

SUSTAINABILITY REPORT

Gamuda Green Plan 2025 - Our Approach to ESG

The GGP 2025 is Gamuda's strategic roadmap towards driving ESG within the Group. The GGP 2025 empowers Gamuda to strategically address ESG risks and opportunities, towards delivering the greatest positive impact and value.

The GGP 2025 comprises four pillars: Sustainable Planning and Design for Construction; Our Community and Our Business; Environmental and Biodiversity Conservation; and Enhancing Sustainability via Digitalisation.



The selection of the pillars was made taking into account Gamuda's business model, the geographic location of our operations, emerging ESG issues, trends and concerns of its many and diverse stakeholders.

Each pillar addresses a specific priority area. However, these pillars cumulatively provide Gamuda with a comprehensive triple bottom line approach in managing sustainability and creating value. Beyond high-level macro strategic direction and objectives, the GGP 2025 also provides specific targets and goals over the next five years, with an extended view to 2030 and beyond.

Pillar 1 SUSTAINABLE PLANNING AND DESIGN FOR CONSTRUCTION



Photo: Penang South Islands

Our Landmark Penang South Islands (PSI) Project

- We will achieve a **50 percent reduction in CO₂e emissions compared to business as usual (BAU) by 2030** via:
 - **40 percent reduction in urban planning emissions** with sustainable masterplanning, shared facilities, climate-responsive design and green features.
 - **80 percent reduction in transport emissions** with integrated transport planning putting bicycles ahead of cars and enabling green mobility for a mode share shift from 5PT:95PV to 70PT:30PV*.
 - **40 percent reduction in non-renewable energy use** from SLE buildings with efficient cooling systems, smart features and renewable energy (RE) installations.
 - **70 percent reduction in freshwater demand** from the dual-purpose sewage treatment plant, rainwater harvesting and water saving devices.
 - **65 percent reduction in landfill waste** with extensive recycling, food maceration and composting.
 - **100 percent RE for powering the Green Tech Park.**

*PT – Public Transport, PV – Private Vehicle.

- For our **developments**, we will achieve a **40 percent reduction in CO₂e emissions compared to BAU by 2030** via:
 - **35 percent reduction in urban planning emissions** with sustainable masterplanning, shared facilities and green features.
 - **10 percent reduction in transport emissions** with green transport mobility plans, development of a low carbon transport ecosystem with our electric vehicle (EV) ready developments and establishment of 250km of cycling and pedestrian networks by 2025.
 - **40 percent reduction in non-renewable energy use** from efficient cooling systems, smart features, solar street lighting and RE installations.
 - **65 percent reduction in freshwater demand** from recycling lake water for irrigation, rainwater harvesting and water saving devices.
 - **50 percent reduction in landfill waste** with extensive recycling, food maceration and composting.

Circular Construction

Scope 1, 2 and 3 Emissions

- For our **constructions and operations**, we commit to **reduce Scope 1 (direct emissions) and Scope 2 (indirect emissions from electricity consumption) emissions intensity by 30 percent by 2025 and 45 percent by 2030** via:
 - **Enabling supply of RE for our offices, project sites and assets** via solar installations, with a **100 percent RE utilisation target by 2025** via a combination of direct on-site feed-in supply complemented by off-site RE trading and purchase mechanisms.
 - **Reducing energy use by increasing efficiency of our M&E systems** via sustainable procurement including introduction of a Group-wide heating, ventilation and air-conditioning (HVAC) minimum efficiency guideline, retrofitting where necessary and implementation of smart building systems.
 - **Transitioning our fleets to low carbon alternatives** where feasible.
 - **Improving productivity and adopting a circular construction approach** by maximising the efficiency of raw materials and resources, reducing wastage and advocating sustainability throughout our operations committing to a **reduction of construction waste to landfill of 20 percent and recycling of 50 percent of water at our construction sites by 2025.**
- **Introduce ESG evaluation in procurement by 2021** to drive sustainable change in our supply chain and to **set Scope 3 (indirect emissions from supply chain) targets from 2026 onwards.**

SUSTAINABILITY REPORT

Pillar 2 OUR COMMUNITY AND OUR BUSINESS



Photo: Tunnelling Training Academy

People Development and Community Investment

- Scale up our community investment efforts via Yayasan Gamuda programmes including the **Enabling Academy** and extending our **Gamuda Scholarship programme to build capacity and capability in new sustainability areas** including biodiversity and environmental science.
- Develop our people and industry partners via continuous development programmes through our Gamuda Learning Centre (GLC), Gamuda Plant Operator School (GPOS), Tunnelling Training Academy (TTA), Building Information Modelling (BIM) Academy, Construction Training Centre (CTC), English Language Unit (ELU), Gamuda Parks Academy and KVMRT Safety Training Centre initiatives.

- Develop a sustainable pipeline of SMEs in the area of sustainability and climate science to lead the Group's sustainable development.
- Introduce ESG KPIs as part of our performance management framework to underscore our commitment to ESG and accelerate the integration of sustainability into our business strategies and operations.
- Elevate safety and health performance through robust risk assessments and controls as well as adoption of best practices with management systems certified to international ISO standards.
- Implement Gamuda standard design for workforce accommodation prioritising well-being with 50 percent more provision of liveable space above local regulatory requirements and a sustainable operating model for energy, water and waste.

Our Business

- Establish Group ESG policy and manual which encompasses sustainability governance, management policies, guidelines and standard operating procedures (SOPs) for conducting materiality assessments, data collection, validation and roles and responsibilities.
- Adopt sustainable business practices and principles, especially on responsible investment and certification aligned with ISO 9001 and ISO 14001, GBI, GreenRE and ISCA frameworks.
- Assess ESG risks and opportunities for our business and transparently disclose our ESG-related information on the impact of our business activities. Our ESG metrics and Gamuda Green Plan 2025 targets will be consolidated on a Group-wide integrated ESG digital platform for tracking and reporting.
- Implement a sound governance framework via the Group Integrity and Governance Unit (IGU) with our commitment to conduct our businesses with integrity in a law-abiding, ethical and professional manner.
- Explore new market opportunities, business models and revenue streams for sustainable growth in the 'green space' with a focus on RE and recycling, and pursue opportunities to divest from carbon-intensive assets.
- Leverage on transparent digital procurement embracing supply chain and procurement best practices to deliver value for money and sustainable savings.
- Commit to developing the local supply chain and sourcing locally first.

Pillar 3 ENVIRONMENTAL AND BIODIVERSITY CONSERVATION

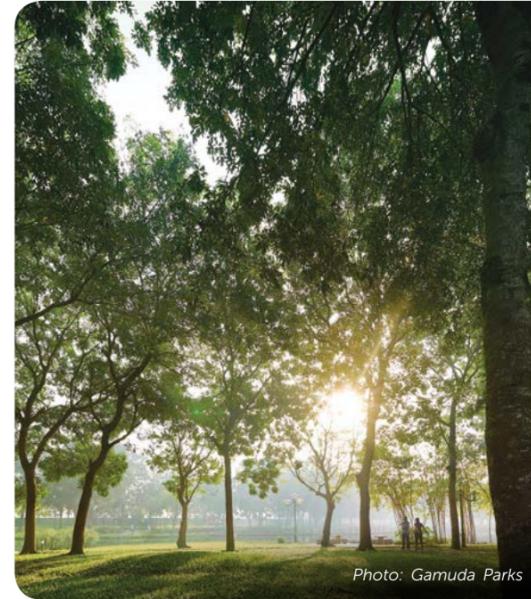


Photo: Gamuda Parks

Gamuda Parks

- Nurture and plant one million trees and saplings by 2023 via our Advance Tree Planting scheme mobilising three nurseries with a total area of 43 acres. This programme will support the development of 2,000 acres of green spaces and waterscapes across 12 urban forest clusters within our developments by 2025 to provide cooling, sponge rainwater runoff, foster community well-being and allow nature to exhibit her glory by creating a unique sense of place.
- Conserve biodiversity through intensifying our Gamuda Parks' agenda via:
 - Setting-up a Wetlands Arboretum with a forest seed bank for native species to ensure nature conservancy by cultivating endangered species and those with conservation importance.
 - Developing in-house specialists in the areas of arboriculture and horticulture complemented with partnerships with the indigenous community through structured initiatives to tap on their inherent knowledge of nature.
 - Conducting biodiversity audits for our developments in collaboration with local biodiversity experts from Forest Research Institute Malaysia (FRIM) and Wetlands International Malaysia (WIM).

Pillar 4 ENHANCING SUSTAINABILITY VIA DIGITALISATION



Photo: Gamuda Digital IBS

Digital IBS

- Adopt 100 percent Digital Industrialised Building Systems (IBS) across all of our developments for enhanced quality, reduced waste, increased productivity and the upskilling of the local workforce and supply chain in line with our circular construction framework.

Integrated Digital Ecosystem

- Transform into a data-driven organisation by digitally integrating our processes with a data superhighway linking our digital engineering, enterprise resource planning (ERP) and data warehouse platforms.
- Leverage on BIM as a key digital engineering tool within this ecosystem to holistically coordinate our design, costing and programme data allowing for greater precision in the design and construction phases and an increased 'life cycle view' for the operations and maintenance phase of the project life cycle.
- Elevate digital excellence across the Group with a focus on upskilling data literacy and digital skills as a key enabler for sustainable growth.