH (25°C)	6.5–8.5	6.60	7.15	7.30
	Total Dissolved Solids (TDS)	600	298	289	257
	Influent Compliance	100	100	100	100

APPENDIX 3: BURSA ESG PERFORMANCE TABLE

Indicator	Measurement Unit	2025
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	2
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.22
Bursa C5(c) Number of employees trained on health and safety standards	Number	2,122
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	1,078,242.081640
Operational Excellence		
Bursa C6(a) Total hours of training by employee category		
Executive	Hours	80,413
Non-executive	Hours	139,468
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Executive	Percentage	58.00
Non-executive	Percentage	6.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	1
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,514,408.60
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	2,807
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	2,074,102.86
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	468,158.71
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	312,622.59
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	10,579,320.69
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	98.60

Internal assurance

External assurance

No assurance

(*)Restated

Performance Data Table

APPENDIX 3: BURSA ESG PERFORMANCE TABLE (Cont'd.)

Human Rights, Diversity, Equity and Inclusion			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive Under 30	Percentage		7.10
Executive Between 30-50	Percentage		16.10
Executive Above 50	Percentage		6.70
Non-executive Under 30	Percentage		15.50
Non-executive Between 30-50	Percentage		42.30
Non-executive Above 50	Percentage		12.20
Gender Group by Employee Category			
Executive Male	Percentage		19.20
Executive Female	Percentage		10.70
Non-executive Male	Percentage		56.90
Non-executive Female	Percentage		13.20
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage		75.00
Female	Percentage		25.00
Under 30	Percentage		12.50
Between 30-50	Percentage		12.50
Above 50	Percentage		75.00
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage		13.90
Bursa C6(c) Total number of employee turnover by employee category			
Executive	Number		686
Non-executive	Number		432
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number		0
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes		142,740.51
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes		32.46
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes		142,708.05

GRI Standards

Content Index

RANHILL GRI INDEX

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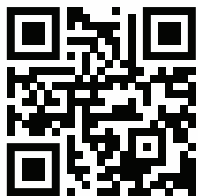
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