



SUSTAINABLE GROWTH, EMBRACING TECHNOLOGY.

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Cover Rationale

QL Resources Berhad is an integrated agro-based business group producing nourishing products from agri resources through four distinct but interconnected business pillars. The company is committed to creating sustainable shared value and is progressively integrating technology to support growth and drive efficiency towards benefiting all stakeholders.

Vision

To be the preferred global agro-based enterprise.

Mission

Create nourishing products from agro resources, leading to benefit for all parties.

Our Core Values

Personality

- Progressive
- Trustworthy
- Initiative
- Humility

Values

- Integrity
- Win-Win
- Teamwork
- Innovative

Feature

27th Annual General Meeting

Broadcast venue at QL Training Hall
No. 16A, Jalan Astaka U8/83, Bukit Jelutong, 40150 Shah Alam, Selangor Darul Ehsan

Meeting Platform
TIIH Online website at <https://tiih.online>

Thursday,
29 August 2024
10:00 a.m.

Navigation Icon

Business Pillars

- Marine Products Manufacturing (MPM)
- Integrated Livestock Farming (ILF)
- Palm Oil and Clean Energy (POCE)
- Convenience Store Chain (CVS)

Material Matters

- Climate Change
- Water Security
- Pollution and Resources
- Biodiversity
- Supply Chain (Environment)
- Occupational Safety and Health
- Labour Standards
- Talent Management
- Community Contributions
- Customer Responsibility
- Supply Chain (Social)
- Corporate Governance
- Anti-Corruption
- Risk Management
- Innovation and Technology

Our Growth Strategy

- Regional Replication
- Strengthening Value Chain
- Downstream Integration
- Sustainably Enhancing Performance
- Integrating Technology
- Empowering Talents
- Enhance Branding & Product Innovation

Stakeholders

- Customers
- Vendors and suppliers
- Community
- Regulators and NGOs
- Employees
- Investors and shareholders
- Media

Capital Inputs

- Natural Capital
- Human Capital
- Manufactured Capital
- Social Capital
- Intellectual Capital
- Financial Capital

About This Report

We are pleased to present the QL Resources Berhad (QL) Integrated Annual Report (IAR) 2024.

This report covers the key strategies employed, business operations, financial results, corporate governance and risk management measures for the financial year ended 31 March 2024 (FY2024), as well as our future direction.

Reporting Philosophy and Principles

This IAR contains salient information about the risks faced and opportunities available to QL, as well as the outputs and outcomes of our value creation processes for our stakeholders.

We adopt a holistic approach, balancing the interests and needs of stakeholders, with environmental, social and governance (ESG) considerations integrated into our decision-making processes to ensure that we can continue creating lasting long-term value.

This report presents QL's past, present, and anticipated performance in a coherent manner to illustrate the company's operating environment and execution of strategy.

The Malaysian Financial Reporting Standards are applied in the preparation of QL's financial statements, which are independently audited.

Reporting Framework and Guidance

- Bursa Malaysia Securities Berhad Main Market Listing Requirements
- Bursa Malaysia Securities Berhad Corporate Governance Guide
- Malaysian Code on Corporate Governance
- International Financial Reporting Standards
- Malaysian Financial Reporting Standards
- Companies Act 2016
- Global Reporting Initiative (GRI) Standards
- International Integrated Reporting Council (IIRC) <IR> Framework

Assurance

- Internal controls and management assurance
- Internal audit and compliance
- Internal assurance (limited) by Group Internal Audit Department on sustainability matters
- External audit by KPMG PLT on financial statement

Reporting Scope and Boundaries

This IAR contains quantifiable data of our activities and its output, including qualitative outcomes, on our operations from 1 April 2023 to 31 March 2024. Unless stated otherwise, this report encompasses all QL companies' financial and non-financial achievements.

Our aim is to provide a comprehensive and balanced view of our value creation efforts as we endeavour to feed a growing population nourishing products made from agro resources.

This IAR is the outcome of the company's reporting approach as governed by the Board, aimed at strengthening and retaining stakeholder trust through consistent and transparent disclosure.

Sustainability Statement

We are committed to integrating Environmental, Social, and Governance (ESG) principles into our strategies, decisions and operations. We recognise the importance of ESG in creating value for all stakeholders. This report highlights our sustainability goals and progress, and notes the alignment with the United Nations' Sustainable Development Goals (SDGs) where relevant.

For assurance, QL's Audit Committee approved an internal audit plan to review our Sustainability Statement. The Group Internal Audit Department concluded the review with the issuance of the Limited Assurance Statement on page 78.

Sustainability aspects of QL's activities and how ESG considerations affect QL's stakeholders are disclosed where practicable. Onward reading about our sustainability practices is on pages 30 - 79.

Forward-Looking Statements

This report contains forward-looking statements which represent our considerations and future expectations. These statements are inherently subject to change due to dynamic developments and therefore involve risk and uncertainty as they relate to future events and circumstances. Hence, such statements must not be construed as predictions or guarantees of future outcomes. Readers are advised not to place undue reliance on forward-looking statements and the assertions made as actual outcomes and performance may be different to those expressed in this report.

Material Matters

QL continuously engages with internal and external stakeholders to identify matters that can materially affect the company's ability to generate value. These matters are disclosed in this report with the Material Matters and Materiality Assessment procedure readable on pages 37 - 39.

Approval by the Board

The QL Board of Directors acknowledges its responsibility in governance to ensure the integrity of this report. We are of the view that this report that is prepared in accordance with the International Integrated Reporting <IR> Framework fairly and factually presents the company's performance by illustrating material matters that impact QL's ability to create, preserve, or erode value.

Approved by the Board on 10 July 2024.

Dr. Chia Song Kun
Executive Chairman

Mr. Chia Song Kooi
Group Chief Executive Officer

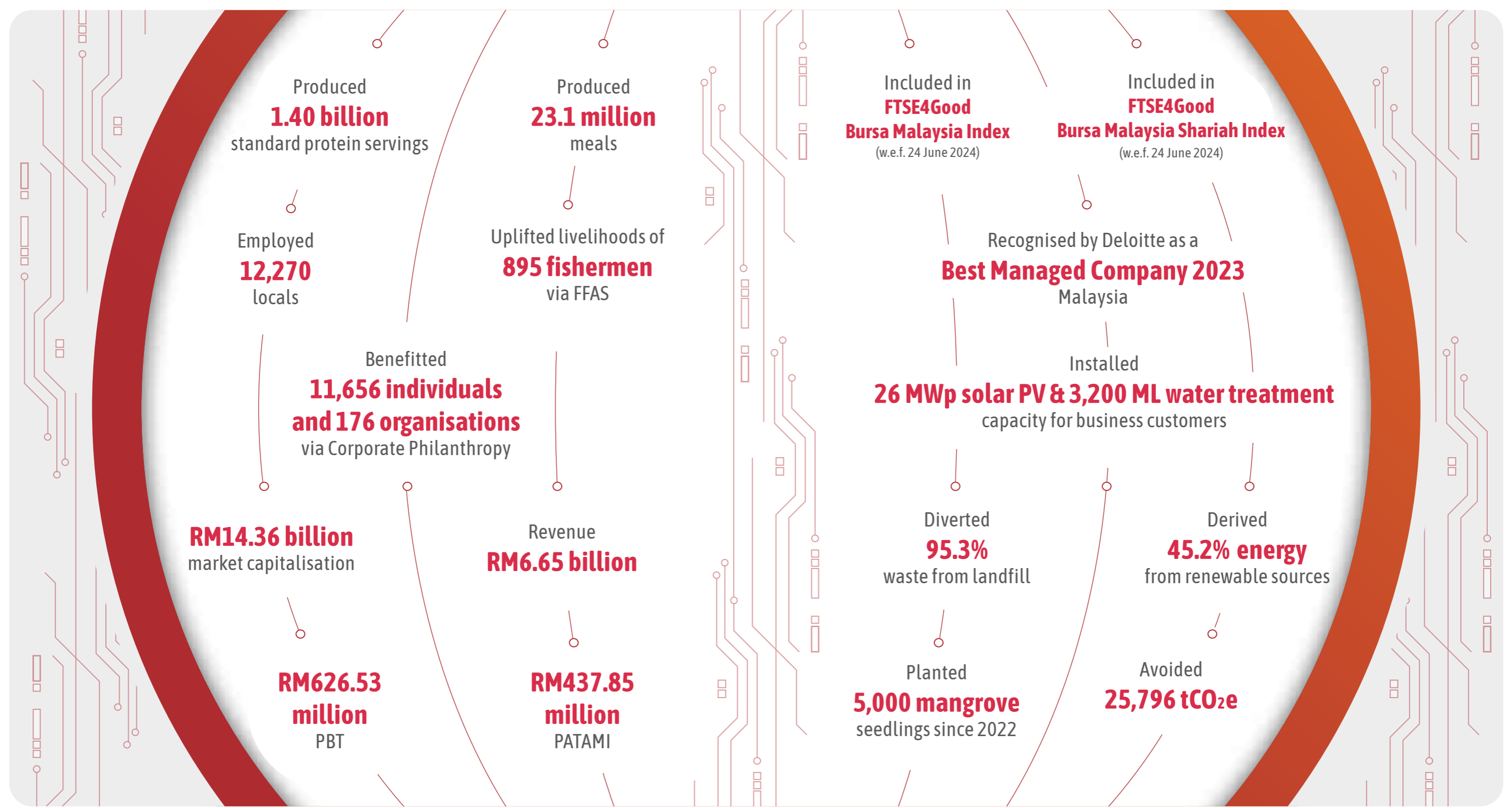
Principal Activities

QL transforms agro resources into nourishing protein sources to sustain a growing population through an integrated, scalable and resource-efficient value chain. With internationally certified operations in Malaysia, Indonesia, and Vietnam, we serve both global markets and contribute to domestic food security.

Our operations are organised into four complementary business pillars, which offer synergy with one another, contributing to economic and operational sustainability.

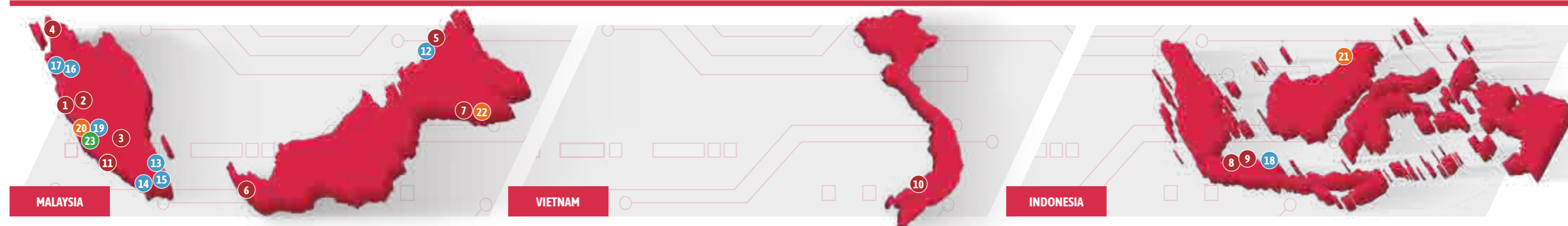


2024 Key Highlights



Our Presence

Our Presence



Integrated Livestock Farming (ILF)

- 1**
QL RESOURCES BERHAD
QL AGRIFOODS SDN. BHD.
(FORMERLY KNOWN AS QL FEEDINGSTUFFS SDN. BHD.)
QL FEED SDN. BHD.
QL INTERNATIONAL PTE. LTD.
No. 16A, Jalan Astaka U8/83, Bukit Jelutong, 40150 Shah Alam, Selangor.
Tel : +603 7801 2288
Fax : +603 7801 2222
URL : www.ql.com.my
- 2**
PACIFIC VET GROUP (M) SDN. BHD.
QL PACIFIC VET GROUP SDN. BHD.
No. 886-C8, Jalan Subang 9, Taman Perindustrian Subang, 47600 Subang Jaya, Selangor.
Tel : +603 8024 9508
Fax : +603 8024 9634
Email : pvgmal@pacificvet.com.my
- 3**
QL POULTRY FARMS SDN. BHD.
Lot 1338/5, Pajam, 71700 Mantin, Negeri Sembilan.
Tel : +606 758 7377
Fax : +606 758 7385
URL : www.qleggs.com
- 4**
QL ANSAN POULTRY FARM SDN. BHD.
Lot 2051, 2053, 2054, MK Sidam Kanan, Kg. Paya Union, 09400, Padang Serai, Kedah.
Tel : +604 403 2526
Fax : +604 403 4534

- 5**
QL AGROFOOD SDN. BHD.
QL AGROVENTURES SDN. BHD.
P.O.Box A158, Inanam, 88857 Kota Kinabalu, Sabah.
Tel : +6088 422 604
Fax : +6088 421 943
- 6**
QL AGRORESOURCES SDN. BHD.
QL LIVESTOCK FARMING SDN. BHD.
Tingkat 1, Sublot 2490 Fortune Land, Jalan Rock, 93250 Kuching, Sarawak.
Tel : +6082 252 760
Fax : +6082 410 646
- 7**
QL FARMS SDN. BHD.
QL BREEDER FARM SDN. BHD.
QL TAWAU FEEDMILL SDN. BHD.
QL AGROBIO SDN. BHD.
TB 50 & 51, Mile 5, Apas Road, 91000 Tawau, Sabah; OR P.O.Box 61651, 91026 Tawau, Sabah.
Tel : +6089 917 711/
+6089 917 722/
+6089 917 733
Fax : +6089 912 045/
+6089 913 482
Email : qltawauhq@ql.com.my

- 8**
PT QL TRIMITRA
Jl. Sindanglaya, No. 100 Cipanas, Cianjur 43253, West Jawa, Indonesia.
Tel : +62 263 515 100
Fax : +62 263 519 966
- 9**
PT QL FEED INDONESIA
PT QL AGROFOOD
Jl. Pangkalan VI RT. 03/RW, 06 Kel. Ciketingudik, Kec. Bantargebang, Bekasi, Jawa Barat, 17153 Indonesia.
Tel : +62 21 2296 7444
Fax : +62 21 3396 7437
- 10**
QL VIETNAM AGRORESOURCES LIABILITY LIMITED CO.
QL FEEDINGSTUFFS VIETNAM LIMITED LIABILITY CO.
QL FARMS (TAY NINH) LIABILITY LIMITED CO.
18 Cong Hoa, Ward 4, Tan Binh District, Ho Chi Minh City (Warehouse No.6), Vietnam.
Tel : +84 28384 25131/
+84 28384 28435/
+84 28384 28437
Fax : +84 28384 28434
URL : www.qlvietnam.com.vn

- 11**
LIAN FOO POULTRY FARM SDN. BHD.
21 M/S, Air Hitam Ulu, Masjid Tanah, 78300 Melaka.
Tel : +606 556 1900
Email : lianfoopoultry@gmail.com

- 12**
QL MARINE PRODUCTS SDN. BHD.
QL AQUAMARINE SDN. BHD.
QL FRESH CHOICE SEAFOOD SDN. BHD.
QL DEEP SEA FISHING SDN. BHD.
P.O.Box 502, 89208 Tuaran, Sabah.
Tel : +6088 791 833/
+6088 791 866
Fax : +6088 791 822/
+6088 787 166
URL : www.qlmarine.com.my

- 13**
QL ENDAU MARINE PRODUCTS SDN. BHD.
QL ENDAU DEEP SEA FISHING SDN. BHD.
QL ENDAU FISHMEAL SDN. BHD.
RIKAWAWASAN SDN. BHD.
No. 11, Jalan Merlimau, 86900 Endau, Johor.
Tel : +607 794 3814/
+607 794 4087
Fax : +607 794 4088
URL : www.qlendau.com.my

- 14**
QL FIGO (JOHOR) SDN. BHD.
HEAD QUARTER:
Lot 3627, Jalan Harmoni 1, Taman Harmoni, 81000 Kulai, Johor.
Tel : +607 663 7388
Fax : +607 663 7366

- 15**
QL LIAN HOE SDN. BHD.
No. 4, Jalan Penaga 9, Kawasan Perindustrian Kata Putri, 81750 Masai, Johor Bahru.
Tel : +607 387 5745/
+607 387 5700
Fax : +607 386 1629
Email : sales@lian-hoefood.com.my
URL : www.lian-hoefood.com.my

- 16**
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+605 641 7954
Fax : +605 641 2257
URL : www.qlfoods.com

- 17**
QL FISHMEAL SDN. BHD.
Lot 164, 3314 & 2647, Jalan Tepi Sungai, 36400 Hutan Melintang, Perak.
Tel : +605 641 2752
Fax : +605 641 1042

Marine Products Manufacturing (MPM)

- 18**
PT QL HASIL LAUT
Jl. Raya Deansdles KM.81.25, Desa Sedayulawas, Kecamatan Brondong-Kabupaten, Lamongan 62263, Jatim-Indonesia.
Tel : +62 322 662 828
Fax : +62 322 663 222

- 19**
KEMBANG SUBUR SDN. BHD.
58-1, Jalan Temenggung 13/9, Bandar Mahkota Cheras, 43200 Cheras, Selangor.
Tel : +603 9011 9635/8935
Fax : +603 9011 9935
Email : info@kembangsubur.com.my

Palm Oil and Clean Energy (POCE)

- 20**
BM GREENTECH BERHAD
(FORMERLY KNOWN AS BOILERMECH HOLDINGS BERHAD)
HEAD OFFICE:
Lot 875, Jalan Subang 8, Taman Perindustrian Subang, 47620 Subang Jaya, Selangor Darul Ehsan.
Tel : +603 8023 9137
Fax : +603 8023 2127
URL : www.boilermech.com

- 21**
PT PIPIT MUTIARA INDAH
Jl. Slamet Riady RT, 26/123, Tarakan, Kalimantan Utara.
Tel : +62 551 24 328
Fax : +62 551 32 667

- 22**
QL OIL SDN. BHD.
QL BIOENERGY SDN. BHD.
QL PLANTATION SDN. BHD.
QL TAWAU BIOGAS SDN. BHD.
TB 50 & 51, Mile 5, Apas Road, 91000 Tawau, Sabah; OR P.O.Box 61651, 91026 Tawau, Sabah.
Tel : +6089 917 711/
+6089 917 722/
+6089 917 733
Fax : +6089 912 045/
+6089 913 482
Email : qltawauhq@ql.com.my

Convenience Store Chain (CVS)

- 23**
QL MAXINCOME SDN. BHD.
QL KITCHEN SDN. BHD.
No. 16A, Jalan Astaka U8/83, Bukit Jelutong, 40150 Shah Alam, Selangor.
Tel : +603 7801 2288
Fax : +603 7801 2222
URL : www.ql.com.my

Chairman's Statement

Chairman's Statement



**Dr. Chia
Song Kun**

Executive
Chairman

Dear Valued Shareholders,

In FY2024, QL operated in a year where the global economy in 2023 defied expectations, weathering significant headwinds to avoid a recession. Early forecasts painted a bleak picture, but the world demonstrated surprising resilience. A perfect storm of challenges – soaring inflation squeezing consumer spending, interest rate hikes dampening investment, and disrupted trade due to geopolitical conflicts – threatened growth. However, the global economy held firm. While growth slowed, many major economies dodged a recession.

Hostility in the Red Sea, a critical maritime route, disrupted global trade flows. This, coupled with the Black Sea Grain Initiative not being renewed, strained supply chains, caused input costs to fluctuate and heightened concerns about food security in regions like East Africa, South Asia, Southeast Asia, and East Asia.

Being in the business of producing food from agro resources, QL understands the gravity of food security. We remain deeply committed to our role in ensuring food security in the nations we serve. Throughout this period, we exercised prudence, guided by our honed strategy to create value for all. QL continued to strengthen our core competencies and invest in growth channels to drive efficiencies and enhance performance in a sustainable manner.

Financial Performance

Guided by our 2023 strategic focus, QL delivered another year of uninterrupted growth for the financial year ended 31 March 2024. Our top line expanded RM409.46 million (6.6%) to RM6.65 billion with profit before tax (PBT) recording a solid 30.3% or RM145.70 million year-on-year (YoY) growth to RM626.53 million.

All four business pillars reported positive results and progress in their respective strategic business focus. More details can be read in the Business Review pages.

Value Creation Performance

Our commitment extends beyond just financial metrics. Creating shared value for all stakeholders is embedded in our company ethos.

Our strategy, innovation, capabilities, and focus on value creation were recognised by Deloitte in July 2023, when QL was named one of Malaysia's Best Managed Companies.

QL was added as a constituent of both the FTSE4Good Bursa Malaysia Index and FTSE4Good Bursa Malaysia Shariah Index

In the latest development, QL was added as a constituent of both the FTSE4Good Bursa Malaysia (F4GBM) Index and FTSE4Good Bursa Malaysia Shariah (F4GBMS) Index following the June 2024 review, effective 24 June 2024. These inclusions reflect QL's progress in implementing strong environmental, social and governance (ESG) practices, as well as our commitment to Shariah compliance.

Progressing Sustainability

Sustainability aligns with our founding philosophy of value for all. In FY2024, QL undertook a full materiality assessment to ensure our material matters remain synchronous and have continued relevance with stakeholder expectations. We employed the double materiality concept which aims to show the interconnectedness of a company's impacts on society and the environment with the financial performance as recommended by the Task Force on Climate-related Financial Disclosures. This resulted in a refined new set of 15 material matters, including two new areas: Customer Responsibility, and Innovation and Technology.

A snapshot of our top progress on sustainability matters:

- 7.0% GHG intensity reduction (FY2020 baseline: 37.1 tCO₂e/RM Mil Revenue; target 20% reduction by FY2026)
- 45.2% of QL's energy requirements derived from renewable resources (977,506.75 GJ); avoided 10,062.95 tCO₂e
- 95.3% hazardous and non-hazardous waste generated diverted from landfills with 202,482.89 MT recycled or recovered
- 100% of our operations assessed for corruption-related risks with no violations of Anti-Bribery Policy
- 29.70 training hours per executive and 21.21 training hours per non-executive on average
- Set a goal of 8% YoY improvement over three years in LTIFR

We are mindful of responsible consumption and seek ways to minimise food waste and maximise community impact. By redirecting almost 22,000 meals to feed the needy and supporting 505 preschoolers in child nutrition efforts, we nourished present and future generations. Additionally, we provided RM22 million in interest-free loans to nearly 900 fishermen via our FFAS to uplift their livelihoods.

Heightening our sustainability efforts, we developed 4 new policies, revamped 4 existing ones and enhanced another policy.

 Detailed reading of our sustainability efforts can be found on pages 30 - 79.

GOVERNANCE

Integrity is the foundation of QL. Acting in good faith, delivering on promises and staying true to our word has earned QL invaluable goodwill among stakeholders.

In safeguarding this intangible capital, QL maintains a zero-tolerance stance on bribery and corruption.

Our Anti-Bribery Framework was reviewed in FY2024 to ensure continued alignment with the TRUST principles

Refresher sessions were conducted for employees to re-emphasise our stance on the matter. To enhance communication of our Anti-Bribery Policy, a series of multi-lingual Anti-Bribery and Anti-Corruption Awareness collaterals have been planned, with the first series disseminated across all business units.

QL has also introduced a Supply Chain Policy to set clear guidelines for both procurement activities and suppliers. The policy reflects QL's commitment to environmental and social sustainability throughout our supply chain, encouraging responsible practices and strict compliance.

In our pursuit of continuous improvement, QL Kitchen, CVS' central kitchen unit, achieved ISO 45001:2018 certification for occupational health and safety. This commitment to a safe workplace extends across all our sites, with a dedicated team actively working towards expanding this certification. We believe occupational health and safety is a fundamental human right and a fundamental principle in our value creation process.

Food is a basic human need and we believe in providing accurate and transparent information about our products' quality, nutrition and safety. Our labelling practices strictly adhere to the Malaysia Food Act 1983, Food Regulations 1985, and incorporate relevant United States Food & Drug Administration's (FDA) guidelines. This ensures our customers have the information needed to make informed choices.

At the same time, our new Responsible Marketing and Advertising Policy ensures ethical and accurate marketing communications, consistent with our values, reflecting our commitment to transparency and ethical conduct. It references the Malaysian Code of Advertising Practice and Malaysian Communications and Multimedia Content Code 2022.

In FY2024, we enhanced our data security framework, along with a revamp and implementation plan of QL's Data Privacy and Security Policy governing the management of personal data collected and processed by QL.

This coincides with our increased integration of technology, including upgrading our Enterprise Resource Planning (ERP) system to improve efficiency and scalability. Embracing technology smoothens the path of QL's compliance, being in the pioneer phase of Malaysia's e-invoice implementation.

Following five years of leadership transition planning, QL has implemented a structured management approach with CEOs and Deputy CEOs in the business pillars. To incentivise and retain key personnel across the group, we propose a share grant scheme, aligning their interests with shareholders through equity participation and motivating them to drive QL's continued success.

QL's strategic direction is guided by our core values of win-win, innovation, integrity and teamwork, and a strong Board. This lays strong foundation for our business operations, which are enhanced by the personality and culture that have been nurtured throughout the value chain. Regular assessments ensure a well-rounded Board with complementary skills, competencies and qualifications to effectively guide QL and champion stakeholder interests. Our Board practices are benchmarked against the Malaysian Code of Corporate Governance. An independent, externally facilitated evaluation of the Board in FY2024 confirmed the Board's effectiveness, noting its formality, professionalism, and cohesiveness. The Board Leadership and Board Dynamics and Culture were particularly highlighted.

More details about our governance practices can be read on pages 97 - 104.

Strategic Focus for FY2025

Our vision is to be the preferred global agro-based enterprise. To achieve this, we understand that knowing our destination must come accompanied with action, laid out in a clear roadmap that aligns our core values with our endeavour to create shared value for all.

Understanding core competencies allows us to identify opportunities that bolster our value chain. To advance on our strategic framework, QL's 4C approach – Conserve, Continue, Core Focus and Cultivate – is the rubric that guides resource allocation and initiative prioritised.

Our fortunes are interwoven with the fabric of the agro-sector prosperity. Recognising the impact of climate change, we are expanding our involvement in renewable energy through BM Greentech Berhad (formerly Boilermech Holdings Berhad). Growing the business at this subsidiary enables us to provide a wider range of sustainability solutions for both internal operations and external customers. This aligns perfectly with QL's "Sustainably Enhancing Performance" strategy.

As part of our strategic direction, QL is divesting our Tawau plantation business in the coming year to redirect resources into other growth channels. This move reflects our intention to gradually shift away from palm oil, focusing on clean biomass and solar energy.

We continuously innovate to generate long-term value. Automation streamlines processes while the use of connected sensors enables data collection and analysis for presentation in a dashboard to enhance efficiency and productivity. We are increasing our capacity to capture mission critical information for a data-driven approach and decision-making to drive value.

Committed to responsible consumption, we embrace a circular economy approach. Our waste hierarchy system prioritises reduction, reuse, recycling, and recovery. We transform byproducts into valuable inputs, reducing raw material reliance and environmental impact associated with extractions and processing new resources. For example, organic materials become fishmeal and chicken manure transforms into organic fertiliser.

QL's Board leads the strategy setting and oversees its implementation and progress through active participation in operations, ensuring continuous progress towards the creation of long-term value.

Collectively, our multi-faceted strategic focus supports the scaling of QL towards our vision.

PROSPECTS

As we heighten our emphasis on ethical and transparent practices, we are working towards solidifying consumer trust. This is an invaluable asset in a world increasingly concerned about food quality, safety and traceability.

We note that geopolitical developments can impact our business. As we continue to execute and advance on our strategy, we keep in mind the uncertainty of posturing and geopolitical tensions.

Being a leading producer of food from agro resources, in particular affordable protein for the masses and nourishing food, we are in the position to directly contribute to national food security. Together with our commitment to sustainability, including renewable energy and responsible resource management, QL's businesses align perfectly with growing global and national emphasis on environmentally friendly practices. As such, QL's prospects are positive.

ACKNOWLEDGEMENTS AND APPRECIATION

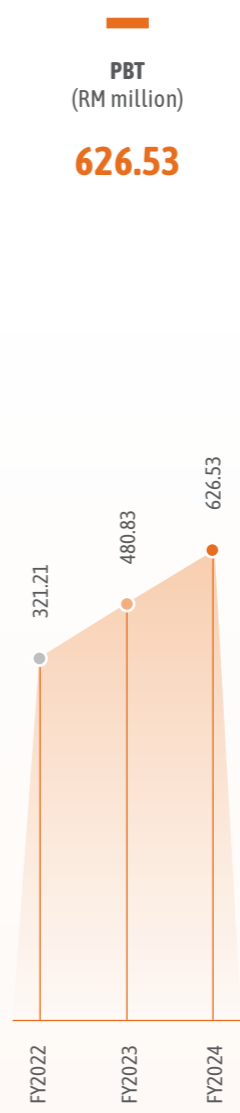
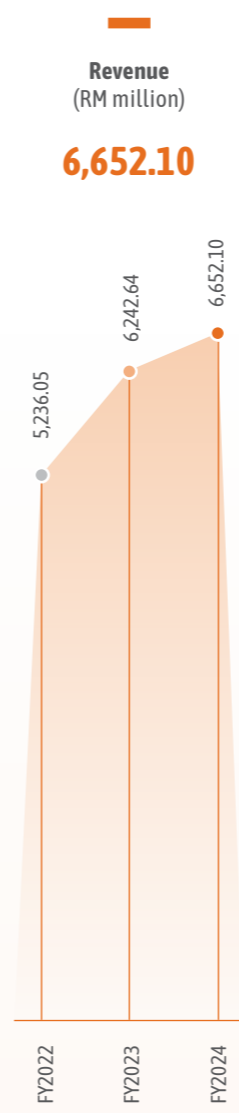
Our philosophy of creating value for all compels us to continue delivering growth and shared value for stakeholders. QL's philosophy intertwines with the spirit of sustainability, to ensure we are responsible in our value creation without jeopardising the ability of future generations to meet their needs.

We are confident in our strategy that has guided us to our successes today. Honed and focused through the years, the overarching Strategic Business Growth and Strengthening Core Competencies components of our strategic thrusts progress us towards being the preferred agro-based enterprise. Our commitment to creating sustainable value is unwavering and we are convinced the advent of smart technology will support our journey.

On behalf of the Board of Directors, I extend appreciation to all stakeholders for their continued faith and trust in QL. A special thank you note to our Independent Non-Executive Director, Cindy Tan, who had served the Board until 30 September 2023. We are grateful for the loyalty and support of my fellow Board members, Management, and all employees for their dedication and commitment to *quan li*.

Group Chief Executive Officer's Review

Group Chief Executive Officer's Review



QL is unwavering in our pursuit of sustainable value creation for all stakeholders. Our mission of creating nourishing products from agro resources has established us as a trusted food producer in Southeast Asia. We hold the distinction of being the region's leading producer of surimi-based food items, the preferred egg producer in our countries of operation, and the master franchisee of FamilyMart in Malaysia. Beyond food, QL's expertise extends to clean energy solutions, encompassing solar PV and biomass technology, as well as water treatment solutions. This allows us to journey alongside other companies and contribute to a more sustainable future.

QL's business pillars operate with a strong focus on responsible resource utilisation. We adopt a circular economy approach, where waste from one business segment becomes a raw material or catalyst for another. For example, almost 25,000 MT of organic waste from our marine processing plants were repurposed into fishmeal for the aquaculture sector.

In FY2024, QL delivered a robust performance across our core business pillars. The MPM and ILF pillars delivered exemplary results fuelled by a confluence of factors. Good fish landings, lower input costs for downstream manufacturing and stable selling prices for surimi-based products provided a favourable environment. Beyond these, the broader market offered additional tailwinds. Stable egg selling prices courtesy of the Malaysian government's intervention on egg price control and subsidy, and an initial decline in commodity prices provided relief to the challenges faced in the Vietnam operations. We were also able to capitalise on the growing ESG trends and the National Energy Transition Roadmap (NETR) in POCE, while CVS expanded steadily with enhanced operational efficiency. These combined elements provided stability and momentum that resulted in a positive performance.

Overall, all four business pillars demonstrated QL's effectiveness in capitalising on evolving market conditions and strategically pursuing sustainable growth.

The business environment for QL's FY2024 was a complex picture. The glimmers of economic recovery met with significant challenges arising from persisting core inflation globally, new geopolitical tensions, fluctuating commodity prices and extreme weather patterns.

As a leading agri-food producer, QL understands the vital role we play in ensuring food security for the nations we serve. We remained steadfast in our commitment to uninterrupted operations, ensuring a consistent supply of nutritious and affordable food while adapting to evolving preferences.

Mr. Chia Song Kooi
Group Chief Executive Officer

Guided by our strategy, we executed on the outlined approaches to capitalise on opportunities and strengthen our core competencies to sustain growth. We invested into technology to drive efficiency and countering pressures from competition.

Embracing a progressive mindset and fostering a collaborative team spirit to persevere through challenges, QL delivered a strong FY2024 with a new record profit before tax (PBT) of RM626.53 million on the back of RM6.65 billion revenue. Profit after tax and minority interests (PATAMI) increased by 26.2% to RM437.85 million.

More detailed reading about our business performance and operational outlook can be found in the Business Review on pages 20 - 27.

Strategy

Strategy

Embracing a Sustainable Future: Our Strategic Roadmap

QL's vision is to be the world's preferred agro-based enterprise. We achieve this through continuous innovation, creating "purple oceans" where we offer unique value to stakeholders. This means developing innovative (blue ocean) products and solutions that disrupt established markets (red oceans).

Our strategy prioritises sustainable value creation. We manage all forms of capital responsibly, particularly natural and manufactured resources, to ensure we can continue providing nourishing food for generations to come.

QL's strategy has two key components that drive growth and efficiency, allowing us to capitalise on opportunities while mitigating potential risks. Our goal is to achieve sustainable, long-term growth.

Strategic Business Growth

We actively seek new opportunities to expand our reach and impact by constantly innovating to achieve sustainable growth. Our strategy focuses on three growth models, executing via a 4C Approach, which guides how we allocate resources to optimise growth.

In FY2024, QL invested RM364.6 million or 5.5% of revenue to grow our businesses strategically.

Strengthening Core Competencies

We continuously improve operational efficiency and risk management to stay ahead of the curve. Four enablers facilitate our business objectives. We focus on strengthening these enablers for long-term sustainability.

Conserve

Consolidate and transform to unlock and enhance value

- Maintain fishing fleet at 30 vessels
- Leverage direct sales channel for QL-branded MPM products
- Invest further in Vietnam's ILF regional operations
- Restructure POA

Continue

Nurture and expand existing successful businesses

- Replicate raw material trading regionally
- Explore different species for aquaculture

4C Approach

Prioritise and invest in core competencies to excel in our chosen segments and markets

- Expand surimi-based products manufacturing regionally
- Evolve and increase CVS touchpoints in high potential locales especially east coast of Peninsular Malaysia
- Expand climate solution capability through acquisition
- Strengthen CE branding and solutions portfolio

Core Focus

Explore and develop new business opportunities for future growth

- Optimise QL Kitchen capacity by supplying to other businesses
- Develop and increase range of convenient RTE food products
- Develop leadership foothold in the residential solar market
- Develop AI solutions for business use

Cultivate

Sustainably Enhancing Performance

- Prioritise responsible practices, driving positive impacts for the economy, environment, and society
- Rigorous, continuous audits across all farms, safeguard animal health and food safety
- Prioritising operational safety and health with external validation through audits and certifications
- Embracing renewable energy, monitoring water usage, and exploring alternative water sources at all sites

Integrating Technology

- Data-driven approach for efficiency and decision-making in a timely manner
- Real-time monitoring at operating sites for effective audit & control, and identify areas for improvement
- Embark on data journey for reporting, performance management and continuous improvement culture
- Utilise digital platforms to expand customer base and connect in new ways
- Knowledge transfer across business units to accelerate improvement initiatives

Empowering Talents

- Invest in ongoing learning, upskilling and employee wellbeing
- Foster professional and personal development through merit-based career progression
- Robust talent pipeline and succession plan for business continuity
- Streamline and professionalise organisation structure
- Embrace human rights and fair labour practices, creating a safe and inclusive work environment

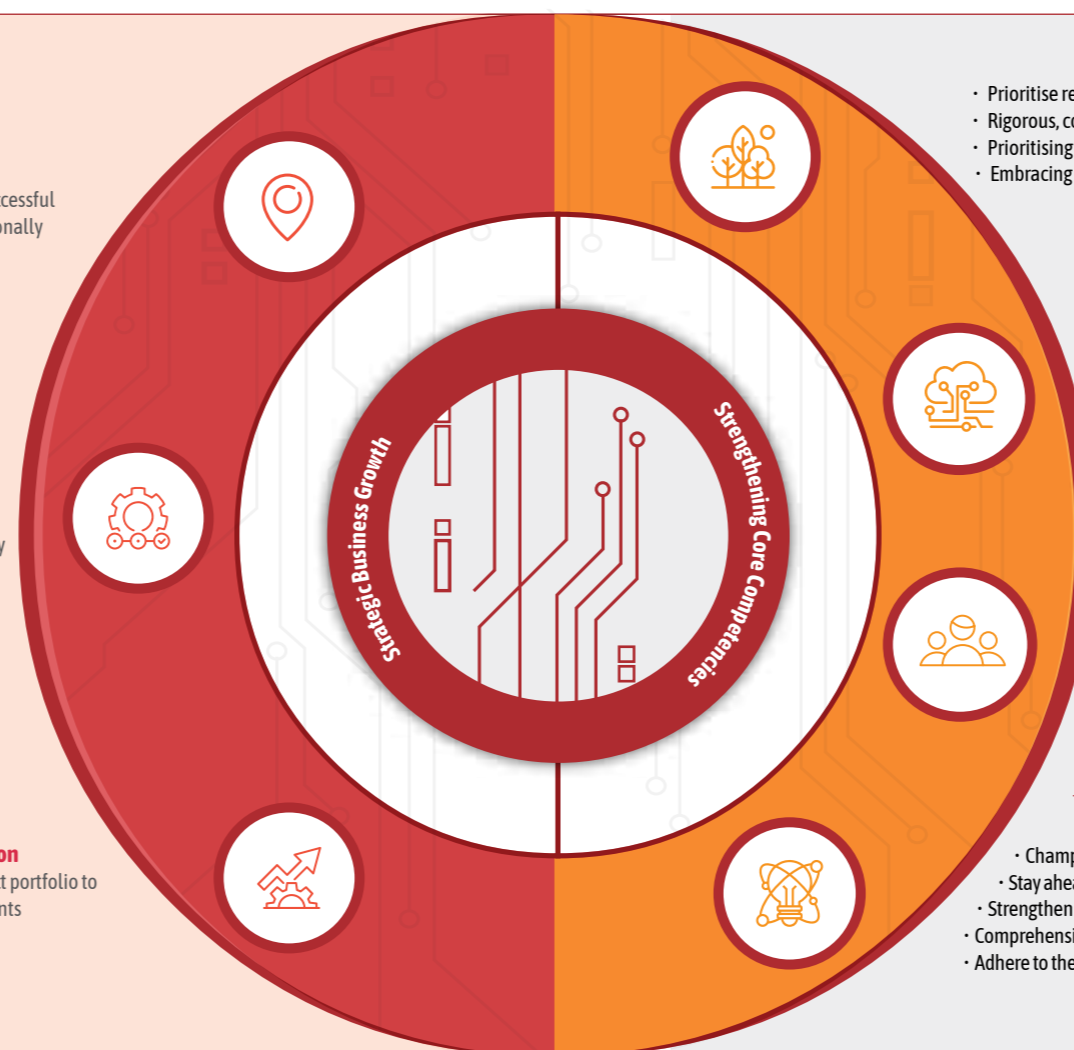
Enhance Branding & Product Innovation

- Champion innovation and cultivate trust through certified quality and safety to build stronger brands
- Stay ahead of the curve via purple ocean strategy, continuously innovating product and service to meet evolving lifestyles
- Strengthen sales, marketing, and customer networks to expand our footprint
- Comprehensive crisis management plan in preparation for any situation
- Adhere to the highest standards, maintain multiple food quality and safety certifications

Regional Replication
Identify and replicate successful core activity models regionally

Strengthening Value Chain
Strengthen our competitive advantage by integrating vertically and adjacent value chains

Downstream Integration
Expand reach and product portfolio to reach new market segments



Significant Risks & Opportunities

Significant Risks & Opportunities

Market Risk M

Events such as trade wars, wars and disputes arising from global, regional and domestic politics may potentially lead to:

- Adverse impact on economy in general
- Disruption of global supply chain, hence food insecurity (i.e. shortages & price escalation)
- Negative consumer sentiments toward certain business segments affecting their choice of products
- Volatile foreign currency fluctuation & commodity pricing environment

Mitigation Measures

- Close monitoring of global & regional events through various channels and conduct swift assessment and respond where appropriate
- Regular management meetings are held to review market data, deliberate on the current events and making commodity trading and currency related decisions
- Diversification of market and source of key supplies where necessary
- Hedging process is in place to mitigate any impact that may arise from foreign currencies fluctuation

Opportunities

- Reduced reliance on any single region and leveraging alternative supply sources can lead to long term cost savings and mitigate suppliers concentration risk
- Opening up new markets to capture growth opportunities and attract new business partners
- Increased adoption of business intelligence (BI) tools, fostering data-driven decision making culture and agile management style that is responsive to changes in the macroenvironment

Material Matters

RM

Capital Inputs

Person, Dollar

Stakeholders

Person, Group, Gift

Operational Risk O

Disease
Disease outbreak is an industry risk which may lead to lower productivity, and higher mortality rate, leading to losses in poultry farms and aquaculture.

Power Failure
Any interruption or loss of electricity supply to major equipment can cause high mortality in chicken houses, leading to losses in poultry business.

Mitigation Measures

- Robust biosecurity monitoring and response mechanism covering activities such as vaccination, regular serology testing, PCR test on chicken and environment to detect presence of pathogen
- Periodic compliance audit to ensure that farms uphold biosecurity procedures
- Periodic training to ensure high level of biosecurity awareness and culture among employees
- Robust preventive maintenance to the electrical equipment and testing functionality of the power generator
- Implementation of periodic drills in order to respond appropriately during emergency

Opportunities

- Continually enhancing robust, high-standard biosecurity protocols could establish QL's unique competitive advantage

Material Matters

CC, SCE, CR, RM

Capital Inputs

Person, Dollar, Gear, Gear, Gear

Stakeholders

Person, Group, Gift

IT Security Risk I

Poor IT risk management may introduce vulnerabilities such as data security breaches, operational disruptions, potential intrusion/attacks, (e.g. ransomware, phishing & malware). Thus, adversely affect the Group's reputation, business and financial loss.

Mitigation Measures

- Continuous enhancement of Group-wide IT Security governance
- Introduction of new ERP system
- Implementation of program and initiatives such as intrusion detection & prevention, disaster recovery program & periodic penetration test

Opportunities

- Robust IT security measures can enhance trust and confidence of stakeholders
- Continuously modernising IT infrastructure enhances data analytics and insights, while supporting business growth and future scalability

Material Matters

CR, IT, RM

Capital Inputs

Person, Gear, Gear, Dollar

Stakeholders

Person, Group

Environmental Risk E

Failure to comply with the environmental legislation (e.g., biodiversity impacts, air emissions and waste discharges, etc.) may lead to fines and penalty, reputational damage and adversely impact surrounding environment.

In addition, the Group's fishery units are faced with situation of potential depleting fish resources where occurrences of low fish cycle could be caused by climate change.

Note:
In addition, the Board recognised the significance of climate change and its associated risks which are discussed in the Sustainability Statement's Climate Change section on page 41.

Mitigation Measures

- Close monitoring and strict compliance with relevant regulations including Environmental Quality Act, 1974
- Continuously reviewing and enhancing fishing vessels' facility and technology in order to improve the catch rate
- Diversifying to alternative ingredients

Opportunities

- Capitalising on QL's subsidiary i.e. BM Greentech's industry leading capabilities to build & implement environmental solutions internally and for other businesses, expanding into a new revenue stream for QL
- Developing new food products range with alternative ingredients to capture new market

Material Matters

CC, SCE, WS, PR, RM, SCS

Capital Inputs

Person, Gear, Dollar

Stakeholders

Person, Group, Gift, Gear

Compliance Risk C

Halal Compliance
Halal certification attests that a product manufactured in full compliance with the precepts of Islamic Law. Halal non-compliance will affect the Group's reputation and lead to loss of business.

Bribery
However unlikely it is in the industries QL is operating in, any bribery incident risks stiff penalties. In addition, it could have serious impact on the Group's reputation and business growth.

Mitigation Measures

- Implementation and development of Halal Assurance Management System (HAMS) and adherence to JAKIM requirement
- Regular internal reviews and external audits
- Halal awareness training are periodically provided to employees
- Complying fully with the Group's Anti-Bribery Framework and related regulatory requirements
- All the employees including directors are required to acknowledge and abide by the employees code of conduct
- Periodic anti-bribery awareness training & communications are provided to all the employees

Opportunities

- Strengthen market position and expand access in markets that prioritise Halal-certified products including overseas market
- Fostering a culture of integrity and ethical behavior leads to better employee engagement and morale

Material Matters

CR, SCS, CG, AC, RM

Capital Inputs

Person, Gear, Dollar, Dollar

Stakeholders

Person, Group, Gift, Gear

Food Safety Risk F

Food production processes are exposed to various sources of contamination which may be caused by factors such as hygiene, quality of input material, pest etc. Lack of proper food safety standards could affect the Group's reputation and lead to sales & financial losses.

Mitigation Measures

- Adoption of various food quality and safety certifications across industries such as HACCP, GMP, MeSTI, Halal and FSSC 22000
- Regular internal and external audits
- The use of technology to minimise human contact as well as to detect potential product contamination

Opportunities

- Continuous enhancement of food safety standards to retain consumer trust and loyalty
- Increased adoption of automation & technology to reduce human contact and minimise contamination further improves operational efficiency and food safety standards

Material Matters

CR, RM, SCS

Capital Inputs

Person, Gear, Dollar, Dollar

Stakeholders

Person, Group, Gift, Gear

Value Creation Business Model

Value Creation Business Model



Regional Replication Strengthening Value Chain Downstream Integration

Sustainably Enhancing Performance Integrating Technology Empowering Talents Enhance Branding & Product Innovation

Note:
 * Information pertains to subsidiaries reported within the Sustainability Statement
 ** Restated with revised calculation

¹ Based on average protein serving of 26g (recommended average daily protein intake by USDA Dietary Guidelines), computed using production volume for MPM and ILF businesses.
² Based on average 2,000 calories per meal per day (recommended daily calories intake by the Ministry of Health Malaysia), computed using CVS meal production.

Business Review

BUSINESS PILLAR 01



OUR VALUE CHAIN **MPM ASSETS**

- Aquaculture farming
 - Deep-sea fishing
 - Fishmeal production
 - Surimi production
 - Surimi-based products manufacturing
 - Seafood snacks production
- 9 operating entities

KEY DEVELOPMENTS

- 25,000 MT per annum surimi-based products plant in Indonesia commissioned in April 2024
- 7,000 MT per annum surimi-based ready-to-cook food plant in Johor commissioned in December 2023
- Completed acquisition of an 86-hectare land in Perak
- New workers quarters in Perak completed all inspections
- Expanded Orang Asli recruitment efforts



Marine Products Manufacturing (MPM)

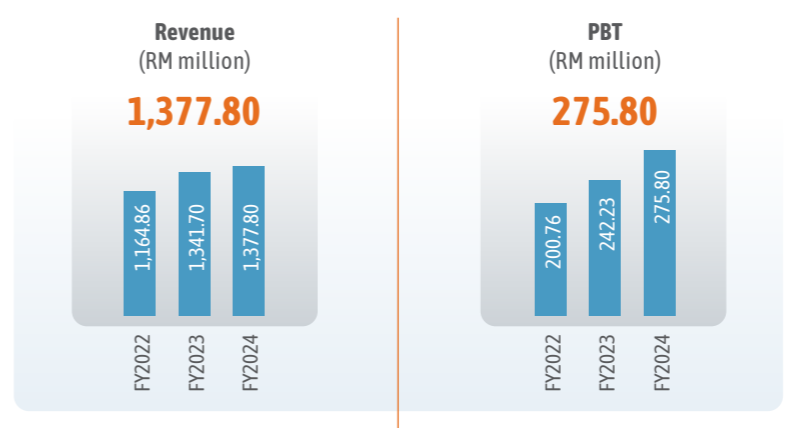
QL's heritage is marine based. Through our MPM business, we are a leading player in Southeast Asia, specialising in the entire value chain of marine food production. QL is involved in everything from deep-sea fishing, aquaculture and fishmeal all the way through to processing surimi, surimi-based products and marine based food snacks.

We prioritise food quality and safety, upholding our brand promise by adhering to rigorous audits for international certifications, including standards such as Hazard Analysis and Critical Control Point (HACCP) certification, Malaysian Good Agricultural Practice (MyGAP), US Federal Department of Agriculture (USDA) and EU regulations, as well as halal certification.

Financial Performance

Maintaining the momentum from its previous recovery year, the MPM business continued its positive trajectory in FY2024, achieving a 2.7% YoY revenue increase to RM1.38 billion. This was accompanied by a 13.9% increase in PBT to RM275.80 million.

Our anticipation of good fish landings, lower input cost for downstream activities, and favourable prices for fishmeal and surimi-based products materialised, providing significant tailwinds that propelled our performance in MPM. The stronger US dollar presented a strategic advantage in higher export, boosting earnings. The increase in volume and selling prices of fishmeal and surimi-based products were slightly dampened by stiff competition faced in surimi and weaker aquaculture performance due to extreme weather conditions.



Operational Review

MPM's FY2024 operations delivered continued progress in key segments, strategic capacity expansion, and adaption to market dynamics.

The full operations of all our 30 technologically equipped vessels capitalised on a year of good fish landings. In contrast, extreme dry weather and heavy rainfall significantly impacted our overall aquaculture segment negatively.

The commissioning of the new production plants installed with automation and information systems will efficiently increase our annual capacity by 32,000 metric tonnes. The Kulai, Johor plant producing gyoza was commissioned in December 2023. The new Indonesian surimi-based products plant successfully completed its trial and is operational since April 2024. The new plant in Indonesia reaffirms our regional replication strategy of our core business and strengthening of our value chain, solidifying our position at the forefront of the MPM industry.

QL's strategic land acquisition in Hutan Melintang for the planned expansion was finalised, and application for land partitioning, conversion to industrial use, and development order is ongoing.

Our dedication to our workforce extends beyond employment opportunities. We prioritise their wellbeing by providing comfortable accommodation. The new quarters in Hutan Melintang, Perak have completed all required inspections and will house over 700 workers upon receiving the requisite certificates. Additionally, we expanded our Orang Asli recruitment efforts, onboarding 89 individuals at our Endau operations, demonstrating our commitment to supporting local communities.

Challenges

The challenges of surimi supply competition experienced in the previous year persisted into FY2024. Strong production volume, particularly from Russia exerted downward pressure on both surimi sales volume and prices.

Climate change brought about extreme weather which affected our site locations, impacting our operations. The weather conditions also heightened disease challenges in our aquaculture activities, presenting a situation that required additional adaption and learning. In addition, the global aquaculture activities slowed down, causing a roll-on weakened demand for fishmeal in the second half of FY2024.

Outlook

The weather is expected to swing to La Niña later this year, bringing a potential cooling of ocean surface, altering ocean currents, changes in rainfall and storm activities. The World Meteorological Organization warned that the weather is expected to be more extreme due to extra heat and moisture in our atmosphere. This will have an impact on fish landings and aquaculture activities, and roll-on effect on the MPM value chain.

Barring unforeseen weather disruptions, fish landings are projected to remain stable, providing a steady supply for MPM's operations.

Price pressures are expected for fishmeal due to a combination of factors - increased fishing quota in Peru, competition from India and Thailand, and weaker demand from a slower global aquaculture sector.

The surimi segment is anticipated to face continued headwinds from international competition, particularly from Russia, and potential price dampening due to the weak Japanese Yen. We will rise to the challenges via ongoing efforts to enhance production efficiency.

Our newly commissioned Indonesian surimi-based products plant will boost our production capacity and competitiveness. This, coupled with declining input costs and intensified marketing efforts, is expected to generate positive outcomes for surimi-based products.

The operating costs might be indirectly impacted by the ongoing restructuring of the diesel subsidy, but we remain committed to optimising operations throughout the year.

We recognise both potential opportunities and challenges in the horizon. By proactively managing these dynamics and focusing on operational excellence, we are cautiously optimistic of MPM's performance in FY2025.

BUSINESS PILLAR

02



OUR VALUE CHAIN

- Animal feed raw material trade
- Commercial feed milling
- Layer farming
- Broiler integration (eggs, broiler chickens, Day Old Chicks (DOCs))

ILF ASSETS

15 operating entities

KEY DEVELOPMENTS

- QL Poultry Academy training completed at 4 layer farms
- 49 biosecurity audits across 20 farms
- Started preparatory work for ILF laboratory accreditation
- Initiated the adoption of a more comprehensive farm management system
- 1,670 pieces of solar panels installed at the QL Eco Farms, capable of generating about 918 kWp
- Acquired 600,000 epd layer farm in Melaka



Integrated Livestock Farming (ILF)

The ILF business plays a crucial role in Southeast Asia's food security. As one of the region's leading egg producers, the ILF operates a vertically integrated value chain, encompassing animal feed raw material trading, commercial feed milling, layer farming for eggs, and broiler integration across Malaysia, Indonesia and Vietnam. This integrated approach allows us to optimise resource utilisation, improve operational efficiency, and minimise environmental impact, ultimately delivering reliable sources of protein.

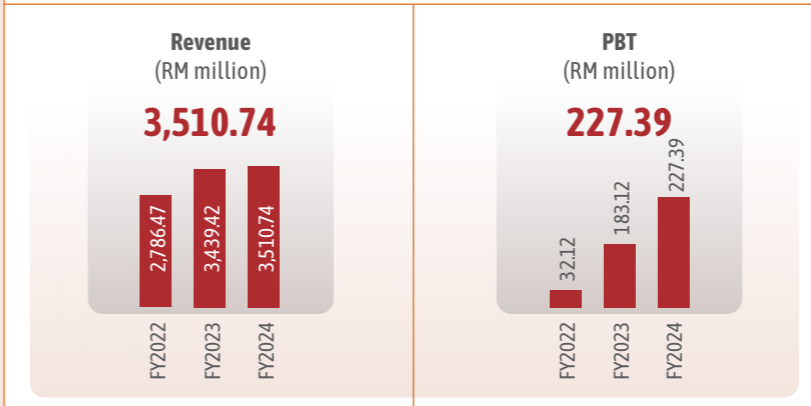
Beyond providing high-quality and affordable protein to consumers, the ILF contributes to a sustainable food production. We utilise the latest technology to optimise farm operating conditions, and maintain rigorous biosecurity protocols to improve productivity and ensure the quality, safety, and sustainability of our protein sources production. This commitment to quality is further validated by various third-party certifications and halal certification.

Financial Performance

Performance of the ILF business normalised in FY2024 after a year of remarkable revenue growth in previous financial year, recording a marginal 2.1% increase to RM3.51 billion. This resilience was driven by stable selling prices and a higher volume of farm produce, particularly eggs with the inclusion of a newly acquired layer farm. This positive uplift helped offset the lower unit selling prices in the feed raw material market.

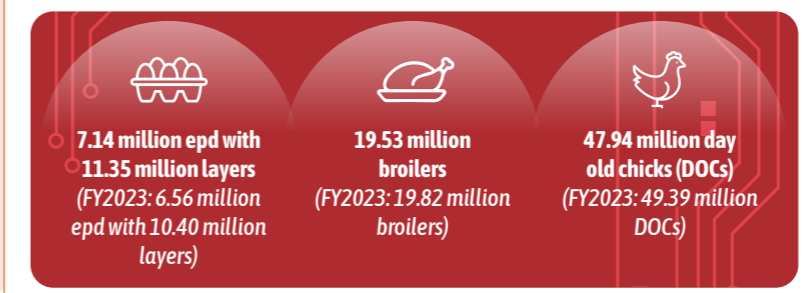
While revenue faced headwinds, the improved efficiency of farming operations in Malaysia and Indonesia, along with improved sales and marketing strategies, coupled with growing consumer acceptance of QL-branded eggs, translated the slight revenue increase into a stellar 24.2%

improvement in PBT to RM227.39 million. Although feed costs moderated, other input costs remained high. The eggs ceiling price also remained in place, thus the continued Malaysian government cost subsidy for eggs played a crucial role in maintaining profitability.



Operational Review

As a reliable source of high-quality protein, QL's ILF eggs and broilers form the nutritional foundation of everyday nourishment, contributing to healthy communities across Southeast Asia.



During the financial year in review, we acquired a 600,000 epd layer farm in Melaka, Malaysia. This strategic move bolsters our production capacity and further strengthens our market position. We are investing more resources to improve the production efficiency of the operations.

In terms of growing the brand, we have expanded strategically into various sales channels and intensified marketing efforts to reach out to the broader consumer market. The initiative also simultaneously grew the brand awareness of QL-branded eggs in the market.

Challenges

The geopolitical situation that developed in the Middle East added a new complexity to feed raw material supply and prices. The initial relief of the receding prices was short-lived as market dynamics shifted, resulting in a volatile environment. The stabilising soybean and wheat prices were met with the headwind of logistics disruption stemming from disruptions in Red Sea shipping routes. Consequently, the fluctuations in the elevated prices exerted pressure on farm input costs.

Adding to the pressure, the ringgit weakened against the greenback throughout the financial year. With corn, soybean meal and wheat being primarily imported feed raw materials, the unfavourable foreign exchange further inflated farm input costs.

The operations in Indonesia and Vietnam grappled with lower egg and broiler selling prices due to weak consumer sentiment throughout the year despite respite in feed costs.

Outlook

The global commodities prices are expected to stabilise, leading to a normalisation for our raw material trading segment.

The ringgit is also expected to regain some grounds against the US dollar, contributing to lower feed costs. This enabled sustained integrated farming activities at a steady operating cost level and stable average selling price.

The Malaysian government could potentially float the egg prices during FY2025. The removal of price controls and cost subsidy presents both opportunities and challenges. However, we are confident our continued operational efficiency and cost optimisation will minimise the impact as the market settles into a new demand-supply equilibrium.

Overall, the ILF business is poised for a year of positive performance in FY2025.

BUSINESS PILLAR

03



OUR VALUE CHAIN

- Bioenergy and solar energy solutions
- Water treatment solutions
- Oil palm plantation
- Crude Palm Oil (CPO) milling

POCE ASSETS

- 6 operating entities
- 16,000 hectares of estate

KEY DEVELOPMENTS

- Approximately 26 MWp of solar panel capacity installed across a total of 800 projects
- 6 wastewater treatment plants with 1.6 million m³ wastewater treatment capacity installed at customers' facilities
- 21 new water treatment systems with 1.6 million m³ raw water treatment capacity installed at customers' facilities
- Re-branding of Boilermech to BM Greentech in September 2023
- Completion of Tawau palm oil mill divestment (Mill 2) in January 2024

Palm Oil and Clean Energy (POCE)

Our POCE business segments encompass palm oil activities (POA) and clean energy (CE) engineering, which include bioenergy, solar energy, and water treatment.

The CE unit catalyses climate change responsibility by enabling businesses to adopt environmental solutions that either harness solar energy or convert byproducts into valuable energy sources. Meanwhile, QL's palm oil operations comprise providing milling services to smallholders and oil palm plantation which are Malaysian Sustainable Palm Oil (MSPO) and Indonesian Sustainable Palm Oil (ISPO) certified.

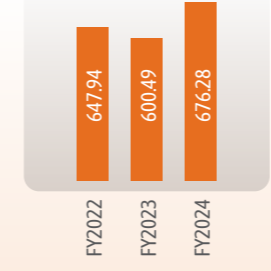
Financial Performance

POCE staged an outstanding turnaround, rebounding from a lacklustre year to return RM676.28 million revenue, or 12.6% growth, with a spectacular 448.0% in PBT to RM64.34 million.

Significant progress on ongoing CE projects fuelled a notable increase in revenue and margin improvement. Additionally, the RM12.8 million disposal gain from our Tawau palm oil mill helped performance of POA, mitigating impacts of lower CPO price.

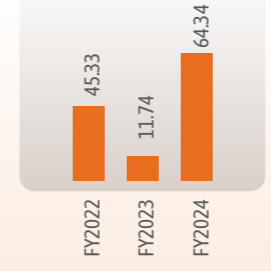
Revenue (RM million)

676.28



PBT (RM million)

64.34



Our commitment to sustainable palm oil is demonstrated by maintaining the MSPO certification for our palm oil estates and mill, adhering to rigorous standards including responsible land management, protection of high conservation value areas, and ensuring product traceability. Out of the close to 16,000 hectares of estate holding, only slightly over half (approximately 9,000 hectares) are currently cultivated. The remaining land is deliberately left fallowing in accordance with responsible land management principles.

Challenges

In delivering on CE projects that help other businesses in their ESG adoption, we are confronted with the urgency of adopting such solutions – heavy rains delayed project progress.

Capacity building in terms of qualified and trained manpower slowed project intake and execution.

Outlook

In August 2023, Malaysia revised its target of renewable energy installed capacity from 40% by 2040 to 70% by 2050, predominantly by increasing the number of solar energy projects. Favourable policies such as the Net Energy Metering (NEM) will greatly benefit the CE business, and we are ready to support and adopt national aspirations.

A healthy pipeline of project orders on hand for the CE business, with strengthening ringgit is set to be a boon for performance and margins.

We are quietly confident in cementing our position as one of the leading rooftop solar PV system providers, including through M&A as outlined in our strategy. We are in the unique position of having expertise in commercial and industrial installations that we can leverage to create value for residential customers.

Brighter skies are also forecast for POA as FFB production is expected to improve, as with OER. We are in the midst of initiating the disposal process of Mill 1 in FY2025 as part of the POA restructuring plans.

Overall, a sunny outlook is projected for the POCE pillar.

Operational Review

In FY2024, POCE took a significant step towards aligning the CE segment with QL's broader sustainability focus and philosophy of creating shared value for all stakeholders. Our subsidiary, Boilermech Holdings Berhad was rebranded in September 2023 and now trades as BM Greentech Berhad. For deeper dive into BM Greentech's performance, please refer to their 2023/2024 Annual Report at <https://www.boilermech.com/investor-relations.html#annualreport>

Scan to link to BM Greentech's investor relations page:

In FY2024, a total of 800 solar solutions projects and 27 wastewater treatment solutions were completed. Collectively, these impactful projects can generate 26 MWp of energy from renewable sources and treat 3,200 megalitres of wastewater.

As reported previously, we engaged in discussions to divest our Sabah Palm Oil Mill 2 as part of the POA restructuring outlined in the Conserve approach of our strategy. We concluded the divestment in January 2024 and a one-time gain of RM12.8 million was recorded in our Q4 financials. This divestment enabled resources to be channelled into areas with better growth prospects for long-term sustainability.

POA showed improvements. Higher FFB tonnage processed throughout the year coupled with improved milling efficiency and better Oil Extraction Rate (OER) mitigated impacts of the drop in CPO selling prices. FFB production from our own estate was also higher.

BUSINESS PILLAR

04



OUR VALUE CHAIN

- FamilyMart stores, FamilyMart Food Superstores, FM Mini and FamiCafé
- Central kitchens
- 395 FamilyMart stores
- 102 FM Mini
- 97 halal certified FamiCafé
- 2 central kitchens

KEY DEVELOPMENTS

- Over 200 halal certified products available at FamilyMart stores
- Began expansion into the East Coast region
- One of the selected suppliers to supply in-flight meals to MAS Awana via QL Kitchen
- QL Kitchen awarded ISO 45001:2018 certification
- 1,000 kWp solar PV system installed at QL Kitchen



Convenience Store Chain (CVS)

Founded on the konbini concept, our FamilyMart convenience store chain in Malaysia is a value chain extension via our downstream integration strategy. It provides a direct-to-consumer platform offering a variety of wholesome ready-to-eat (RTE) and easily prepared meals designed to cater to the needs of modern lifestyles.

Since its introduction in 2016, FamilyMart in Malaysia has grown to incorporate FamilyMart Mini (FM Mini), the “Food Superstore” concept store, and FamiCafé. These stores are supported by FamilyMart’s own central kitchens operated by QL Kitchen, which are halal-certified by Jabatan Kemajuan Islam Malaysia (JAKIM). With these assets and channels, CVS has greatly widened QL’s downstream operations.

Financial Performance

Following a 35.2% growth previously, the CVS pillar continued its upward trajectory, achieving a new milestone in FY2024 since being reported as a standalone pillar in FY2022. Revenue surpassed the RM1 billion mark for the first time. Correspondingly, PBT experienced a robust growth at 34.9%, reaching RM59.00 million.

This improved performance is attributed to a net increase in number of stores, including FM Mini, as well as better average store sales. Continued efforts to improve store operation efficiency also played a contributing role.

Revenue (RM million)



PBT (RM million)



Operational Review

Throughout FY2024, we grew our network of our customer touchpoints by opening 38 new FamilyMart stores and 32 FM Mini, bringing greater convenience to more customers.

Catering to evolving lifestyles, we introduced the FamiCafé concept which offers a wider selection of food options. To ensure inclusivity and serve the needs of our customers, we initiated a voluntary halal certification process for FamiCafé. As of the reporting period, 97 FamiCafé have received halal certification from JAKIM.

Underscoring our commitment to continuous improvement approach towards safety and health, QL Kitchen, the central kitchen unit responsible for the production of frozen and chilled RTE food products, has been awarded ISO 45001:2018 certification for occupational health and safety management systems.

Both our halal-certified central kitchens provide ample capacity to support our growing CVS operations. To further utilise our resources and achieve economies of scale, we have embarked on a new venture of supplying meals for MAS Awana. This accomplishment positions us one of ten partners selected to supply easy-to-prepare food for inflight consumption.

Being a food producing company, we are keenly aware of the cost of production and therefore, seek to reduce food waste where possible. FamilyMart offers discount on select food items after 4pm; and in FY2024, channelled 21,979 meals to the needy facilitated by Kechara Soup Kitchen.

Challenges

The new water tariffs in February 2024 and a sales tax hike in March 2024 combined to put pressure on consumer disposable income and dampened consumption spending habits.

Workforce availability, training and turnover continued to be a challenge especially with the expansion to new locations.

Outlook

The Consumer Sentiment Index (CSI) remained below 100 points for five consecutive quarters since 1Q2023, with the latest reading at 87.1 (1Q2024), down from 89.4 in 4Q2023. Spending however bucked the trend and grew 4.7% in 1Q2024, compared to 4.2% the previous quarter.

Malaysia’s economy remains fundamentally strong. The gradual strengthening of the ringgit, consumer spending and a resurgent hospitality and tourism industry benefitting from the ongoing visa-free policy will offset concerns of inflation arising from subsidy rationalisation.

The anticipated impact of the new EPFAccount 3 mechanism may improve consumer sentiment and stimulate spending power in the coming quarters (Q2 2024 onwards). The anticipated salary hike for civil servants in December 2024 may also give rise to improved spending sentiment.

Taking these into consideration, we project another year of neutral to positive performance in FY2025.

Group Outlook

Group Outlook



The upcoming year presents another complex economic landscape. The International Monetary Fund (IMF) predicts moderate global economic growth at 3.2% for 2024 and 2025, slightly lower than the historical average. Global inflation is forecast to decline from 2023's 6.8% to 5.9% in 2024. However, this is still higher than pre-pandemic levels.

Prolonged high interest rates environment, drawn out geopolitical tensions and heightened trade disputes, in particular the US-China trade war are potential risks to economic progress.

Geopolitical conflicts can disrupt supply chains, increasing the cost of raw materials, and create uncertainty in the global market. Weather events arising from the anticipated La Niña and the bigger concern of climate change could have a bearing on commodity prices as well as our business pillars. All these factors will have an impact on the supply chain dynamics and prices, and affect QL's ability to source materials and export products, particularly for MPM and ILF.

Despite these external challenges, QL is taking proactive steps to mitigate disruptions to our operations and improve our business performance, to ensure our sustained ability to supply affordable nourishing food for masses. This is critical in view of Global Food Security Index's findings that Malaysia's food supply adequacy stands at 52.4 against the global mean average of 58.5. The National Agrofood Policy 2021-2030 (NAP 2.0) spotlighted food security and contribution of the agri-food sector to economic growth and efforts to enhance wellbeing of people.

NAP 2.0's prioritisation of food and nutrition security resonates deeply with QL. We stand ready to nourish the nation with quality and accessible agri-food products.

In caring for people and nature, we strategically extended into complementary businesses. Our investment in renewable energy presents a promising opportunity for a new revenue stream and positions us well for a sustainable future. Furthermore, the Malaysian government's initiative allowing partial withdrawal from EPF and the civil servant salary hike are expected to improve consumer sentiment and potentially boost spending, benefiting QL's sales.

We are committed to digital transformation to improve internal efficiency. We are upgrading our ERP system to better streamline operations, and enhance group-wide business processes. The increasing digitalisation of our farm operations will lead to improved real-time operations data collection, enabling more efficient resource allocation and potential yields.

We acknowledge the external challenges but remain optimistic about our business performance in FY2025. We are proactively initiating internal efforts to mitigate risks and capitalise on opportunities. The focus on cost control, digitalisation, and exploration of new revenue streams paves the way for a stronger foundation for success in the coming year.

Our well-defined strategy prepares us for navigating a complex environment. Taking into consideration both external factors and internal initiatives, the overall outlook for QL in FY2025 is cautiously positive.

Sustainability Statement



PREPARATION OF THIS STATEMENT

This Sustainability Statement aims to communicate QL's commitment to sustainability, activities, and progress to our stakeholders.

This Statement is prepared based on the Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad. In preparation of the reporting approach of this Statement, we are guided by various international frameworks and standards:

- Global Reporting Initiative Standards (GRI Standards)
- FTSE4Good Bursa Malaysia Index
- International Integrated Reporting <IR> Framework of the International Integrated Reporting Council

FEEDBACK

We are committed to listening to valued feedback from our stakeholders in our efforts to continuously improve our sustainability performance and approach. Any questions, comments or feedback can be channelled to esg@ql.com.my.



REPORTING SCOPE AND PERIOD

This Statement discloses the activities and performance for QL's identified material matters for the financial period of 1 April 2023 to 31 March 2024, unless otherwise stated. The scope of this Statement covers QL's 17 main business units located in Malaysia from all four business pillars with significant revenue contribution.



INTEGRATED LIVESTOCK FARMING (ILF)

- QL Poultry Farms Sdn. Bhd.
- QL Breeder Farm Sdn. Bhd.
- QL Feed Sdn. Bhd.
- QL Ansan Poultry Farm Sdn. Bhd.
- QL Tawau Feedmill Sdn. Bhd.
- QL Farms Sdn. Bhd.



MARINE PRODUCTS MANUFACTURING (MPM)

- QL Foods Sdn. Bhd.
- QL Endau Marine Products Sdn. Bhd.
- QL Endau Deep Sea Fishing Sdn. Bhd.
- QL Figo (Johor) Sdn. Bhd.
- QL Marine Products Sdn. Bhd.
- QL Endau Fishmeal Sdn. Bhd.



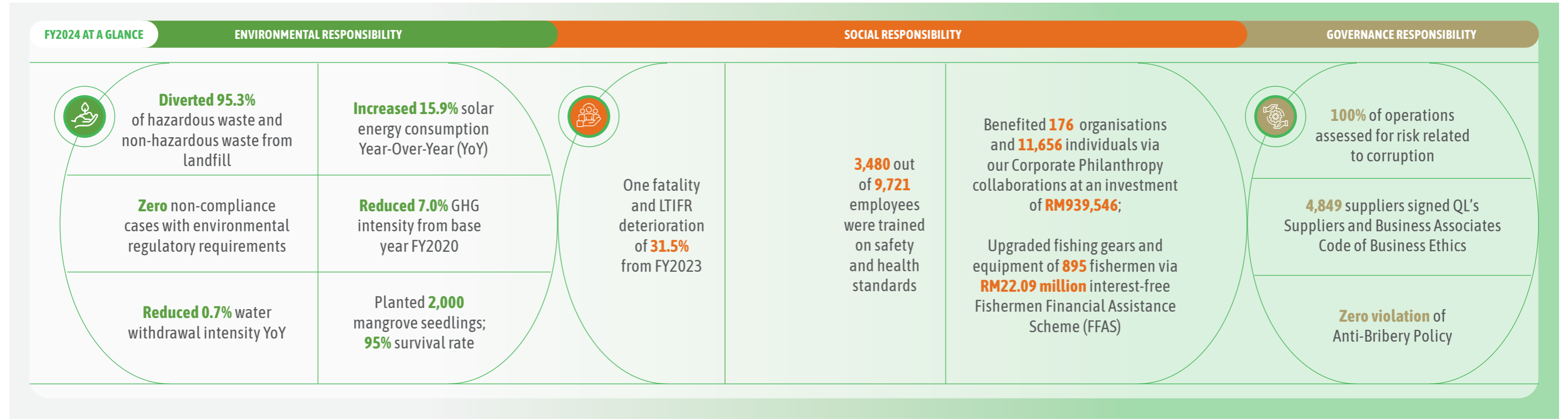
PALM OIL AND CLEAN ENERGY (POCE)

- QL Plantation Sdn. Bhd.
- QL Tawau Biogas Sdn. Bhd.
- BM Greentech Berhad



CONVENIENCE STORE CHAIN (CVS)

- QL Maxincome Sdn. Bhd.
- QL Kitchen Sdn. Bhd.



OUR SUSTAINABILITY APPROACH

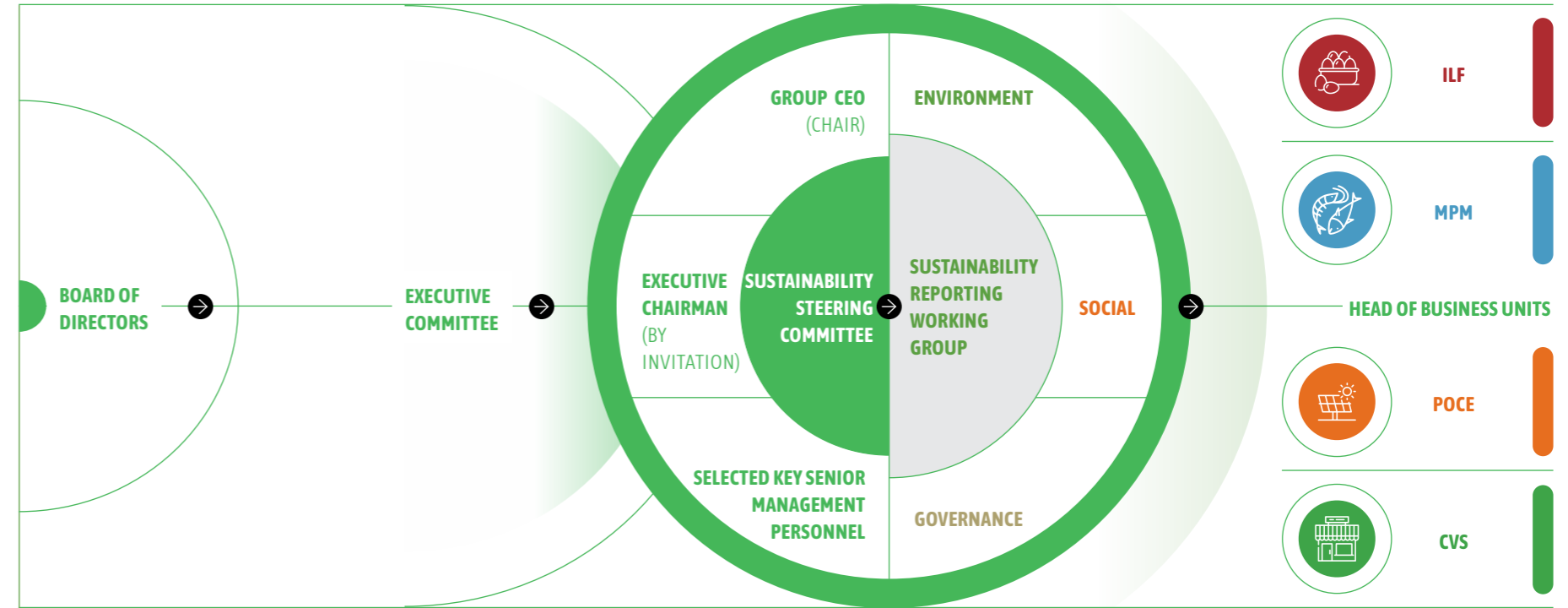
Sustainability transcends beyond simply reducing consumption as it involves creating and delivering enduring value for QL, communities, and future generations, reflecting the essence of our company name, QL, an abbreviation for Quan Li. In generating sustainable value, we focus not only on reductions but also on optimising value creation.

QL is committed to creating value for all stakeholders, including investors, employees, suppliers, customers, consumers, and communities. Building on this ethos, we embrace an integrated approach to sustainability, encompassing Environmental, Social, and Governance (ESG) dimensions. ESG principles are integrated into QL's business strategy planning and operational practices across the Group. Our sustainability governance structure ensures that our sustainability approach is rooted in strategic risk and opportunity management, guided by principles and industry best practices.

SUSTAINABILITY GOVERNANCE

The sustainability direction for the Group is determined by the Board of Directors of QL (the Board), which ensures that our sustainability strategies, priorities, targets, and performance are communicated to both internal and external stakeholders. The Board, along with the Executive Committee (EXCO), reviews the Group's sustainability performance in addressing material sustainability risks and opportunities.

In steering the Group's sustainability efforts, the Board is supported by a Sustainability Steering Committee (SSC) which is chaired by QL's Group Chief Executive Officer (CEO) and comprising Head of Business Units and Business Functions (HOBUs). The SSC is assisted by the Sustainability Reporting Working Group (SRWG) to guide and monitor QL's sustainability performance across business units. Based on the agreed framework and focused areas, business units work on implementing their sustainability initiatives within their businesses.



The roles and responsibilities of each committee are summarised below:

Board of Directors	<ul style="list-style-type: none"> Oversee all sustainability matters of the Group business encompassing but not limited to climate change, health and safety, human rights, anti-corruption and risk management. Set sustainability direction and framework for the Group and ensure our sustainability strategies, priorities, targets and performance are communicated to both internal and external stakeholders. Review the Group's sustainability performance in addressing material sustainability risks and opportunities. Approve the Group's ESG KPIs and targets setting.
EXCO	<ul style="list-style-type: none"> Review the Group's sustainability performance at the business pillar level in addressing material sustainability risks and opportunities. Review, approve and execute the Group's sustainability policies. Recommend ESG KPIs and targets for approval by the Board. Ensure the execution of the strategies and directions set forth by the Board. Ensure the Group complies with relevant laws, regulations and directives.
SSC	<ul style="list-style-type: none"> Support EXCO in steering the Group's sustainability efforts and approving sustainability roadmap. Guide and monitor QL's sustainability performance across business units with the assistance from SRW. Integrate sustainability principles into QL's risk management and corporate strategies. Oversee management of material sustainability matters as identified by the organisation. Monitor QL's sustainability performance to facilitate reporting. Allocate resources to support sustainability programmes and projects.
SRW	<ul style="list-style-type: none"> Report sustainability matters to SSC. Perform materiality assessments, which involve identifying and assessing sustainability matters relevant to QL's businesses. Develop Group sustainability policies, procedures, guidelines, data definitions and initiatives. Guide and monitor QL's sustainability performance across business units. Provide overarching guidance on ESG matters across business units. Track ESG KPIs and targets. Develop, monitor and evaluate the effectiveness of sustainability reporting and recommending improvements. Benchmark the organisation's sustainability performance against industry peers and leaders.
HOBV	<ul style="list-style-type: none"> Implement sustainability initiatives within their respective businesses. Collect and report sustainability data and is accountable for ensuring data integrity. Engage with local stakeholders to address sustainability matters and build positive relationships within the community. Ensure that their business units comply with all relevant regulatory and reporting requirements related to sustainability.

Recognising the paramount importance of ESG, QL commits substantial resources to oversee sustainability efforts, including establishing a dedicated Corporate Sustainability Team led by a senior manager. This team is instrumental in advancing the organisation's sustainability agenda, harmonising business growth with social responsibility and environmental stewardship for long-term success.

Assuming a key role in SRW and coordinating with all committees across sustainability governance, the manager serves as a catalyst in embedding sustainability into the company's strategies. Through cross-departmental collaboration, the manager leads the formulation of sustainability policies and initiatives, while also monitoring key performance indicators to measure progress towards our sustainability goals.

STAKEHOLDER ENGAGEMENT

Stakeholders are pivotal in nurturing QL's continuous business growth and progress. It's imperative for QL to engage with stakeholders to identify crucial sustainability concerns and devise solutions for addressing significant issues. We strive for ongoing improvement in tandem with our esteemed stakeholders through regular engagements. The table provided below outlines our primary stakeholders and the methods of engagement.

Stakeholder Groups	Focus Areas	Our Response	Engagement Channels	Frequency of Engagement
Investors and shareholders	<ul style="list-style-type: none"> Financial performance Good corporate governance Responsible value creation in business management 	<ul style="list-style-type: none"> Refer to Management Discussion and Analysis ("MD&A") (pg 12) Refer to Social Responsibility (pg 50) 	<ul style="list-style-type: none"> Annual general meeting Analyst briefings, investor presentations & meetings Financial results Press releases Corporate website 	<ul style="list-style-type: none"> Annual Regular meetings with investors & analysts Quarterly As needed Throughout the year
Employees	<ul style="list-style-type: none"> Respect for human rights Learning & development Safe & healthy workplace Supportive welfare Continuous business growth 	<ul style="list-style-type: none"> Refer to Environmental Responsibility (pg 40) and Social Responsibility (pg 50) 	<ul style="list-style-type: none"> Workshop discussions Induction training Learning & development programmes Employee performance appraisal 	<ul style="list-style-type: none"> As needed As needed Throughout the year Annual
Customers	<ul style="list-style-type: none"> Safe, nutritious & quality products Good governance practices Regulatory compliance Third party food certifications 	<ul style="list-style-type: none"> Refer to Environmental Responsibility (pg 40) and Social Responsibility (pg 50) 	<ul style="list-style-type: none"> Feedback survey Face-to-face interactions Online platform (Facebook, mobile apps) Customer Careline 	<ul style="list-style-type: none"> Annual As needed Throughout the year Throughout the year
Vendors and suppliers	<ul style="list-style-type: none"> Business continuity Regulatory compliance 	<ul style="list-style-type: none"> Refer to MD&A (pg 12) Refer to Social Responsibility (pg 50) and Governance Responsibility (pg 68) 	<ul style="list-style-type: none"> Interviews Face-to-face interactions 	<ul style="list-style-type: none"> As needed Throughout the year
Regulators and Non-Governmental Organisations (NGOs)	<ul style="list-style-type: none"> Regulatory compliance Responsible business practices Indirect economic contribution Industry trends & standards 	<ul style="list-style-type: none"> Refer to MD&A (pg 12) Refer to Environmental Responsibility (pg 40) and Social Responsibility (pg 50) Participate in NGOs as member, board or committee member 	<ul style="list-style-type: none"> Participation as Council Member in the Chinese Chamber of Commerce & Industry of Kuala Lumpur & Selangor, member of Federation of Malaysian Manufacturers, Sabah Livestock Association, Federation of Livestock Farmers Association of Malaysia, etc. 	<ul style="list-style-type: none"> Throughout the year
Community	<ul style="list-style-type: none"> Direct & indirect economic contribution Responsible environmental management & contributions to society 	<ul style="list-style-type: none"> Refer to Environmental Responsibility (pg 40) and Social Responsibility (pg 50) 	<ul style="list-style-type: none"> Corporate philanthropy activities Corporate website 	<ul style="list-style-type: none"> Throughout the year Throughout the year
Media	<ul style="list-style-type: none"> Business strategy & growth Food quality & safety Indirect economic contribution Regulatory compliance Environmental management Workplace management 	<ul style="list-style-type: none"> Refer to MD&A (pg 12) Refer to Environmental Responsibility (pg 40) and Social Responsibility (pg 50) 	<ul style="list-style-type: none"> Press conferences & events Press releases Media interviews 	<ul style="list-style-type: none"> As needed Throughout the year As needed

MATERIALITY ASSESSMENT

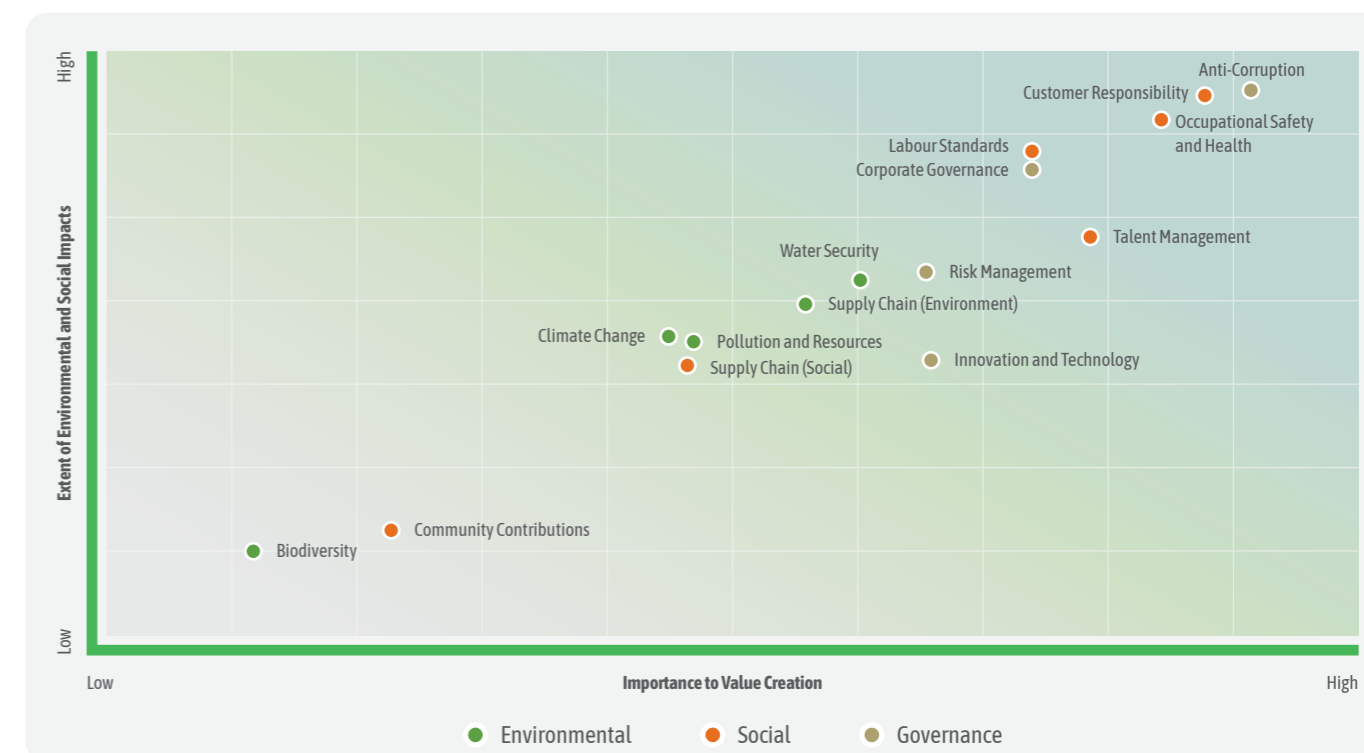
QL conducts full materiality assessment once every three years and review our material matters annually to ensure that our sustainability matters remain relevant and up to date with local and global trends.

In FY2024, QL conducted a double materiality assessment to update our previous materiality matrix that was established in FY2021 to better reflect the latest prioritisation of our material topics. The assessment evaluated the significance of ESG factors in QL's value creation and the impacts of QL's business operations throughout its entire value chain on both people and the environment.



The materiality matrix presented below is a restatement of QL's matrix from FY2021.

QL Materiality Matrix










































































We have streamlined our previous 17 material matters into 15. To align with emerging ESG issues and evolving stakeholder expectations, we have consolidated and renamed several material matters. Major updates are as follows:

- **Climate Change** - Merged "Climate Change & Emissions" and "Energy Management".
- **Pollution and Resources** - Expanded "Waste & Effluents Management" to include resources management.
- **Supply Chain (Environment)** - Split out from "Supply Chain Management" to provide focus on environmental impacts including sustainable agriculture practices.
- **Supply Chain (Social)** - Split out from "Supply Chain Management" to provide focus on social impacts.
- **Customer Responsibility** - New material matter introduced to provide wider coverage for responsible marketing and advertising.
- **Risk Management** - New material matter introduced to emphasize on robust risk management.
- **Innovation and Technology** - New material matter introduced to reflect its trend as an emerging risk and increasing significance to our stakeholders.
- **Anti-Corruption** - Renamed from "Upholding Business Integrity" to expand coverage on anti-corruption.

Our materiality matrix reveals that 13 material matters are rated as high importance to value creation and high impact materiality to environment and social. Three material matters, namely Anti-Corruption, Customer Responsibility, and Occupational Safety and Health (OSH) are the top three most important and most impactful. While Community Contributions and Biodiversity may have shifted to a lower quadrant, we acknowledge our impacts on local communities and biological resources. Hence, we remain committed to incorporating disclosures pertaining to these matters wherever applicable, considering the relevancy to our stakeholders.

The in-depth assessment concluded a series of material matters that will be the focus of our sustainability efforts and disclosures. It served as the foundation for crafting our ESG plans and establishing a set of targets for our key material topics commencing from 2024.

Pillar	Material Matter	Why is it material to QL?	Our Response	Links to Our Capitals	Boundary	SDGs Supported by QL
ENVIRONMENTAL RESPONSIBILITY 	 Climate Change	Manufacturing and distribution activities emit GHG. It is critical to maximise our energy efficiency to manage carbon footprint and minimise our impact on climate change.	<ul style="list-style-type: none"> Invest in renewable energy technology and solution; QL also offers this solution to businesses Install renewable energy solutions in our facilities Manage GHG emissions at all levels 		<ul style="list-style-type: none"> QL Customers 	
	 Water Security	Water is a scarce resource for our business and the community. Efficient water management is critical to prevent stress on the water ecosystem.	<ul style="list-style-type: none"> Secure water through rainwater harvesting facility Set up alternative sources of water supply (e.g. river, groundwater and rain) Provide water treatment solution to benefit more customers and industries 		<ul style="list-style-type: none"> QL Customers 	
	 Pollution and Resources	Resources are vital to produce our goods and services. Efficient resources utilisation ensures long-term economic viability. Our operations generate waste and wastewater. Processing and treating wastes before disposal and discharge prevent environmental contamination.	<ul style="list-style-type: none"> Optimise 3R-principle (Reduce, Recycle and Repurpose) in business operations Ensure proper disposal of organic waste Install Wastewater Treatment Plant (WWTP) Efficient use of resources 		<ul style="list-style-type: none"> QL Customers 	
	 Biodiversity	Biodiversity is critical to maintain a balanced ecosystem and mitigate climate change.	<ul style="list-style-type: none"> Continue our commitment to mangrove conservation programme 	 	<ul style="list-style-type: none"> QL Community 	
	 Supply Chain (Environment)	Responsible supply chain management allows us to reduce carbon footprint of our supply chain operations and promote a sustainable ecosystem.	<ul style="list-style-type: none"> Established Supply Chain Policy 	 	<ul style="list-style-type: none"> QL Suppliers 	
SOCIAL RESPONSIBILITY 	 Occupational Safety and Health	Good safety and health measures reduce risk of accidents. A safe and healthy workplace leads to better employee well-being and increased productivity.	<ul style="list-style-type: none"> Reinforce and embed the "WECARE" OSH Guiding Principles in our work approaches and decisions Conduct awareness and training programmes to equip employees and service providers with skills and knowledge Conduct safety briefing for visitors to communicate safety procedures and advice on the potential risks and hazards that they may be exposed to 	 	<ul style="list-style-type: none"> QL Customers Service Providers 	
	 Labour Standards	Our workforce is core to our operations. Employee fair treatment and respect aligns with our core values and promotes job satisfaction.	<ul style="list-style-type: none"> Keep abreast and strengthen fair employment practices by intensifying efforts on human rights and fair labour practices audits 	 	<ul style="list-style-type: none"> QL Suppliers 	
	 Talent Management	A skilled and equipped workforce led by progressive leadership is central to business continuity and QL's success.	<ul style="list-style-type: none"> Instil QL's core values and strengthen human capital management practices in the areas of leadership development and growth, and attracting and retaining talents 	   	<ul style="list-style-type: none"> QL 	
	 Community Contributions	Local community is interlinked with our activities. It is important to support the community for mutual growth.	<ul style="list-style-type: none"> Support local communities through Corporate Philanthropy activities, financial assistance and job opportunities 	 	<ul style="list-style-type: none"> QL Suppliers Community 	
	 Customer Responsibility	Ensuring the quality, nutrition and safety of products and their contents are essential to assist consumers in making informed decisions and retain consumer trust towards QL.	<ul style="list-style-type: none"> Established Responsible Marketing and Advertising Policy Enhance food safety, quality and nutrition through research and development Engage with consumers via satisfaction survey 	  	<ul style="list-style-type: none"> QL Suppliers Customers 	
	 Supply Chain (Social)	Ethical supply chain management ensures the protection of workers' rights and enhances operational safety. It also enables us to support local vendors and ensure their adherence to social principles.	<ul style="list-style-type: none"> Established Supply Chain Policy 	     	<ul style="list-style-type: none"> QL Suppliers 	
GOVERNANCE RESPONSIBILITY 	 Corporate Governance	Continuous enhancement and embedment of sound corporate governance practices helps strengthen the trust of our stakeholders, safeguarding their interests in an effective, transparent and ethical manner.	<ul style="list-style-type: none"> Developed Sustainability Policy Evaluation of Board performance Internal assurance audit Reviewed effectiveness of anti-bribery and anti-corruption framework Enhanced Whistleblower Policy 	  	<ul style="list-style-type: none"> QL Suppliers 	
	 Anti-Corruption	Integrity and transparency ensure all our operations are free from corruption that could lead to legal liabilities and reputational damage.	<ul style="list-style-type: none"> Uphold Anti-Bribery Policy Create awareness and engage all employees and suppliers on the Suppliers and Business Associates Code of Business Ethics 	  	<ul style="list-style-type: none"> QL Suppliers 	
	 Risk Management	Incorporating risk management into strategic planning and day-to-day operations enables us to navigate uncertain circumstances, seize opportunities, and maintain business continuity.	<ul style="list-style-type: none"> Established Entities Risk Committees Conducted vendors (stakeholder) risk assessment exercise Conducted group-wide bribery risk assessment 	  	<ul style="list-style-type: none"> QL Suppliers 	
	 Innovation and Technology	Innovation and technology give us a competitive advantage by better equipping us to anticipate and adapt to changing market dynamics.	<ul style="list-style-type: none"> Established Data Security and Privacy Policy Invest in automation and digitalisation Ongoing innovation addresses evolving market demands and changes in consumer lifestyles Develop and implement internal security maturity assessment IT awareness training programme 	  	<ul style="list-style-type: none"> QL Suppliers 	

MANAGING SUSTAINABILITY

ENVIRONMENTAL RESPONSIBILITY



→
As a player in the agriculture industry, QL is vulnerable to the impacts of climate change due to our heavy reliance on climate-dependent operations. We are dedicated to growing our business responsibly, mindful of our environmental footprint, and promoting responsible practices within our organisation. This year, our efforts have centred on increasing our use of renewable energy, improving energy and water efficiencies, and advancing waste management. We are confident that these initiatives will strengthen QL's dedication to combatting climate change and ensuring the resilience of our business.

Our Targets

Material Matter	Target	FY24 Performance
CC	Reduce 20% GHG emissions intensity by FY2026 from FY2020 baseline (37.1 tCO ₂ e/ RM Mil Revenue)	Reduced 7.0% GHG intensity from base year FY2020
PR	Zero regulatory violation (fines, court case) in respect to quality of air emissions per year	Zero violation reported
	Zero regulatory violation (fines, court case) in respect to quality of effluent discharge per year	Zero violation reported
	Zero regulatory violation (fines, court case) in respect to management of hazardous waste per year	Zero violation reported

In FY2021, we set a greenhouse gas (GHG) emission intensity reduction target of 20% by FY2026 from baseline year FY2020. the intensity was restated to 37.1 tCO₂e/RM Mil Revenue, indicating an increase from the previously disclosed 32.3 tCO₂e/RM Mil Revenue.

As part of our ongoing endeavours to improve data integrity, we regularly assess our reporting methodology and procedures. In FY2024, we conducted a thorough review of past-year environmental data and identified discrepancies in our FY2020 GHG emission intensity. After rectifying and standardising the data to the same baseline criteria, In FY2024, our GHG emission intensity was recorded at 34.46 tCO₂e/ RM Mil Revenue, marking an 7.0% reduction from the base year. While our historical data shows a downward trend in intensity over the years, we recognise the need for additional efforts over the next two years to achieve our set target.

Climate Change



Performance

- Reduced **7.0%** GHG emissions intensity from base year FY2020 (37.1 tCO₂e/RM Mil Revenue)
- Generated **977,506.75** GJ of renewable energy from solar, biogas and biomass
- Avoided **25,795.97 tonnes** of GHG emissions

Our Approach

Climate change poses a substantial challenge to our business operations, impacting our entire supply chain from raw materials sourcing to products manufacturing, logistics, and products delivery to customers.

QL acknowledges that our operations contribute to greenhouse gas emissions and is proactively addressing climate impacts. In addition, we are dedicated to utilise renewable energy from diverse sustainable sources.

Identifying Risks and Seizing Opportunities

QL acknowledges the significance of climate change as a crucial business concern and recognises the detrimental effects and associated risks climate change poses to our business operations. In FY2024, we have identified a list of climate-related risks and opportunities spanning short, medium, and long-term horizons. These risks and opportunities will be addressed in our strategies in the future.

The below table presents climate change risks and opportunities related to QL's operations:

Risk Category	Risk and Description	Time Horizon
Transition Risks →	Policy and Legal Increased regulatory requirement such as reporting obligation may lead to higher compliance cost and impairment of assets.	Short-term to long-term
	Technology Cost of transitioning to lower emission technology includes arising from investment in technology to reduce reliance on fossil fuel, improve energy efficiency and mitigate emissions to improve air quality.	Short-term to long-term
	Market and Reputation Changing stakeholders' preference such as shift in consumer demand to climate-change friendly products, reduced financing availability in affected sectors etc.	Short-term to long-term
Physical Risks →	Acute Increased extreme weather patterns such as heatwave drought, cyclones, flood and turbulent sea condition could result in supply chain interruption such as disruption of fishing activities crop production and livestock productivity. In addition, this could lead to reduced production capacity and increased insurance premium as result of increased exposure to assets damage.	Short-term to long-term
	Chronic Rising temperature may have affect human health which may lead to increased medical cost and reduced productivity. Rising temperature may also lead to the increase in energy cost for poultry farming and marine production operations which requires climate controlled environment.	Long-term
Opportunities →	Energy Source Reduced operating cost can be achieved by utilising alternate source of fuel and energy including renewable energies such as biomass and solar.	Short-term to long-term
	Products and Services Development of products through R&D and innovation to penetrate new market e.g. segment of customers who prefer ESG friendly products. BM Greentech Berhad, being a clean energy solution provider, stands to benefit from such climate-change transition.	Short-term to long-term

While the Group is embarking on a journey to TCFD disclosures, Management believes that the understanding will progressively deepen with regards to how climate change will affect the Group. Similarly, the necessary organisational skills and capabilities to assess climate-related risks and opportunities will be improved including the use of scenario analysis. Therefore, the climate change risk, opportunities and mitigations will be periodically reviewed and updated.

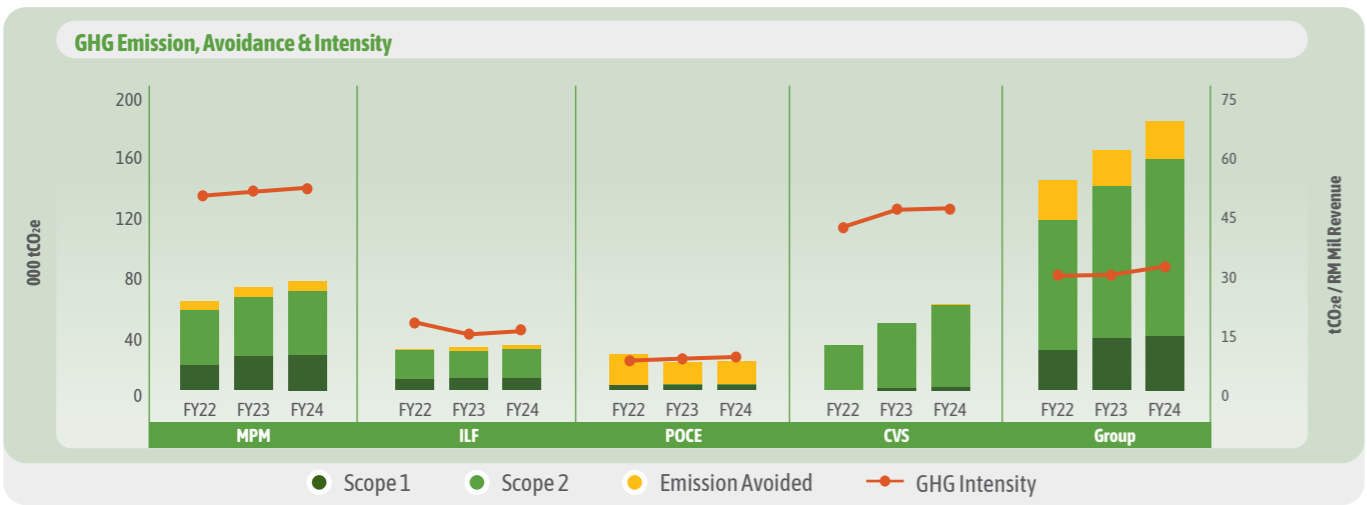
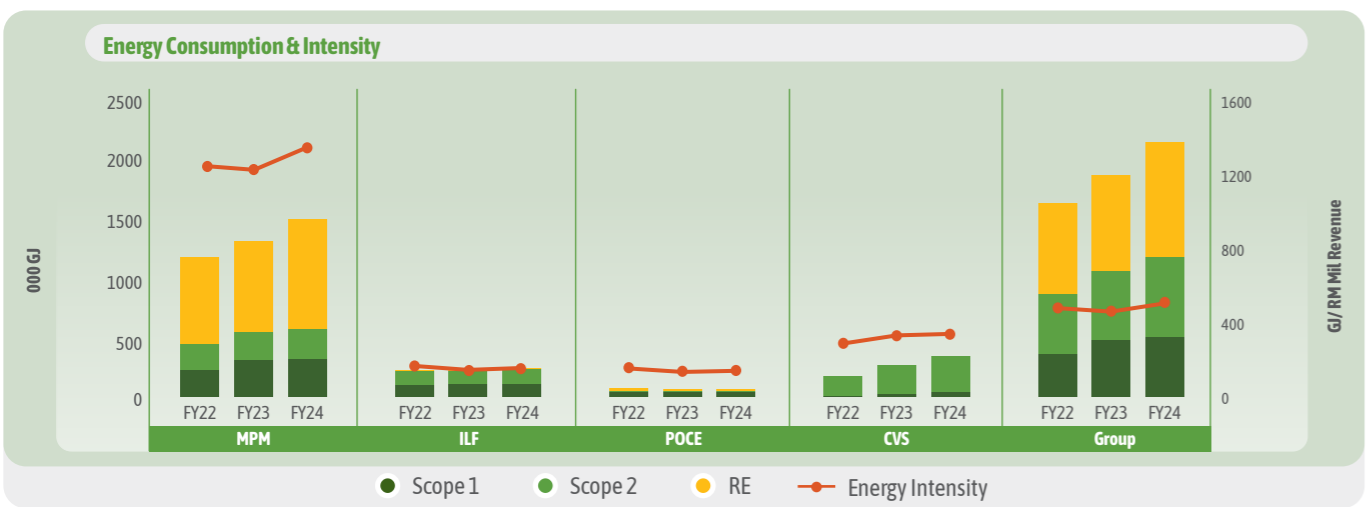
Commitment to Climate Change

To showcase our dedication to addressing climate change concerns, we introduced a Climate Change Policy in FY2024. The policy outlines QL's strategy for tackling climate-related matters and integrating climate considerations into our decision-making procedures.

Effective Management of Energy Consumption and Greenhouse Gas Emissions

QL remains steadfast in enhancing energy efficiency within our operations, ensuring responsible energy consumption and sustainable production. We continually strive to monitor and optimise our energy usage while actively identifying opportunities for improvement to manage our air emissions effectively.

In FY2024, QL group experienced an increase in energy consumption and greenhouse gas emissions, reaching 2,161,706.80 Gigajoules (GJ) and 153,644.67 tCO₂e, respectively.



The rise in energy consumption and GHG emissions in FY2024 was driven by increased production volumes and operation expansions at MPM and CVS business pillars. However, the revenue for FY2024 did not proportionally increase because some of the goods produced during this period remained in inventory. As a result, there was an elevation in energy consumption and GHG emission intensities for FY2024.

Harnessing Renewable Energy

QL is actively adopting renewable energy technologies to reduce the consumption of fossil fuel-based energy by harvesting clean energy. In FY2024, we generated 977,506.75 GJ energy from solar, biogas and biomass, replacing 45.2% of our energy needs.

QL Kitchen Sdn. Bhd. increased its solar generation capacity by installing 1,802 solar panels with a capacity of 1,000 kWp at the second kitchen in July 2023.

As of FY2024, 31,959 pieces of solar panels were installed across the Group, enabling us to offset 10,062.95 tonnes of GHG emissions.



Photo of solar panels installation at QL Kitchen Sdn. Bhd.

Water Security

Performance

- 0.7% water withdrawal intensity reduction YoY
- 5,073 m³ of rainwater harvesting for non-potable uses

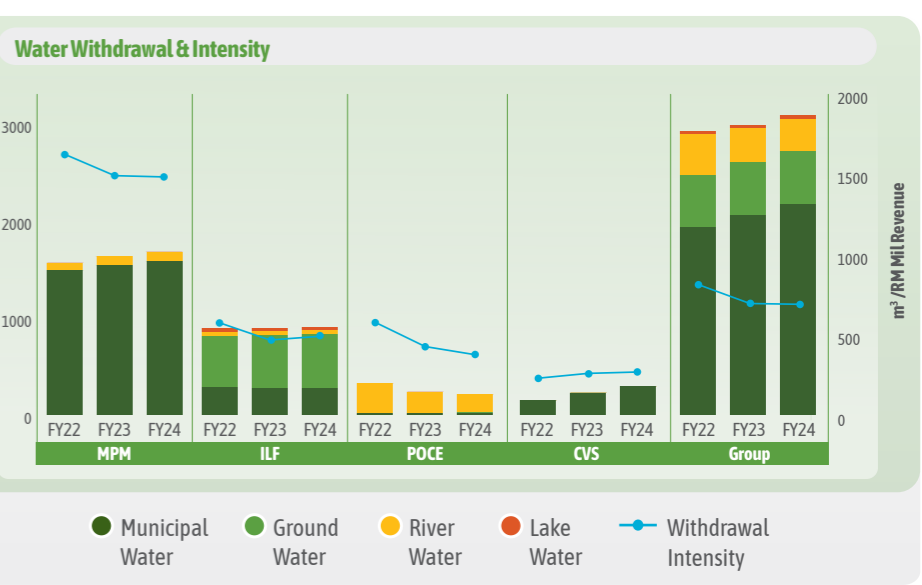
Our Approach

Water scarcity poses a threat to communities and economies worldwide. We acknowledge the critical role of water in our operations and is committed to conserving water resources and enhancing efficiency across all our operation sites. To tackle the challenge of water scarcity, we efficiently manage our water withdrawal and consumption by adhering to industry best practices.

Responsible Water Resource Management

We utilise the World Resources Institute Aqueduct Water Risk Atlas tool to evaluate potential water risks in the regions where our operations are situated. None of our operations in Malaysia are in water-stressed regions and we refrain from withdrawing water from any water-stressed regions for use in our Malaysia operations. Nonetheless, we are steadfast in our commitment to safeguarding water resources and optimising our water consumption across all our operations.

In FY2024, the Group's water withdrawal intensity reduced by 0.7% from 697.05 m³/RM Mil Revenue to 692.18 m³/RM Mil Revenue. The slight reduction in intensity is due to lower water withdrawal volume in POCE business pillar because of divestment of one mill operated under QL Plantation Sdn. Bhd. in FY2024.



Sustainability Statement

Sustainability Statement

Rainwater Harvesting

In line with our efforts to conserve water by capturing rainwater that would otherwise runoff into sewers, we continue our rainwater harvesting initiative at QL Breeder Farms Sdn. Bhd. for non-potable uses. However, we observed a 26.5% decrease in rainwater volume from 6,754 m³ in FY2023 to 4,962 m³ in FY2024 attributable to reduced rainfall in the region.

We extended our efforts to QL Kitchen Sdn. Bhd. by the installation of a rainwater harvesting system. In FY2024, we successfully harvested 111 m³ of rainwater for non-potable uses.



Photo of rainwater harvesting system at QL Kitchen Sdn. Bhd.

Pollution and Resources

PR

Performance

- Recycled/recovered **202,482.89 MT** of wastes
- Diverted **95.3%** of wastes from landfills and incineration

Our Approach

QL embraces the principles of a circular economy in our operations. We aim to strike a balance between conserving and consuming resources, while also advocating for resource efficiency and reduction in wastes generation.

In our endeavours to improve resource efficiency, we harness renewable energy sources and employ technologies to optimise material utilisation and reduce energy inputs.

QL adopts waste hierarchy approach by prioritising reduction, reuse, recycling, and recovery of wastes. We convert wastes into valuable resources. Any remaining waste is disposed of through licensed waste contractors. On the other hand, conversion of wastes decreases the consumption of raw materials, thereby not only reducing environmental impacts but also minimising the need to extract and process additional new resources.

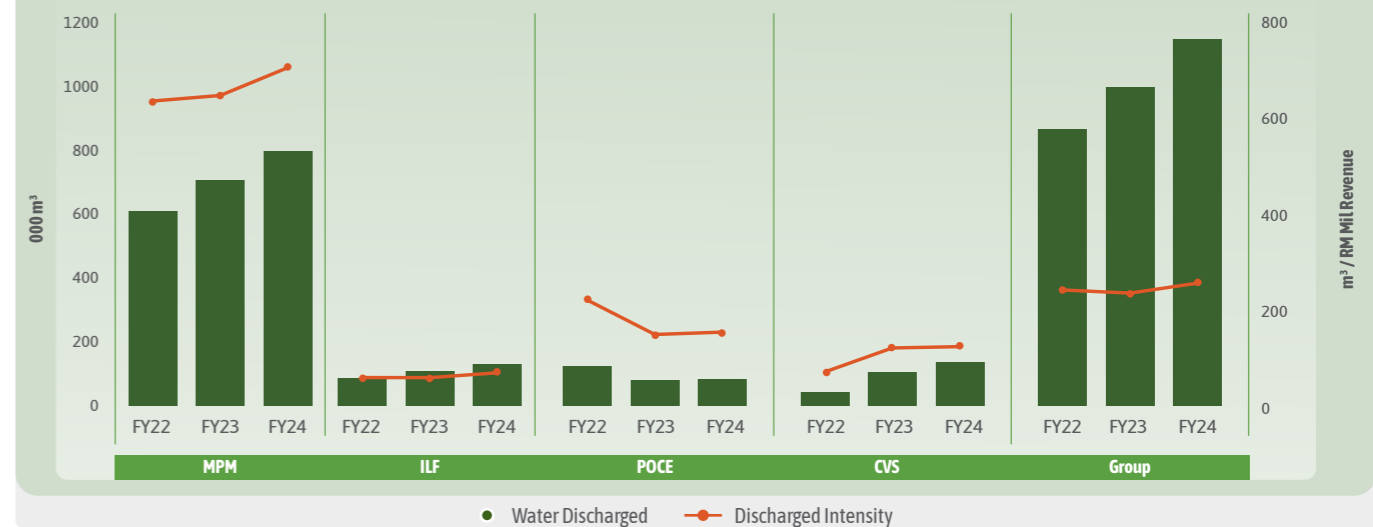
In compliance with legal requirements, we diligently manage wastes or pollutants and ensure that our employees receive adequate training to handle industrial effluent and hazardous wastes at our operational sites.

In support of circular economy, QL extends sustainable environmental measures by providing renewable energy and water treatment solutions to the industries.

Effective Management of Effluent and Wastes

In FY2024, we discharged a total of 1,138,530.38 m³ of water into surface water sources. The Group experienced a rise in water discharge intensity which is attributed to increased discharge intensities in both the MPM and ILF business pillars. This escalation in business pillar discharge intensities correlates with increased production levels of these business pillars.

Water Discharged & Intensity

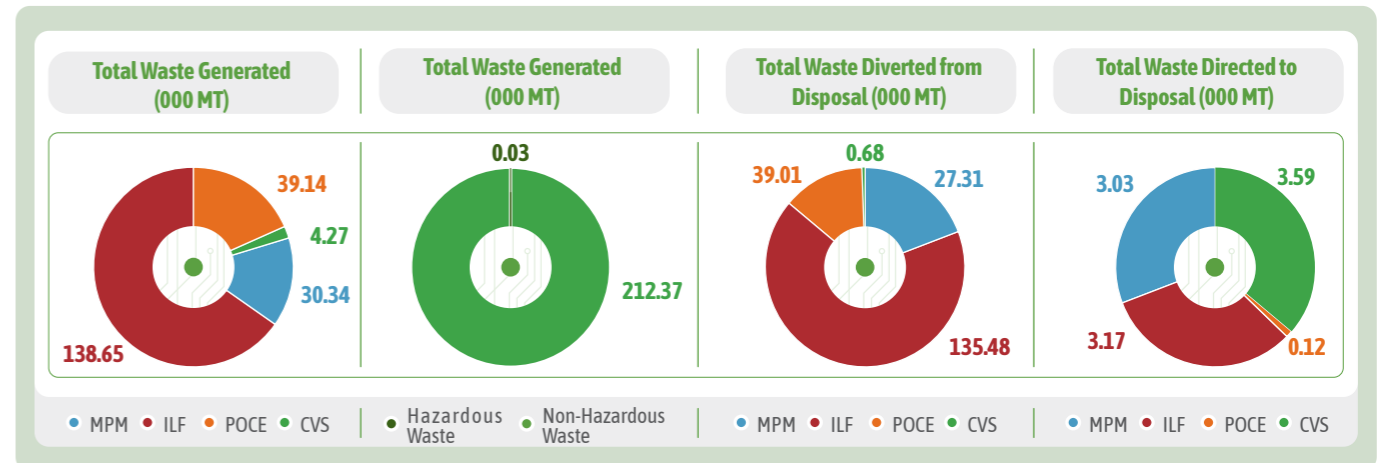


Our wastewater is treated before discharge to ensure compliance with Environmental Quality (Industrial Effluent) Regulations 2009, Standards A and B. To ensure that the quality of our effluent consistently meets Standards A and B, we conduct regular monitoring and upgrade our facilities when necessary. Following the expansion of QL Kitchen Sdn. Bhd. in FY2024, a new wastewater treatment plant with a treatment capacity of 350 m³/day was constructed.



Photo of wastewater treatment plants at QL Kitchen Sdn. Bhd.

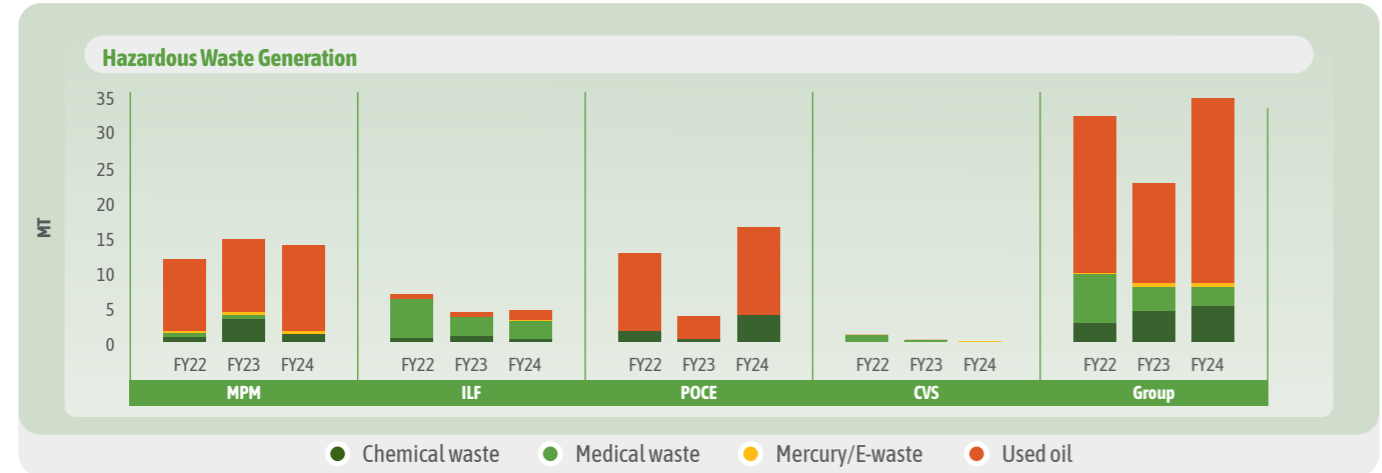
In FY2024, QL generated 212,400.83 MT of waste from our operations. ILF business pillar produced the most waste primarily from the generation of chicken manure, whereas POCE business pillar generated a substantial volume of empty fruit bunches. The chicken manure was composted as organic fertiliser, while the empty fruit bunches were used as biomass fuel and also mulched as organic fertiliser.



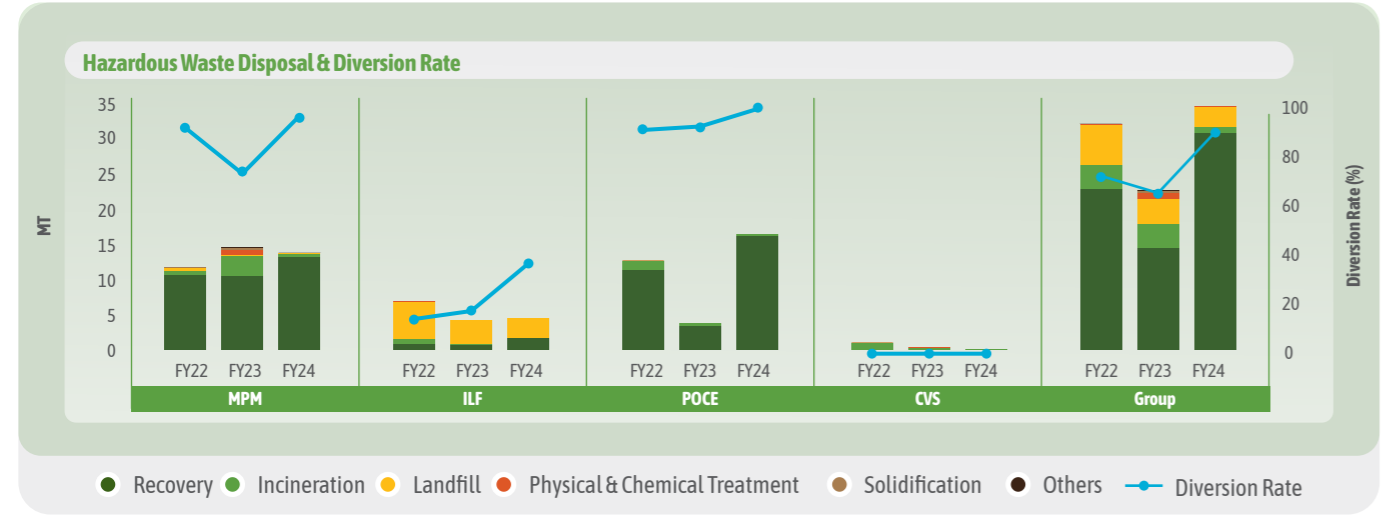
Sustainability Statement

Sustainability Statement

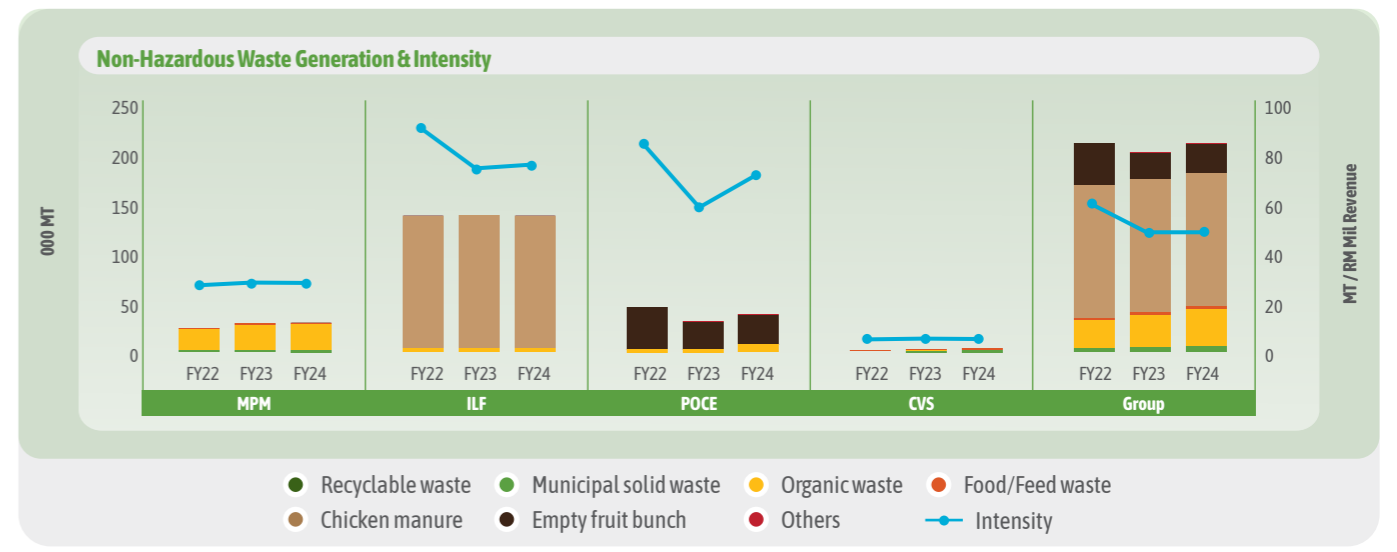
In FY2024, there was a notable increase in the Group's generation of hazardous waste. The spike is attributed to the increased volume of used oil in POCE business pillar due to increase in maintenance activities.



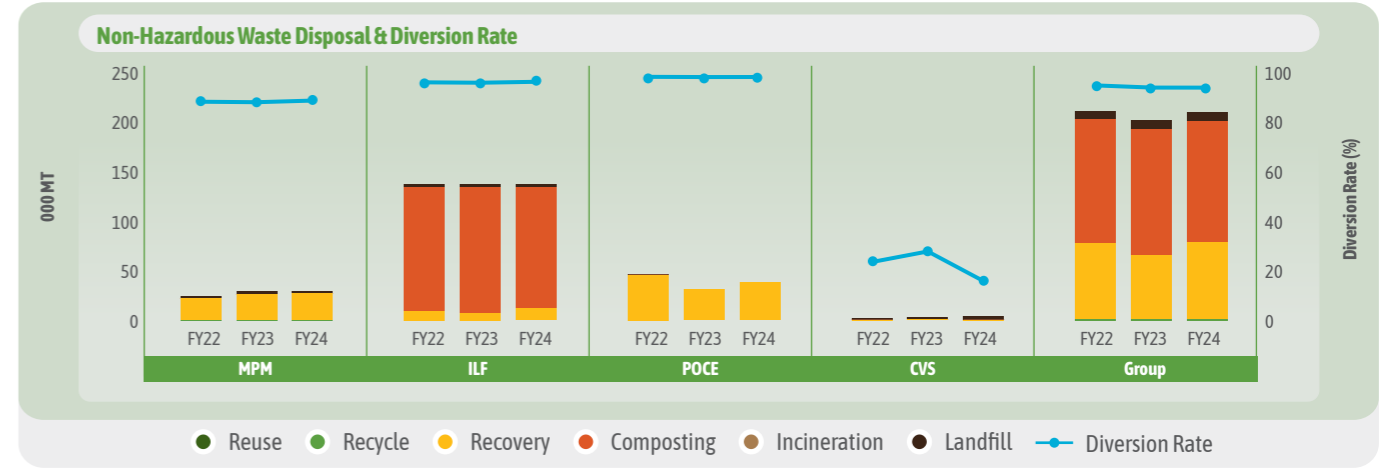
The Group's diversion rate was on the rise since FY2023. As part of our efforts to responsibly manage hazardous waste, we engaged the services of a licensed vendor specialising in the treatment of hazardous waste through recovery methods, contributing to an increase in our diversion rate by 25.0%.



In FY2024, the Group's generation intensity for non-hazardous waste remained consistent with the previous year, at 47.63 metric tons per RM Mil Revenue. With the exception of POCE business pillar, the generation intensities across all business pillars remained consistent with those of the previous year. The marginal increase observed in the intensity of POCE business pillar is attributed to a significant amount of organic waste generated from desilting activities in the retention ponds.



The Group's FY2024 diversion rate for non-hazardous waste remained consistent at 95.3%, similar to the rate observed in FY2023. Except for CVS business pillar, the diversion rates for all other business pillars appeared to have stabilised. The diversion rate in CVS business pillar declined as one of our suppliers, responsible for collecting our food waste for recovery purposes, stopped collecting food waste from us.



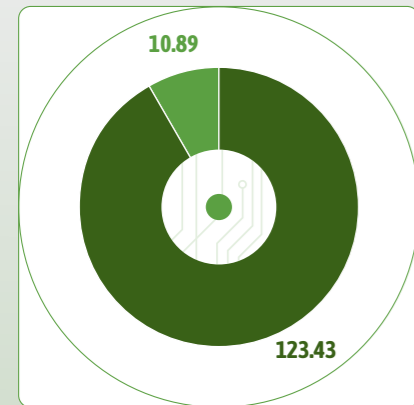
In FY2024, there were no reported cases of non-compliance with environmental laws, regulations and standards for air emissions, quality of effluent discharge and management of hazardous waste.

Sustainable Utilisation of Resources

In FY2024, we diverted a total of 202,451.80 MT of non-hazardous waste through methods such as reuse, recycling and recovery. As a food manufacturer operating in the farming, fishing, and retailing sectors, the majority of our non-hazardous waste comprises chicken manure and organic waste. We recovered these primary waste streams, along with food/feed waste, into valuable resources for new products.

In ILF business pillar, we use composting technology to recover 123,429.12 MT of chicken manure into organic fertiliser. The remaining chicken manure was recovered for other usage which includes our own tree planting and collection by suppliers. In MPM business pillar, we recovered 25,491.73 MT of organic wastes by processing it into fishmeal.

Chicken Manure Recovery (000 MT)



● Organice Fertiliser ● Other Usage

We address food waste issue in accordance with the principles of the food waste hierarchy. Prioritising in directing surplus food to vulnerable communities as our next preferred strategy, we divert cosmetically imperfect food from landfills and redistribute it to those in need through Kechara Soup Kitchen. In FY2024, we donated a total of 6,335.55 kg of food to underprivileged groups. This food redistribution programme reduces our food waste contributing to environmental sustainability by conserving resources and reducing greenhouse gas emissions.

Sustainable Environmental Solutions Enabler

In line with QL's business and sustainability objectives, QL has broadened our business scope by investing in BM Greentech Berhad, a company specialising in solar and biomass renewable energy engineering, as well as water treatment systems and emission control. This strategic expansion allows us to provide a wider array of clean energy solutions to both our Group and customers.

In the reporting year, we facilitated the installation of:

- Approximately 26.0 megawatt peak (MWp) of solar panel capacity across a total of 800 projects.
- 6 wastewater treatment plants at customers' sites which treated approximately 1.6 million m³ wastewater.
- 21 new water treatment systems at customers' facilities with an approximate treatment capacity of 1.6 million m³ raw water.

Biodiversity

B

Performance

- Planted **2,000** mangrove seedlings with **95%** survival rate after seven months
- Our palm oil estates and mill in Malaysia are **MSPO certified**
- **88.2%** of palm oil produced is certified with MSPO

Our Approach

Biodiversity is the sustenance of life that includes the diversity of species, populations, and ecosystems. Alterations in land use, and industrialisation have adversely affected biodiversity. As a responsible agro-based enterprise, QL acknowledges the profound impact of these issues on balance of ecosystem. Therefore, we are dedicated to revitalising this balance through biodiversity regeneration and enhancement.

Mangrove Conservation Programme

Recognised as one of the top three ecosystems for carbon sequestration, mangroves sustain a rich diversity of flora and fauna while providing economic benefits to local communities. Restoration and conservation of mangrove forests can help in combating climate change and its impacts.

In partnership with Wetlands International for the third consecutive year, QL and BM Greentech Berhad carried out a mangrove reforestation and rehabilitation activity at Banjar Utara Forest Reserve, Tanjung Karang, on 14 October 2023. A total of 122 participants were involved in the planting activity, consisting of 92 employees and family members, along with 15 representatives from the forestry department and 15 volunteers. In total, 2,000 mangrove seedlings were planted. Notably, the survival rate of these seedlings reached an impressive 95% after seven months.



Mangrove Planting at Tanjung Karang



Mangrove saplings showing healthy growing condition after seven months

Commitment Towards Sustainable Palm Oil

Our commitment towards sustainable palm oil is evidenced by securing the Malaysian Sustainable Palm Oil (MSPO) certification for QL palm oil estates and mill. MSPO is a national certification standard created by the Malaysian government in the palm oil industry. To ensure sustainable palm oil production, this certification requires QL adhere to good agricultural practices such as responsible protection of high conservation value areas and high carbon stock forests, avoidance of deforestation and illegal land clearing, responsible land management, traceability of palm oil products throughout the supply chain.

In FY2024, 88.2% of palm oil produced by QL is certified with MSPO.

Supply Chain (Environment)

SCE

Performance

- **49** biosecurity audits in **20** farms
- **5.2%** increase in biosecurity audit average score from previous year

Our Approach

Effective management of ESG factors is essential for ensuring sustainable supply chain operations. This approach not only enhances our business value and growth but also benefits the environment and society. Therefore, QL strives to practice a responsible supply chain management process that minimises environmental impacts and at the same time fosters socially responsible management of suppliers and procurement activities.

Guiding Principles for Environmentally Responsible Supply Chain

QL has crafted a Supply Chain Policy to establish a set of guidelines governing procurement activities of QL and our suppliers who conduct business with us and on behalf of QL for implementation of a sound supplier management process. Aimed at promoting environmental stewardship, social equity and regulatory compliance, the policy outlines QL's commitments in working with our suppliers on environmental and social sustainability aspects.

While QL strives to reduce our ecological footprint of operations, our suppliers are similarly expected to conduct their operations in an environmentally responsible manner. They are encouraged to sustainably manage the use of energy, water and other resources; proactively reduce environmental issues such as pollution, waste, climate change and biodiversity impacts.

Bolstering Biosecurity Measures

Biosecurity remains paramount at QL farms to safeguard the health and well-being of poultry and mitigate the spread of diseases. Our biosecurity initiatives undertaken in FY2024 focused on quality assurance, training, and groundwork for laboratory accreditation.

Building upon the successful implementation of the quality assurance programme at layer farms in previous fiscal year, we expanded the programme to include breeder and broiler farms in FY2024. In terms of training and development, QL Poultry Academy was inaugurated at two farms to enhance employees' comprehension and adherence to biosecurity protocols. Additionally, as part of our commitment to ensuring the quality and reliability of our laboratories, we commenced preparatory work for laboratory accreditation.

SOCIAL RESPONSIBILITY



→
At the heart of QL's business lies its people, and our people-centric approach begins with our employees.

At QL, we regard our employees as our most valuable asset. We invest in cultivating and enhancing our human capital by providing them with the necessary skills and knowledge to not only contribute to QL's business growth but also to the socio-economic development of the nation. Committed to fair labour practices, QL endeavours to foster a positive work culture and create a safe, healthy, and conducive work environment for our workforce.

Our focus on people extends beyond our employees to encompass other stakeholders and the communities in which we operate.

We enhance our business resilience to ensure the long-term creation of shared value for stakeholders such as suppliers and customers. Our prosperity is intertwined as we uphold shared values. QL actively engages in societal contribution by making a positive impact on the lives of our beneficiaries and striving for a more equitable future for all.

Our Targets

Material Matter	Target	FY24 Performance
TM	16 training hours for executives and 10 training hours for non-executives per year	Average training hour of 26.78 per executive and average training hour of 20.85 per non-executive
OSH	Zero fatality	One fatality reported
LS	Zero substantiated complaints concerning human rights violations	Zero substantiated complaints concerning human rights and fair labour received through whistleblower channel

In FY2024, our Lost Time Injury Frequency Rate (LTIFR) performance experienced a decline of 21.4% compared to FY2023. Nonetheless, we remain dedicated to ensuring a safe workplace for our employees. Recognising the significance of this dedication, we have set a goal to achieve an 8% improvement in LTIFR in FY2025.

Labour Standards



Performance

- **1,791** employees attended the Human Rights and Labour Standards Policy Briefing
- Revised and enhanced Human Rights and Labour Standards Policy, with **289** employees trained on the revised policy
- Internal human rights and fair labour due diligence audits carried out for **4** business sites
- **35** people managers attended the workplace bullying and harassment training
- **Zero** reports received on human rights and fair labour violations

Our Approach

QL remains steadfast in our commitment to being acknowledged as an employer that prioritises good human rights and fair labour standards practices. We recognise the significant responsibility our organisation holds in ensuring human rights and fair labour practices across all our business operations. Compliance with all relevant legal requirements concerning human rights and fair labour practices is paramount to us. Our dedication extends to upholding the rights of our employees and third-party workers by aligning our human rights and labour practices with international good practices, which include the principles outlined in the UN Guiding Principles on Business and Human Rights.

Strengthening QL's Stance to Uphold Human Rights and Labour Standards

We firmly remain committed to conducting our business in a manner that respects the human rights and dignity of all people. We continuously strive to complying with all applicable laws and following international best practice guidelines to uphold our stance on human rights and labour standards.

Throughout the reporting period, a total of 1,791 employees have been trained on the human rights and labour standards policy.

As a testament to QL's ongoing efforts and stance to respect and support human rights, we have revised and enhanced our existing Human Rights and Labour Standards Policy. A copy of the revised and enhanced QL's Human Rights and Labour Standards Policy can be found on the company's website.

Following the revised and enhanced version of our Human Rights and Labour Standards, we have commenced a group-wide internal briefing for all our employees. In March 2024, a total of 289 employees have been briefed on the revised policy. We are currently planning and scheduling the remaining briefing sessions for all employees in the coming financial year. We believe that the internal briefing on the policy is crucial for all our employees, enabling each employee to be fully aware of their rights as well as cultivating a culture of respect and promoting human rights in our workplace.

Our Human Rights and Labour Standards Policy and stance have also been communicated to our business associates and all parties dealing with us and within our supply chain ecosystem. We have established a Code of Business Ethics (Suppliers and Business Associates) outlining our human rights stance and labour standards expectations. We have also emphasised that we will not tolerate any violation of QL's Human Rights and Labour Standards Policy by any business associates and will immediately cease any dealings due to any known violation. We seek to receive a signed acknowledgement from our suppliers and business associates acknowledging our expectations of QL's human rights and labour standards stance.

Strengthening QL's Stance to Uphold Human Rights and Labour Standards

Recognising the pivotal role that the human rights due diligence audit can play, we have heightened our efforts to focus on carrying out the human rights and labour standards due diligence audit for selected sites.

This year, the Group HR team has completed the human rights due diligence audit for four sites, which mainly encompasses the MPM and CVS business pillars. QL Endau Marine Products Sdn. Bhd., QL Endau Deep Sea Fishing Sdn. Bhd., and QL Endau Fishmeal are mainly from the MPM business pillar that have been audited. The CVS business pillar that has been audited is from QL Kitchen Sdn. Bhd.

Sustainability Statement

Sustainability Statement

The human rights due diligence audit focus on the following salient human rights issues identified as relevant to all business units in QL:

- 1 **Freedom from discrimination in employment and occupation**
- 2 **Labour rights relating to wages, working hours, leaves and benefits, safe work conditions, protection from forced and child labour, and freedom of association**
- 3 **Rights of migrants and contract workers**
- 4 **Gender equality relating to equal pay for equal work**

Observations made during the human rights' due diligence audits, along with findings and recommendations, were conveyed to the respective sites for necessary action. The audit observations enabled each respective business unit to better identify and mitigate potential risks associated with human rights violations. With the proactive approach of assessing these risks, the business units have been able to put in place preventive and mitigating measures to ensure compliance with applicable legal requirements.

Governing Our Labour Practices for the Well-Being of Our Workforce

We place utmost priority on embedding fair employment practices and treatment of our employees.

We are dedicated to adhering to local minimum wages and compensating employees competitively relative to the market and industry standards. We ensure all our employees are compensated and paid above the minimum wage as established by the local labour law. Additionally, in ensuring a competitive remuneration package for our employees, we also introduced the implementation of productivity-linked incentives. The productivity-linked incentives aimed at enhancing workers' incomes, in tandem with increased productivity thus facilitating improvements in their overall well-being.

We prioritise the health and well-being of our employees. As such, we emphasise on strict adherence to labour laws regarding compliance with regulations on work hours limit and mandatory rest days. All overtime work is strictly voluntary and compensated in accordance with the respective regulations. We have mandated all business units to submit a quarterly report to Group HR declaring any occurrence of non-compliance and to put in place corrective actions to reduce excessive working hours. The reports are shared with higher management to ensure that appropriate actions are taken to comply with the respective overtime and work hours legislation.

Among the actions taken by business units to manage overtime are:

- Collaborating with the operations team to evaluate work shift patterns, with the aim of scheduling worker overtime shifts in a manner that mitigates the risk of exceeding 104 (1.5 rate) hours per month.
- Engaging in discussions with the operations team to assess and optimise manpower allocation, including the initiation of hiring temporary workers to address shortages.
- Enhancing the approval process for overtime, ensuring greater oversight and adherence to established guidelines.
- Introducing incentive programmes and Management Trainee Programme aimed at providing additional support and manpower to operations.

Grievance Handling Mechanisms and Communication

We value the importance of ensuring that our internal and external stakeholders have access to report any actual or potential wrongdoing concerning business-related human rights abuse, labour standards infringement, and any violation of the Human Rights and Labour Standards Policy.

Within all our business units, we value a two-way communication with our employees. We strive to inculcate a workplace culture that is open, transparent and consultative for our employees. We encourage all employees to speak up and approach their immediate superior and manager to report any workplace grievances pertaining to their rights as employees and any violation of labour standards that directly or indirectly affects them. However, in any event that any employee should need to escalate any grievances beyond their immediate superior, an internal company workplace grievance management policy is in place. We commit to investigating all reported grievances, and to take appropriate action at our respective business units. Additionally, any grievances raised are also reported up to the group level to ensure that the business unit concerned has taken remedial actions to address the grievances.

In FY2024, through our internal grievance management channel, we received six reported grievance cases, of which four cases have been classified under work-related dissatisfaction and two grievance cases are related to sexual harassment. These reported grievances have been resolved according to the workplace grievance management policy. Reinforcement of sexual harassment policy has also been conducted by briefing the employees concerned.

Additionally, this year, we have taken steps to create a workplace environment that is free from bullying and harassment by launching training sessions for our people managers. So far, 35 managers have completed this training. Looking ahead to the next financial year, we aim to extend this initiative by training an additional 70 people managers.

In addition to our internal workplace grievance management policy, QL has also established a Whistleblower Policy that provides a mechanism for individuals, both internally and externally, to report any actual or potential wrongdoing concerning business-related human rights abuse, labour standards infringement, and any violation of the Human Rights and Labour Standards Policy. A copy of the Whistleblower Policy outlining the contact information and the protection of the confidentiality of the whistleblower's identity is available on QL corporate website. In FY2024, there were no reports of human rights violations received through QL's Whistleblower channel.

We continue to focus on training, education, and communication with both internal and external stakeholders. We emphasise building the awareness and knowledge of human rights, including labour rights, by familiarising employees with our workplace grievance management policy.

Talent Management TM

Performance

- Onboarded a total of **5,718** new hires across all business pillars
- An increase of **17.3%** in training hours which exceeded the average training hours targets for executives and non-executives across all business pillars
- FamilyMart achieved a **93%** engagement score with an employee participation rate of **81.1%** in the FY2024 employee pulse survey
- **195** internships were offered, with **9.2%** of interns converted to permanent employees

Our Approach

At QL, we recognise that our employees are the cornerstone of our business growth and success. Our talent management practices revolve around creating and promoting a positive employee experience. We are dedicated to nurturing a workplace culture that prioritises employee well-being, satisfaction, and productivity. Our primary people-centric focus is to attract, develop, and retain a diverse, talented, and empowered workforce. We consistently invest in honing both individual and leadership skills. We strive to enhance employee engagement and foster meaningful interactions, ensuring our employees feel valued and supported.

Diversity, Inclusivity, and Equality in Our Workplace

Our diverse and inclusive workforce demographics demonstrate our commitment to promoting and espousing diversity, non-discrimination, and equal opportunity within our workforce. We value the contributions of every employee, irrespective of their age, gender, nationality, employment type, or level. We believe in recognising and leveraging the unique perspectives and talents of each employee to drive innovation, creativity, and organisational success within our company.

As of 31 March 2024, QL had a total of 9,721 employees.

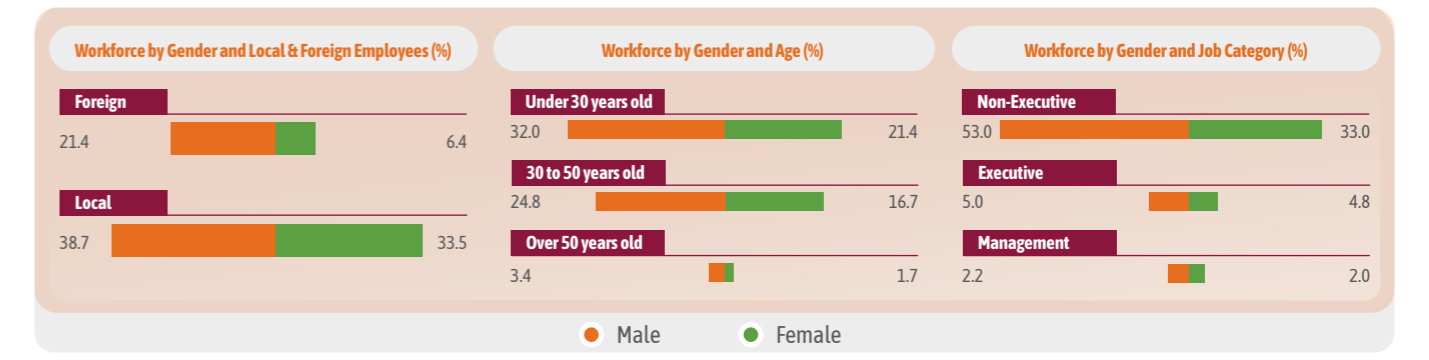
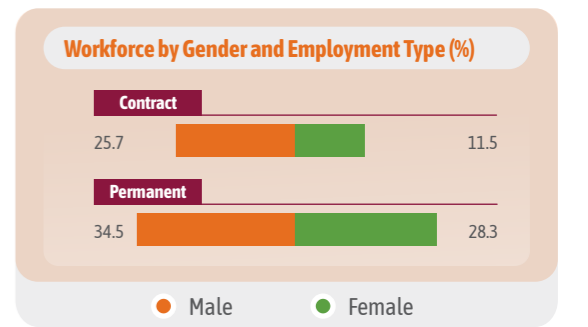
Our female employees represent 39.8% (3,874) of our total workforce.

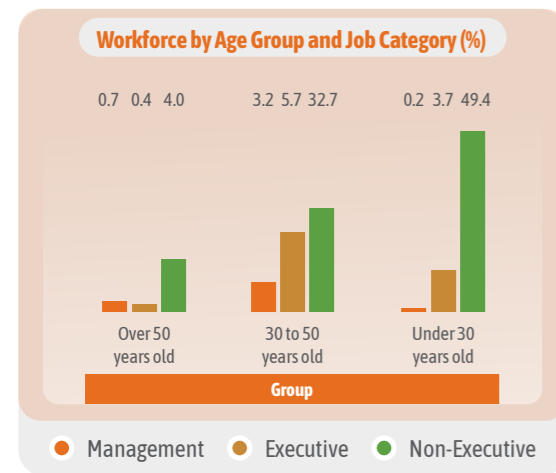
Regarding age distribution, 5.1% (496) are aged 50 and above, while 53.3% (5,184) are under 30 years old.

Among the total workforce, 62.8% (6,108) are permanent employees and 72.2% (7,024) are local.

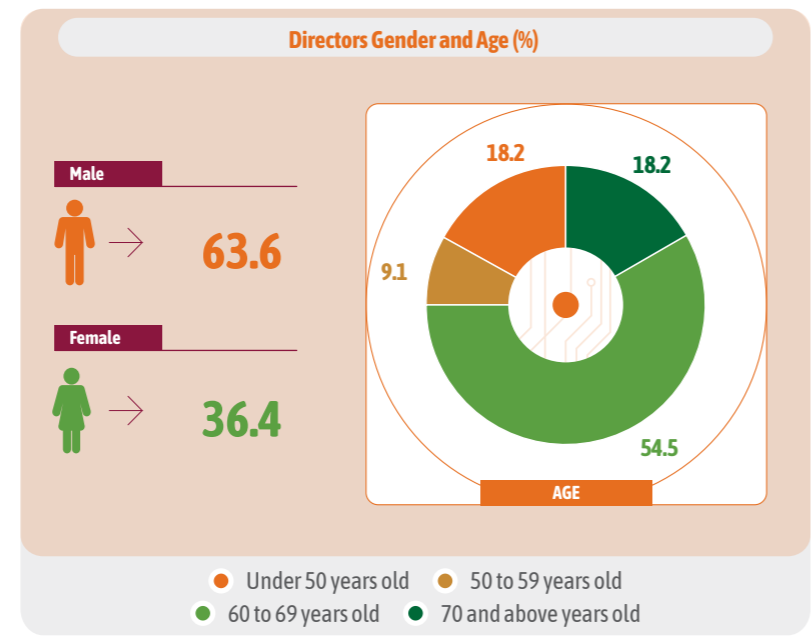
0.03% of our workforce consist of staff with disabilities.

Around 8.9% of our workforce occupies management and executive positions, predominantly falling within the age range of 30 to 50 years. Conversely, approximately 49.4% of non-executive roles are filled by employees under the age of 30.





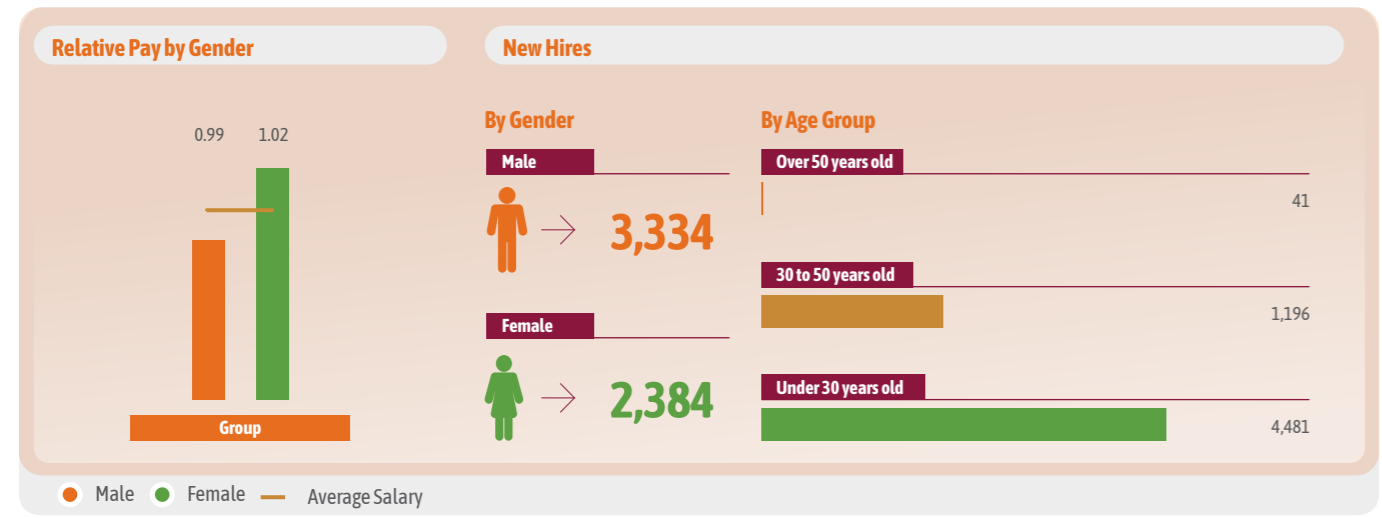
As for the diversity of our Board of Directors, the breakdown by gender and age as illustrated reflects a diversified board that enables a range of experiences, perspectives, and insights into decision-making, ultimately leading to more effective governance, innovation, and sustainable business practices.



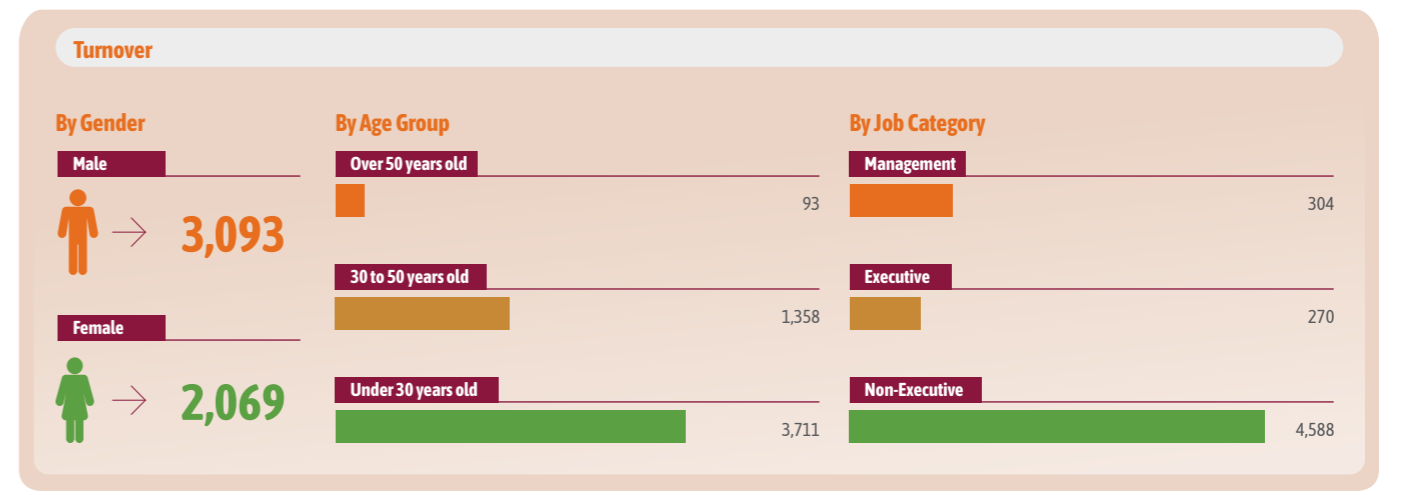
Our compensation policy and practices are designed to be fair and equitable. We support equal pay for equal work. Our compensation offering is guided by market data benchmarks and individual merit based on performance. Below is the data depicting the average basic salary and the ratio of basic salaries between male and female employees.

Acquiring and Retaining Talent

Across our four business pillars, a total of 5,718 new hires were onboarded throughout FY2024. Women comprised 41.7% (2,384) of these hires, while 78.4% (4,481) were under the age of 30. The CVS business pillar maintained the highest recruitment rate, primarily driven by ongoing store expansions within the FamilyMart business, with a total of 38 FamilyMart stores opened over the reporting period.



Our overall turnover rate for the period was 53.1%, which is marginally lower than our hiring rate of 58.9%. The majority of turnover occurred among employees under the age of 30 (71.9%), with a higher proportion of men (59.9%) resigning during the reporting period. The CVS business pillar contributed significantly to the increased turnover, accounting for 69.8% of the total, largely due to higher turnover at FamilyMart stores.



Enhancing Our Employees Experience

This year, FamilyMart conducted an Employee Pulse Survey, with 81.1% of its total employees, or 2,428 individuals, participating via the FMAApp, achieving a high participation rate despite employees being dispersed across different locations. The survey yielded a 93% engagement score, highlighting job satisfaction, teamwork, and organisational culture as the top drivers, while compensation and benefits and employee well-being emerged as areas needing improvement. Subsequently, focus group discussions are planned to enhance the overall employee experience based on the survey findings.

Our ILF business pillar continues to engage their executive employees in the employee engagement survey. Despite a 42.9% increase in the number of executives since the previous survey in 2021, the participation rate improved from 68% to 80%. Overall, the 2023 survey showed a notable 24.5% increase in engagement score, rising from 53% to 66%, with all drivers scoring higher percentages compared to the previous survey. While the top three engagement drivers remained consistent, the bottom three drivers also showed improvement. However, the management noted that the marginal improvement score in employee well-being suggests a need for more focused efforts to further improve on employees' well-being.

Employment Benefits

As a company, we acknowledge the significance of offering equally non-monetary benefits aside from monetary ones. We strive to offer competitive monetary remuneration to our employees, which includes salaries, performance bonuses, and annual increments based on the overall company's performance and the employee's overall job performance.

Our comprehensive suite of benefits provided for our employees is centred around safeguarding their work-life balance, physical and mental health, and well-being.

Below are the benefits provided to our full-time employees:

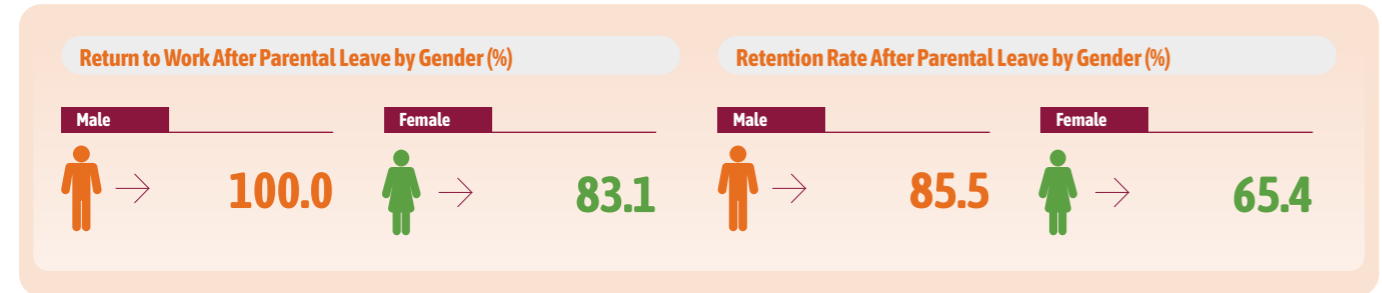
Types of Employment Benefits				
Health Related Wellness	Leave	Insurance	Allowance and Subsidy	Award and Incentive
Details				
Outpatient Medical Benefits	Marriage Leave	Group Personal Accident	Shift Allowance	Long Service Award
Inpatient Medical Benefits	Examination Leave	Group Term Life	Transportation Allowance	Special Loyalty Incentive
Dental and Optical Claims	Parental Leave		Accommodation Allowance	Performance Incentive
Employees Health Screening	Compassionate Leave		Meal Allowance	

Parental Leave

During FY2024, a total of 246 employees, comprising 110 male and 136 female employees, took parental leave.

The below graph illustrates the return to work and retention rates of our employees who took parental leave.

The return-to-work after parental leave is 16.9% lower for women, as many leave their jobs after childbirth. Similarly, the retention rate is notably lower for women compared to men. The primary reasons cited for this trend include the caregiving responsibilities that mainly fall on women. For both genders, life priorities often shift after having children, leading some to pursue freelance work or start their own businesses to allow more time with their families.



Strengthening Our Talent Pipeline

Throughout the year, concerted efforts have been made to ensure that our talent succession management focus remains robust. Our Board of Directors and Top Management place emphasis on this focus. We have established the Group Talent Council, along with Business Pillar Talent Councils that meets on a quarterly basis to identify mission-critical key positions and ensure a healthy succession pipeline is in place. At the business unit level, our site HR teams collaborate closely with management to ensure all mission-critical key positions are filled, supporting sustained business growth and success.

Besides our succession efforts, we also focus our efforts on building a sustainable talent pipeline by diversifying our talent sourcing approach. Strategically, we continue to partner with education institutions, formalising these relationships through MOUs. We continue to work alongside governmental and non-governmental organisations in our efforts to boost local hiring.

Our HR teams are also actively involved in career fairs and roadshows, including participating in career talks at various universities and colleges. During the reporting period, we have continued to partner with academic institutions to facilitate internships for 195 individuals who have spent between three and six months with us in various businesses. Specifically, internship placements predominantly align with students' academic backgrounds and the relevant jobs within our diverse business pillars. Students who performed well during their internship are also offered permanent placement should a suitable and vacant role arise. A total of 9.2% of interns were hired in the reporting year.

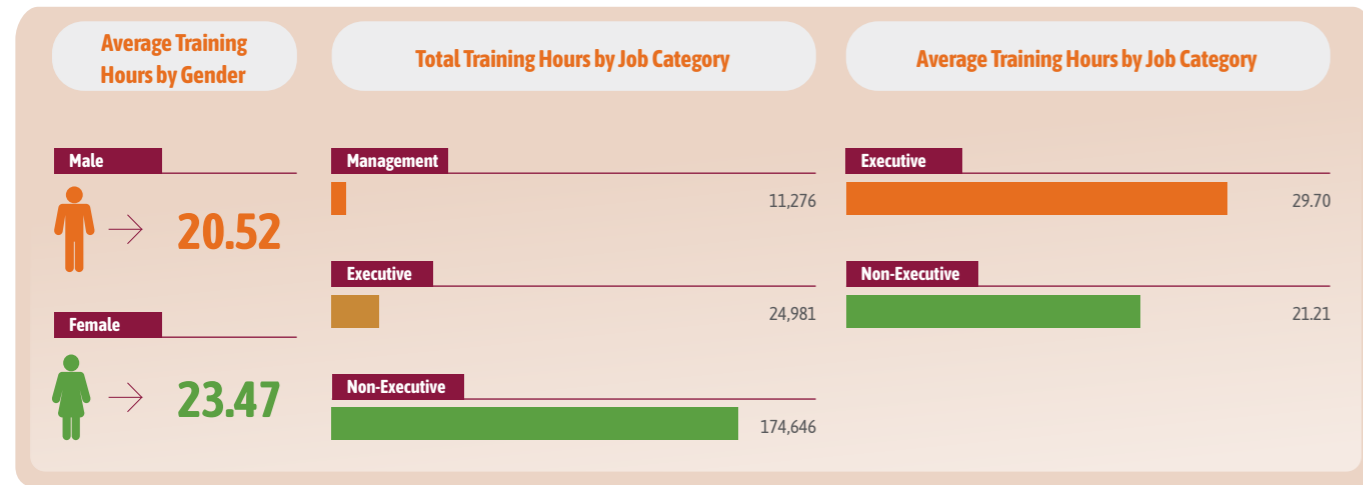
Nurturing Talent and Leadership Growth

We firmly believe it is our responsibility to nurture our employees by facilitating their ongoing professional and personal growth, thus empowering our employees to reach their full potential as well as to be able to contribute positively to the business success.

We provide a diverse array of training programmes designed to address the specific needs of various employee groups, offering programmes that focus on various domains as categorised by our QL's competency model. The table below provides an overall summary of the programmes we offer for our employees.

Domain					
Personal	Business/Management	Leadership	Interpersonal	Functional/Technical	ESG Related Training
Programme					
Self-Management Programmes	QL Values Workshops	LEAD (Leaders Enhancement and Development)	Trust Building Programmes	On-job training	Sustainability Awareness Programme: Environment & Social
Personality Profiling Programmes	Goals Setting and Performance Appraisal Training Programmes	Accelerated Learning Programme	Communication Programmes	Functional/Technical Upskilling Related to Specific Function and Job	Anti-Bribery and Anti-Corruption Training
Health and Well-being Programmes	Group Policies Induction /Updates Briefing			Data Analytics Upskilling Programs	Safety-Related Training Programmes
				Presentation Upskilling Programmes	Harassment and Bullying at Work Handling Programme

In FY2024, our employees collectively completed a total of 210,903 training hours, marking a notable increase of 17.8% compared to the preceding year. On average, each employee contributed 22.31 hours towards training initiatives. The total training expenditure for the reporting period amounts to RM1,269,875.



In FY2024, we exceeded our training targets. Executives averaged 29.70 training hours which are well above the target of 16 hours per year. Similarly, non-executives averaged 21.21 training hours, exceeding the set target of 10 hours per year. This accomplishment underscores our steadfast ongoing commitment to enhancing the skill sets of our workforce at every level.

Performance Management and Career Conversations

At the start of each financial year, we engaged our permanent employees at the level of assistant managers and above in goal-setting conversations. Conversations are held throughout the year, focusing on the progress of job-specific Key Performance Indicators (KPIs), the support required, and the relevancy of the KPIs. These goals are being evaluated at the end of each financial year, alongside the predetermined factors set in the performance appraisal form. The year-end evaluations start with employees self-assessing themselves, followed by their direct superiors and one-up managers. Alongside the year-end appraisals, we are also conducting career development discussions that focus on employees' short-term and long-term career goals.

All other permanent employees other than the assistant managers and above also undergo the yearly annual appraisal using a performance appraisal form with standardised pre-determined factors for performance evaluation.

QL observes a merit-based approach when remunerating our employees. Employees are rewarded according to the company's financial performance and their individual performance with increments, performance-linked bonuses, and career advancement opportunities linked to the outcomes of the appraisals.

Establishment of QL Poultry Academy and Intensifying On-Job Trainings at ILF Business Pillar

The reporting year has been an exciting year for the ILF business pillar with the establishment of QL Poultry Academy. The QL Poultry Academy was developed to include skills development training programme to drive employees to high level of competence in the poultry industry. One of the key areas of focus for the QL Poultry Academy is to intensify on-the-job training across all farms, spanning layer, breeder, and boiler farming operations.

The ILF business pillar has expanded the team with additional resources hired aimed at accelerating the on-the-job training initiatives. These new hires encompass a Training Manager, Trainers, Content Designers and Administrators. Concurrently, the team is actively pursuing the certification of all modules under the Skim Latihan Dual Nasional (SLDN), with the goal of cultivating a highly skilled workforce in QL as well as to meet the evolving demands of the poultry industry.

Overall, the team has successfully completed the design of all the on-the-job training materials, with a specific emphasis on layer farming. Since the establishment of the QL Poultry Academy, a total of 9,945 training hours have been completed across four-layer farms, averaging of 17.4 training hours per employee. Efforts are now intensifying to extend training to all workers in the breeder and boiler farms, in addition to the ongoing focus on layer farms.

Occupational Safety and Health



Performance

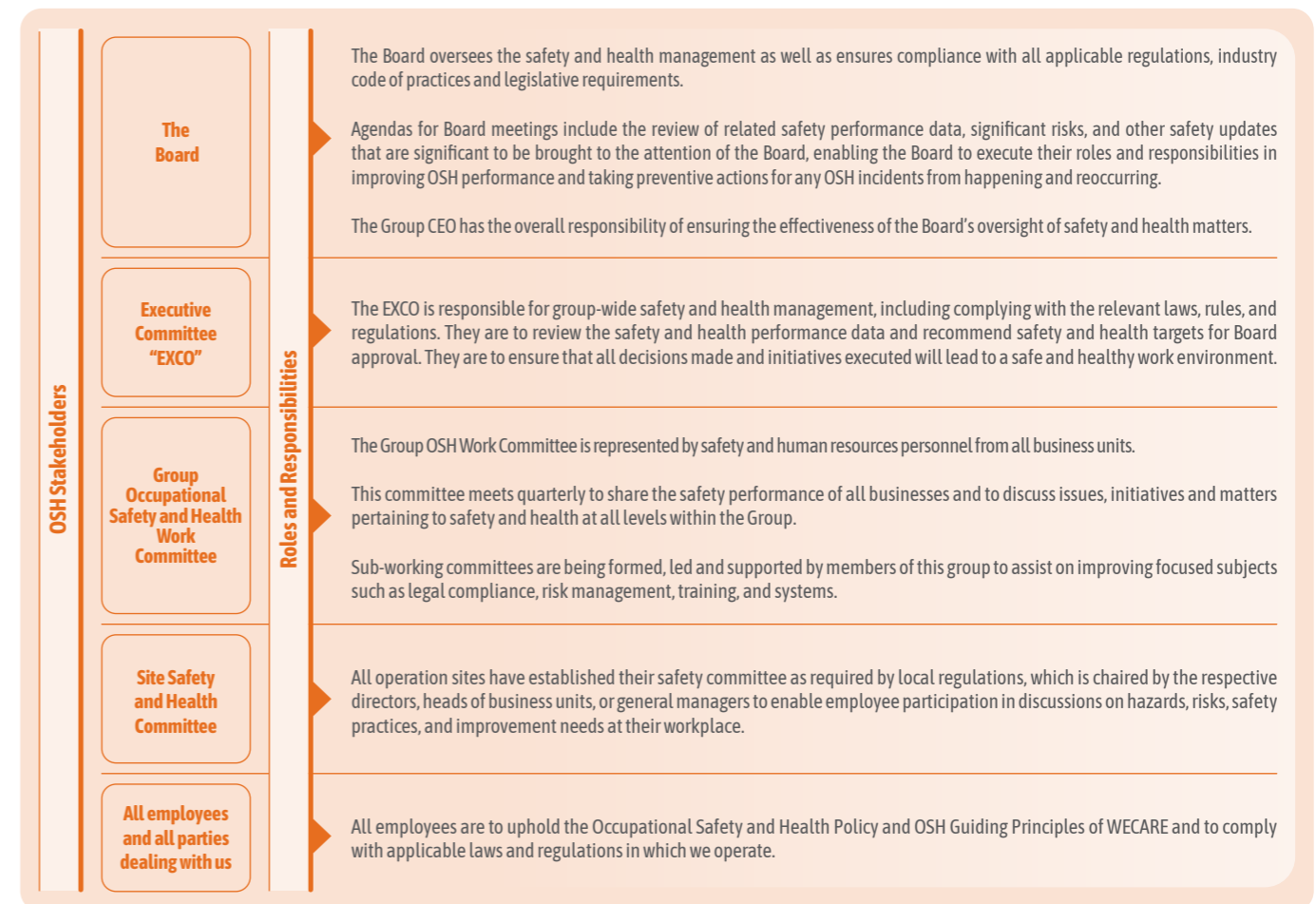
- Refreshed and enhanced **Occupational Safety and Health Policy**
- Implemented a group-wide safety campaign over a **three-week period**
- **11%** of QL sites are certified with ISO 45001:2018, with QL Kitchen Sdn. Bhd. being the latest site to obtain certification
- Deterioration of our safety performance resulting from an increase in LTIFR by **31.5%**, mainly by MPM business pillar, and one fatality involving our third-party contractor at our Clean Energy business pillar
- **3,480** employees were trained on safety and health standards

Our Approach

At QL, our management and leaders are dedicated to fostering a safe and healthy workplace environment. We are devoted to prioritising the continual improvement of our occupational safety and health management, considering it a fundamental aspect of our business culture. Ensuring a safe work culture that safeguards the safety and health of our employees, contractors, and the communities in which we operate, and work is a cornerstone of our commitment to responsible business practices. By ensuring a safe, healthy, and conducive workplace, we aim to prevent injuries and ill-health, which ultimately leads to increased efficiency and productivity.

Our Occupational Safety and Health Governance Structure

Recognising the inherent obligation to ensure a safe and healthy workplace for our people, it is crucial to establish a safety and health governance structure to oversee, lead, and initiate safety and health initiatives, as well as meet our legal obligations across all our businesses.



Strengthening Our Workplace Safety Practices

In the reporting year, we have refreshed and enhanced our Occupational Safety and Health Policy in line with our continuous improvement approach towards safety and health. A copy of the policy can be found on the QL website. We emphasise on our commitment to how our business operations are conducted in a safer manner through the implementation of risk assessment, various measures, and controls. We prioritise the communication, education, and training of our people and all parties that we deal with. We focus our efforts on improvement by evolving our processes, work practices, and systems for a safer work environment. We aspire for all parties dealing with us to uphold our OSH policy.

QL Group's Occupational Safety and Health Management System are designed in compliance with Occupational Safety and Health Act 1994, Occupational Safety and Health (Amendment) Act 2022, and ISO 45001:2018 Occupational Safety and Health Management System standards.

QL has embarked on a journey to have our operating sites progressively certified with ISO 45001:2018 Safety Management System standards. This year, we are pleased to announce that our QL Kitchen Sdn. Bhd. business unit has achieved ISO certification. Currently, 11% of our sites under the sustainability reporting scope at QL are certified with ISO 45001:2018 Safety Management System standards.

In preparing and facilitating the wider adoption of ISO 45001:2018 standards across our various business sites, we have established a sub-committee within our Group OSH Work Committee. This sub-committee's primary objective is to collaborate with individual business units' safety professional, helping them comprehend the requirements of ISO 45001:2018 and assisting in the development of necessary documentation and work practices in alignment with these standards. Our goal is to gradually prepare more sites to fully integrate these systems. Presently, all business units are evaluating occupational risks and opportunities in accordance with ISO 45001:2018, even if they have yet to officially adopt the standards.

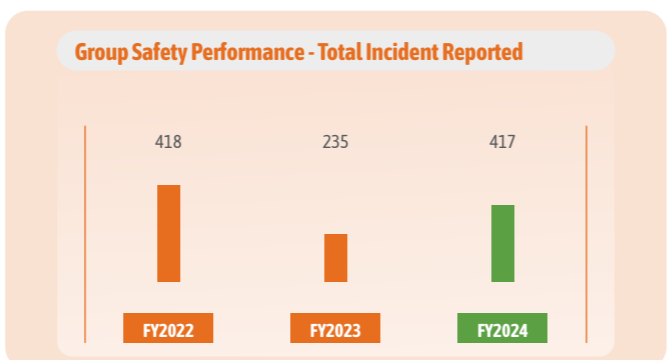
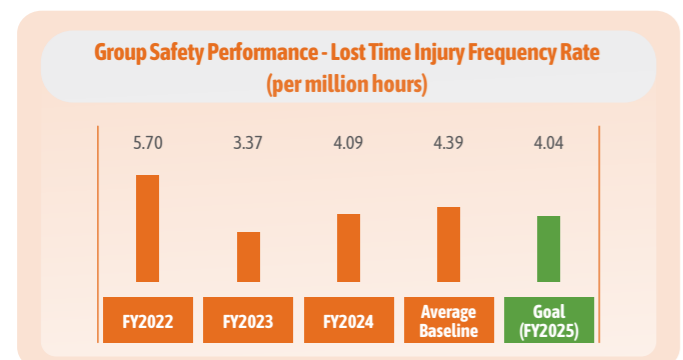
The hazard identification, risk assessment, and risk control (HIRARC) process has also been reviewed to ensure that it remains relevant and aligns with DOSH Guidelines for Hazard Identification, Risk Assessment, and Risk Control 2008 with effective control measures to mitigate the risks.

The HIRARC process is being practiced in business operations, where this process is regularly carried out when there are changes made to existing equipment or operations, and procurement of new equipment or projects. This is done before making major organisational changes or introducing new equipment, materials or processes.

Our Safety Performance Scorecard

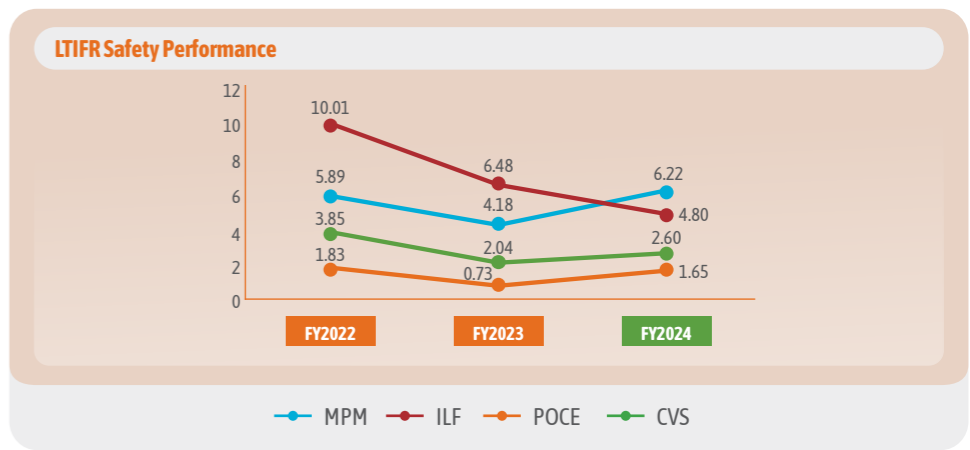
QL Group finished the year with a Lost Time Injury Frequency Rate (LTIFR) of 4.09 LTI per million hours. This is equivalent to 120 lost time injury incidents with total hours worked of approximately 29.4 million hours. Comparing to last financial year, the LTIFR is on a declining trend by 21.4%.

Throughout the reporting period, the total number of incidents reported has increased by approximately 74.4%. The increase in incidents being reported can be attributed to the establishment of initiatives that increased the involvement and awareness of employees about the importance of reporting all incidents, including near-miss incidents. A communication matrix outlining all incidents reporting lines was established to communicate essential information for management attention and actions.



Note: The LTIFR for FY2022 and FY2023 was restated to standardise the data by incorporating the same business entity for FY2023 and FY2024.

Based on a review of the group's safety performance over the past three years, the EXCO Committee has established a baseline for setting safety targets. This baseline is set based on the average LTIFR over the last three years which is at 4.39 per million worked hours. As this is the first year of setting safety targets, the committee has established an annual goal of an 8% improvement in LTIFR for FY2025. Moving forward, the committee will set safety targets on a yearly basis. Long-term targets will also be established once the LTIFR data stabilises.



Except for ILF, all business pillars are showing an increasing trend. On annual performance, ILF is the only business pillar that shows improvement and improved by approximately 25.9% in comparison with FY2023. Although POCE had a fatal incident in FY2024, its LTIFR is still the lowest among the four business pillars.

During the reporting period, the frequency of near-miss incidents reported was low, indicating a lack of effectiveness in our accident management approach and the identification of potential injury situations or environments. As a result, alternative strategies are being considered, such as exploring the implementation of behaviour-based safety observation and audits as a safety management tool.

It is regrettable to note that there was one fatal injury reported. The unfortunate fatal incident occurred in third quarter which involved a contractor. A contract worker was injured as a result of falling from a temporary ladder at our customer's premises.

Following the fatal incident, a thorough accident investigation was jointly done to identify the root causes and determine controls for preventing recurrence. The details of the incident and recommended controls were communicated and discussed at the board and management meeting of the affected business unit meeting. The incident information was communicated to other business units via our Group OSH Work Committee through our sharing and learning session. The information was also reported to the Board of Directors. The key recommendations from the investigation are to improve existing contractor safety management system, procedures, practices, and supervision, especially at project sites.

Improving Our Safety Performance Communication

This year, we have also focused our effort on improving and standardising the communication of performance on safety activities that have been planned for and incidents that have happened in the reporting period, at a minimum on a quarterly basis. The standardised safety dashboard initiative provides a platform for all heads of business units and site management to have a better understanding and knowledge of updates on safety status within their respective areas of responsibility.

To enhance our safety communication process, we have introduced the Safety Performance Board, which is displayed at prominent locations to ensure all management and employees are promptly aware of any incident or accident as and when it happens at their business units. It also initiates management to understand more and follow up on victims of the accident.



Introduction of Safety Performance Board in QL Ansan Poultry Farm Sdn. Bhd.

Safety and Health Campaign and Training

In FY2024, we carried out a group-wide safety campaign, emphasising on the six safety guiding principles (WECARE) that each employee needs to live by.

- W**orking safety is a condition of employment.
- E**mployee involvement is essential.
- C**ontinuous training employees to work safely is essential.
- A**ll injuries can be prevented.
- R**ole modelling & management accountability is important.
- E**xposure to operational hazards can be safeguarded.

Our management and people managers are expected to demonstrate visible safety commitment through a behaviour-based safety approach and guide our employees to uphold the OSH guiding principles of WECARE.

This three-week campaign involved the entire workforce at QL, from top management to people on the ground. The campaign was launched concurrently at every business unit by the respective director and general manager with an opening message from the Executive Chairman of QL Group. This campaign met its objectives, and the closing of this three-week safety campaign was done at every business unit with an appreciative message from the Group CEO.

Throughout the year, our Group OSH Work Committee and safety professionals at various business sites work hard to roll out various safety and health training programmes that were conducted internally and externally. Induction, reinductions, on-the-job training relating to safe work instructions and standard operating procedures, emergency evacuation, firefighting and first-aid trainings were amongst the ongoing trainings attended by employees.

A total of 3,480 employees were trained in safety and health standards. This represents an increase of 55.3% compared to the number of employees trained in previous year. The key objective is to upskill and enhance the knowledge of employees, reduce the risks at workplaces, and improve the implementation performance of legal requirements.



→ Launching of Safety Campaign at QL Tawau



→ Launching of Safety Campaign at QL Kitchen Sdn. Bhd.



→ First Aid Training (mock drill) at QL Endau



Community Contributions



Performance

- **RM939,546** amount invested in community initiatives, benefitting **176** organisations and extending support to **11,656** individuals as beneficiaries
- Created employment opportunities for **4,884** local individuals
- Contributed **RM22.09 million** interest-free financial aid; benefitting **895** fishermen through the Marine Product Manufacturing Core Flagship Fishermen Financial Assistance Scheme (FFAS)
- Continue to champion the C Our Future Programme in support of child stunting issues in Malaysia with **505** preschoolers across **18** kindergartens receive one egg per child per day
- Provided **21,979** meals to the needy through our CVS business pillar's flagship food salvage programme

Our Approach

QL's business philosophy of "value for all" remains the cornerstone of our efforts to enhance and enrich the lives of our communities. Our choice of both one-time and ongoing flagship programmes is guided by our corporate citizenship and philanthropic guidelines. These selections align with our business strategy, linking our community investments to QL and our respective business pillars.

When executing these programmes, we collaborate with our employees to participate voluntarily, thereby nurturing a culture of giving and community involvement within our workforce.

Making a Difference in the Lives of Our Communities and the Environment

During the reporting year 2024, QL allocated RM939,546 towards community initiatives, benefitting approximately 176 organisations and extending support to 11,656 individuals.

Throughout the year, the company undertakes activities or donations to give back to communities and the environment. We continue to enhance the well-being of our local communities by creating employment opportunities and supporting local fishermen to bolster their businesses. We have also extended our collaboration with our supplier to combat the issue of child stunting in Malaysia. We partner with a local soup kitchen society to support homeless and marginalised communities in Malaysia. This partnership also helps prevent edible food from being wasted, thereby contributing to the reduction of food waste.

Aside from that, we remain committed to elevating the quality of education either through education facilities upgrading or our engagement supporting school activities to enrich the well-being of students. Activities that we support include but not limited to sponsoring awards for top students, hosting factory visits, school sports day and fund-raising activities.

Advocating for Employment Opportunities in Local Communities

QL remains committed to supporting the communities in which we operate by offering employment opportunities. In FY24, QL hired 4,884 locals, these comprised 79.8% of the total hires for the year. Primarily, the CVS business pillar accounted for most of these local hires.

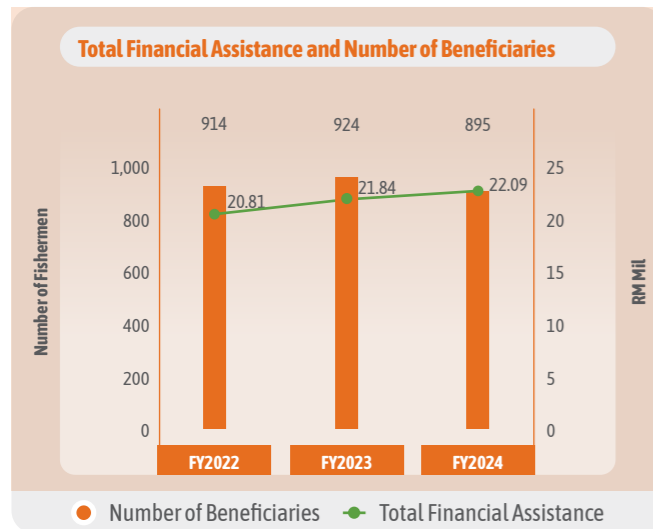
Over the years, QL Endau Marine has been committed to recruiting from the underserved Orang Asli communities residing near our operations. This year, we have employed and onboarded 89 Orang Asli individuals to our team, which is a hiring increase of 40.4% from the previous year. From these hires, 58.4% remain employed. Although the retention rate has increased by 28.9% from the previous year, a key ongoing challenge lies in retaining these individuals and helping them adapt to the work environment. The team remains committed to continue providing employment opportunities to this underserved community and exploring avenues to support their transition into the workforce.

Fostering Shared Prosperity with Local Fishermen

The Fisherman Financial Assistance Scheme (FFAS), which was initiated over two decades ago, continues to be an integral core flagship programme for the Marine Product Manufacturing (MPM) business pillar.

The mutually beneficial arrangement between the fishermen and QL has created shared value for both parties. Fishermen continue to have access to financial assistance, and QL has access to the fishermen's catch. In addition, over the years, both parties have fostered a strong relationship, enabling the sharing of knowledge and expertise that significantly improves the livelihood of fishermen and the fishing industry.

During FY24, QL allocated RM22.09 million in financial aid through FFAS, benefitting 895 fishermen. QL bore an estimated net financing cost of RM585,500.



Breaking the Cycle of Child Stunting Among Pre-Schoolers

Since the launch of the 2023 C Our Future Programme, the programme has been meticulously monitored to assess its effectiveness in promoting the growth and development of the pre-schoolers benefiting from the provision of eggs.

We are pleased to report that the initiative has helped to reduce the underweight children by 24% over the six months period.

Seeing the effectiveness of the programme, the ILF business pillar maintains its enthusiasm and optimism to continue championing this initiative alongside Ceva Animal Health, positioning it as a flagship programme within the ILF business pillar.

Now entering our second year since inception, QL has renewed our commitment to donating eggs to 18 kindergartens, which are mainly attended by 505 pre-schoolers from low-income families and indigenous communities. Commencing from March 2024 up to January 2025, the children will receive one egg each day to consume in their respective kindergartens.

Feeding the Needy Through Our Food Salvage Programme

Our CVS business pillar has initiated a collaboration with a local soup kitchen, Kechara Soup Kitchen, to salvage edible food to be distributed to the needy. The purpose of the programme is to ensure that surplus food is collected and redirected to those in need, thereby addressing food insecurity in our community and reducing waste.

Since the commencement of the programme on 28 August 2023, and up until 31 March 2024, a total of 21,979 meals were served to the needy. With an aim to support community well-being and promote social equity, the programmes involved collaborating with 114 organisations, serving various underserved communities such as shelter homes for the elderly and children, soup kitchen food banks, the underprivileged Orang Asli, and project perumahan rakyat communities.

The CVS business pillar is considering the food salvage initiative as a long-term flagship programme as part of its business strategy of reducing food waste within the business pillar and more widely at the group level.

Enhancing the Quality of Education Through the Construction of a Layer House Research Facility

In our steadfast dedication to fostering quality education, QL has committed this year to sponsoring the construction of a layer house for UPM's Agriculture Faculty. A Memorandum of Agreement (MOA) was officially signed between QL and UPM on 22 February 2024, to formalise this initiative.

The construction of the layer house, designed to accommodate approximately 2,000-layer chickens, will facilitate teaching and learning in layer chicken production and bolster research and innovation efforts in addressing issues and challenges in local layer chicken production.

QL's sponsorship of this initiative aims to elevate and refine industry practices in the layer farming sector, ultimately enhancing its quality.



↑ Prof. Dr. Loh Teck Chwen, Dekan of Fakulti Pertanian, Prof. Ir. Dr. B.T Hang Tuah Baharudin, Timbalan Naib Canselor (Jaringan Industri & Masyarakat), Mr. Chia Song Kooi, Group Chief Executive Officer of QL Resources and Dr. Danish Cheong Abdullah, Head Veterinarian Centre of Excellence in the MOA signing ceremony held on 22 February 2024.

Customer Responsibility



Performance

- 1,453 products are Halal certified
- ILF, MPM and CVS processes are certified to local and international standards

Our Approach

QL's mission is to create nourishing goods, striving for a marketplace where food that meets stringent criteria for quality, safety, and nutrition is easily accessible to our consumers globally.

Subjected to rigorous examination by both local and international certification bodies, we adhere to stringent controls over food quality and safety throughout our production processes to uphold food safety standards and regulatory compliance. Through continuous innovation, we strive to elevate quality of our offerings to meet the ever-changing market demands.

Producing Quality and Safe Food

QL is committed to ensuring that our products meet the highest standards of food quality and safety requirements through rigorous food safety management and quality control processes across our ILF, MPM, and CVS business units. We are wholly dedicated to adhering to all applicable local and international food quality and safety standards. Our production facilities are certified against various standards including, Halal Standards, Hazard Analytics and Critical Control Point (HACCP), Food Safety System Certification 22000 (FSSC 22000), Good Manufacturing Practice (GMP), Makanan Selamat Tanggungjawab Industri (MeSTI).

QL is steadfast in our commitment to providing consumers with a wider range of Halal products that comply with the Halal requirements set by Jabatan Kemajuan Islam Malaysia. As at end of March 2024, we now boast over 1,453 certified Halal products, marking a significant increase from the previous year's count of over 1,000.

Certifications and Standards



Empowering Consumers to Make Informed Choices Through Ethical Marketing and Advertising

To aid customers in making well-informed purchasing decisions, we are committed to providing customers with accurate and transparent information about our product quality, nutrition and safety through responsible product labelling. Our labelling practices strictly adheres to the Malaysia Food Act 1983, Food Regulations 1985, and guidelines by United States Food & Drug Administration's (FDA). Comprehensive processes and controls are also in place to regularly review information disclosed on our product labels to ensure the accuracy and transparency of the contents and nutrition-related information of our food products.

Upholding our Responsible Marketing and Advertising Policy, QL strives to ensure our marketing and advertising communication are responsible, ethical, accurate and consistent with our brand values as one of Malaysia's leading integrated agro-based enterprises. Our marketing and advertising practices are guided by the Malaysian Code of Advertising Practice and Malaysian Communications and Multimedia Content Code.

Commitment to Develop Healthy and Nutritious Products

Over the past few years, the rise in adoption of healthier eating habits has led to the increase in demand for healthier food options. Recognising this trend, QL is committed to offering a diverse array of nutritious products to meet the rising demand. Guided by our Health and Nutrition Statement, QL is committed to continuously enhancing the quality and nutritional value of our offerings, aligning with industry-recognised health standards, all while ensuring that taste remains uncompromised.

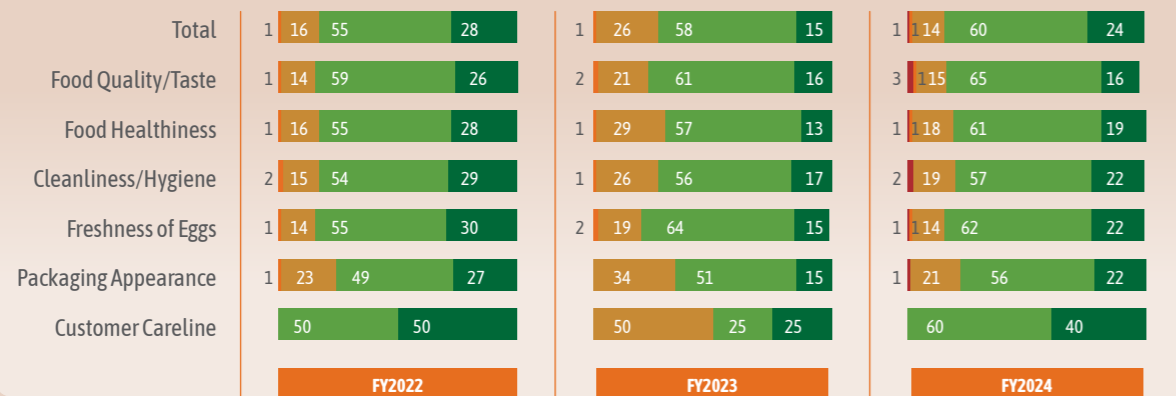
Customer Satisfaction

Ensuring a consistently high level of customer satisfaction stands as one of QL's primary focuses in our strategy to foster brand loyalty and retain customer trust. To uphold and gauge customer satisfaction effectively, QL implements an annual survey initiative through an independent external subject matter expert to obtain valuable feedback from customers on two core brands – QL Eggs and QL Mushroom. The survey is designed to capture insights on various facets of customer experience including taste, freshness, cleanliness and packaging which will provide valuable insights for us to improve our products and services.

In FY2024, we retained an overall high level of customer satisfaction rating for QL Eggs and QL Mushroom products, with both brands maintaining more than 99% Fair to Excellent ratings.

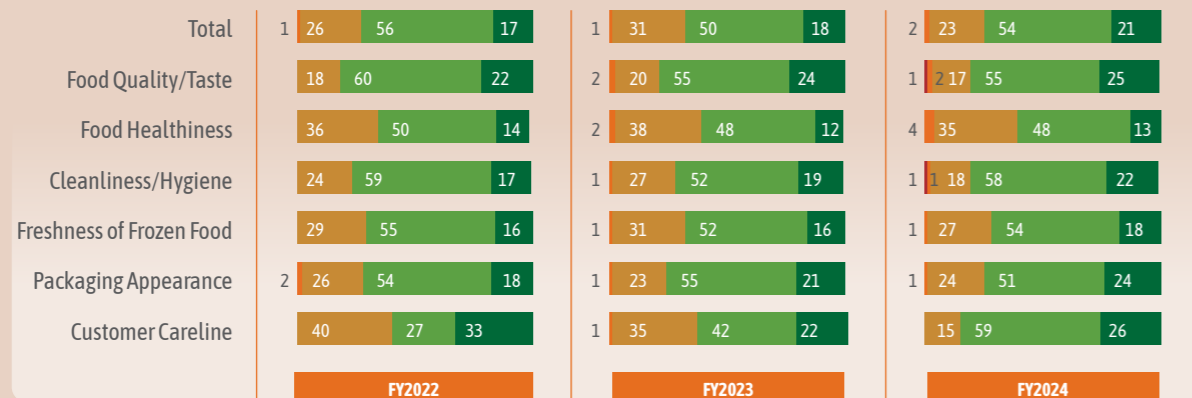
We continuously monitor customer feedback on our products and services received through various channels. QL strives to address and resolve the feedback in a timely manner. We are committed to enhancing our customer care with a more strategic and responsive approach, as well as improving the accessibility of feedback channels for our customers.

Customer Satisfaction Rating for QL Eggs from FY2022 to FY2024



● 1 - Bad ● 2 - Poor ● 3 - Fair ● 4 - Good ● 5 - Excellent

Customer Satisfaction Rating for Mushroom Brand from FY2022 to FY2024



● 1 - Bad ● 2 - Poor ● 3 - Fair ● 4 - Good ● 5 - Excellent

Supply Chain (Social)



Performance

- **51.5%** proportion of spending on local suppliers

Our Approach

Effective management of ESG factors is essential for ensuring sustainable supply chain operations. This approach not only enhances our business value and growth but also benefits the environment and society. Therefore, QL strives to practice a responsible supply chain management process that minimises environmental impacts and at the same time fosters socially responsible management of suppliers and procurement activities.

Guiding Principles for Socially Responsible Supply Chain

QL has crafted a Supply Chain Policy to establish a set of guidelines governing procurement activities of QL and our suppliers who conduct business with us and on behalf of QL for implementation of a sound supplier management process. Aimed at promoting environmental stewardship, social equity and regulatory compliance, the policy outlines QL's commitments in working with our suppliers on environmental and social sustainability aspects.

While QL places great emphasis on respect for human rights and fair labour practices, our suppliers are similarly expected to uphold ethical standards in their operations. They are encouraged to treat their employees equally, with respect and dignity. This covers prohibition of child, forced and involuntary labour, observation to minimum wage, work hours, overtime and benefits, respect to freedom of association and collective bargaining, and ensuring workplace security, safety and health.

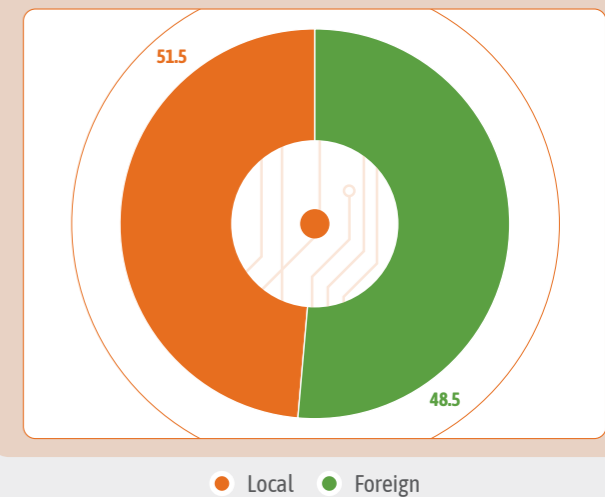
Supporting Local Economy

Besides sustainable procurement, local sourcing is also a fundamental aspect of QL's supply chain process, enabling us to bolster local economy while minimising our operational footprint. When feasible and appropriate, QL will prioritise local suppliers and the use of locally sourced materials and services to contribute to national economic growth.

As part of our commitment to support local economy development, QL monitors the proportion of our spending on local suppliers. QL defines local procurement as the purchase of goods, services, or works from suppliers using Ringgit Malaysia as the transaction currency.

In FY2024, more than 50% of QL's total procurement spend was on local suppliers. Given that raw materials of animal feed are not accessible locally, our ILF operations often need to procure from outside the country to fulfil our production requirements and ensure a steady supply of materials.

Proportion of Spending on Suppliers (%)



GOVERNANCE RESPONSIBILITY



Maintaining elevated levels of integrity, accountability, transparency, and fairness forms the foundation of exemplary corporate governance. Anchored in our core values, company policies, and Code of Business Ethics and Conduct, we consistently enhance and embed a culture of robust corporate governance practices. This fosters confidence and reinforces trust among our stakeholders, thereby facilitating shared value creation through the effective discharge of the Board's responsibilities in safeguarding interests of QL's stakeholders.

Our Targets

Material Matter	Target	FY24 Performance
AC	Zero proven bribery case	Zero case reported
IT	Zero substantiated incidents of data breach	Zero incident reported

Information on Corporate Governance and Risk Management material matters can be found in Corporate Governance Overview Statement and Statement on Risk Management and Internal Control of this Integrated Annual Report.

Anti-Corruption AC

Performance

- **100%** of operations assessed for risk related to corruption
- **82.9%** executives and **80.2%** non-executives received training on anti-bribery
- **4,849** suppliers signed QL's Suppliers and Business Associates Code of Business Ethics
- **Zero** Violation of Anti-Bribery Policy

Our Approach

We persist in instilling and directing our business activities and relationship to conform to our internal policies, alongside pertinent laws and regulations. With an unwavering commitment to integrity, we ensure the dissemination of our core values and culture to both internal and external stakeholders to manage third-party risks and fortify business resilience.

Standing Against Bribery and Corruption

To reinforce the Anti-Bribery Policy introduced in 2020, the effectiveness of our Anti-Bribery Framework was reviewed by an internal auditor in FY2024. Training sessions on Anti-Bribery Policy were conducted across the Group to ensure that all employees understand the various forms of bribery and comply with the relevant law, thereby cultivating a culture of integrity within QL. Since the introduction of the Anti-Bribery Policy, 100% of employees have received training. Now in the fourth year since the policy's inception, refresher training sessions have been conducted. For the reporting year, attendance rates for the Anti-Bribery Policy training were 82.9% for executives and 80.2% for non-executives.

In addition to providing all employees with training, we have mandated that all identified high-risk employees to complete an on-line course on the introduction to corporate liability under section 17A of the MACC Act 2009. A total of 215 employees have been enrolled in the programme.

In relation to enhancing communication of our Anti-Bribery Policy, we have planned a series of Anti-Bribery and Anti-Corruption Awareness Communication for our employees. The first communication, themed "Our Integrity. Our Pride", has been disseminated across all business units, accompanied by multilingual posters.

Innovation and Technology IT

Performance

- **Zero** substantiated incidents of data breach

Our Approach

Innovation and technology are crucial in securing QL's long-term business success, empowering us to remain pertinent and agile amidst rapidly shifting market trends. Our ongoing dedication involves embracing and investing in innovation and technology to drive QL's progress responsibly, while ensuring the safeguarding of cybersecurity and data protection.

Automation for Scalability

QL remains committed to investing in automation initiatives throughout our business operations to achieve scalability. Automation enhances efficiency and productivity by streamlining processes and reducing our dependence on manual labours. This can result in cost savings and increased output.

In addition, automation can improve accuracy and consistency in our operations, leading to higher quality products and services. By implementing automated processes, human interaction with food products in our productions has been significantly minimised, ensuring a consistent level of product quality. As our employees are relieved from manual duties, they can dedicate their attention to strategic or creative endeavours, driving innovation, research and development within the organisation.

Centralised systems such as Enterprise Resource Planning and farm management system will be employed to streamline farm processes and collect real time operational data using digital tools and applications. Furthermore, IoT devices are utilised to capture data for analysis, minimise human error, and enhance productivity. These initiatives will establish the technological foundation for QL, paving the path for integration of advanced data analytics into our daily operations for better decision making moving forward.

Digitalising Operations

QL initiated our digitalisation journey by incorporating digital technologies into different aspects of our business operations. Our journey commenced with the ILF business pillar.

Safeguarding Data Protection and Privacy

In FY2024, we enhanced a data security framework, along with revamp and implementation plan of QL's Data Privacy and Security Policy governing the management of personal data collected and processed by QL. We have a group-wide reporting channel for incidences of personal information leakage, accessible via email, phone, or postal mail. Any incident received will be escalated to Data Protection Officer. Respective departments will acknowledge the reported incident, conduct investigation, and develop plan to address and rectify the incident.

In addition to conducting routine IT awareness training for all employees, we also performed vulnerability assessments and penetration testing to detect threats, mitigate cybersecurity risks, and enhance security maturity progressively.

GRI CONTENT INDEX

GRI Standards 2016	Disclosure Number	Disclosure Title	Section and Page Reference/Notes
Universal Standards			
GRI 102: General Disclosures	Organisational Profile		
	102-1	Name of the organisation	QL Resources Berhad
	102-2	Activities, brands, products, and services	Principal Activities
	102-3	Location of headquarters	Corporate Information
	102-4	Location of operations	Principal Activities
	102-5	Ownership and legal form	Corporate Structure, QL Corporate Website (www.ql.com.my)
	102-6	Markets served	Principal Activities
	102-7	Scale of the organisation	Value Creation Strategy
	102-8	Information on employees and other workers	Talent Management Value Creation Strategy
	102-9	Supply chain	Stakeholder Engagement Upholding Business Integrity
	102-10	Significant changes to organisation and its supply chain	Chairman's Statement Business Review
	102-11	Precautionary principle or approach	QL's management approach is focused on risk-based guided by our internal audit framework than precautionary principle
	102-12	External initiatives	QL supports the UNSDGs. Commitment to Our Communities Materiality Boundary
	102-13	Membership of associations	Stakeholder Engagement
	Strategy		
102-14	Statement from senior decision-maker	Chairman's Statement	
102-15	Key impacts, risks and opportunities	Value Creation Strategy	
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	Value Creation Strategy	
102-17	Mechanisms for advice and concerns about ethics	Corporate Governance Overview Statement Upholding Business Integrity	

GRI Standards 2016	Disclosure Number	Disclosure Title	Section and Page Reference/Notes
Universal Standards			
GRI 102: General Disclosures	Governance		
	102-18	Governance structure	Key Senior Management Sustainability Governance
	Stakeholder Engagement		
	102-40	List of stakeholder groups	Stakeholder Engagement,
	102-41	Collective bargaining agreements	QL does not have collective bargaining in place
	102-42	Identifying and selecting stakeholders	Stakeholder Engagement
	102-43	Approach to stakeholder engagement	Stakeholder Engagement
	102-44	Key topics and concerns raised	Stakeholder Engagement
	Reporting Practice		
	102-45	Entities included in the consolidated financial statements	Corporate Structure, QL Corporate Website (www.ql.com.my)
	102-46	Defining report content and topic boundaries	Reporting Scope and Period
	102-47	List of material topics	Materiality Assessment Materiality Boundary
	102-48	Restatements of information	Climate Change Restatement due to change of measurement methods for Natural Gas emissions
	102-49	Changes in reporting	Materiality Assessment
	102-50	Reporting period	1 April 2023 – 31 March 2024
	102-51	Date of most recent report	August 2024
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Feedback
	102-54	Claims of reporting in accordance with GRI Standards	Preparation of This Statement
	102-55	GRI content index	GRI Content Index
	102-56	External assurance	QL has not sought external assurance on the data presented in this statement. QL intends to seek external assurance in the future.

GRI Standards 2016	Disclosure Number	Disclosure Title	Section and Page Reference/Notes
Topic Specific Standards			
Anti-Corruption			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Anti-Corruption
	103-3	Evaluation of the management approach	
GRI 205: Anti-Corruption (2016)	205-1	Operations assessed for risks related to corruption	
	205-2	Communication and training about anti-corruption policies and procedures	
	205-3	Confirmed incidents of corruption and actions taken	
Innovation and Technology			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Assessment
	103-2	The management approach and its components	Innovation and Technology
	103-3	Evaluation of the management approach	
GRI 418: Customer Privacy (2016)	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	
Climate Change			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Climate Change
	103-3	Evaluation of the management approach	
GRI 302: Energy (2016)	302-1	Energy consumption within the organisation	
	302-3	Energy intensity	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	
	305-4	GHG emissions intensity	
	305-5	Reduction of GHG emissions	

GRI Standards 2016	Disclosure Number	Disclosure Title	Section and Page Reference/Notes
Topic Specific Standards			
Water Security			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Water Security
	103-3	Evaluation of the management approach	
GRI 303: Water and Effluents (2018)	303-1	Interactions with water as a shared resource	
	303-2	Management of water discharge-related impacts	
	303-3	Water withdrawal	
Pollution and Resources			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Pollution and Resources
	103-3	Evaluation of the management approach	
GRI 303: Water and Effluents (2018)	303-4	Water discharge	
GRI 306: Waste (2020)	306-2	Management of significant waste-related impacts	
	306-3	Waste generated	
	306-4	Waste diverted from disposal	
	306-5	Waste directed to disposal	
Biodiversity			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Biodiversity
	103-3	Evaluation of the management approach	
GRI 304: Biodiversity	304-3	Habitats protected or restored	

GRI Standards 2016	Disclosure Number	Disclosure Title	Section and Page Reference/Notes
Topic Specific Standards			
Supply Chain (Environment)			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Supply Chain (Environment)
	103-3	Evaluation of the management approach	
NA	NA	Performance measure based on QL specific performance indicator	
Occupational Safety & Health			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Occupational Safety & Health
	103-3	Evaluation of the management approach	
GRI 403: Occupational Health and Safety (2018)	403-1	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	
	403-2	Hazard identification, risk assessment, and incident investigation	
	403-5	Worker training on occupational health and safety	
	403-9	Work-related injuries	
Talent Management			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Talent Management
	103-3	Evaluation of the management approach	
GRI 401: Employment	401-1	New employee hires and employee turnover	
	401-3	Parental leave	
GRI 404: Training and Education	404-1	Average hours of training per year per employee	
	404-3	Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	
	405-2	Ratio of basic salary and remuneration of women to men	
GRI 406: Non discrimination	406-1	Incidents of discrimination and corrective actions taken	

GRI Standards 2016	Disclosure Number	Disclosure Title	Section and Page Reference/Notes
Topic Specific Standards			
Labour Standards			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Labour Standards
	103-3	Evaluation of the management approach	
GRI 412: Human Rights Assessment	412-2	Employee training on human rights policies or procedures	
Community Contributions			
GRI 103: Management Approach	103-1	Explanation of the material topic and its Boundary	Materiality Boundary
	103-2	The management approach and its components	Community Contributions
	103-3	Evaluation of the management approach	
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programmes	
Customer Responsibility			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	Materiality Boundary
	103-2	The management approach and its components	Customer Responsibility
	103-3	Evaluation of the management approach	
NA	NA	Performance measure based on QL specific performance indicator	
Supply Chain (Social)			
GRI 103: Management Approach	103-1	Explanation of the material topic and its boundary	Materiality Boundary
	103-2	The management approach and its components	Supply Chain (Social)
	103-3	Evaluation of the management approach	
GRI 204: Procurement Practices (2016)	204-1	Proportion of spending on local suppliers	

BURSA MALAYSIA'S COMMON INDICATORS

Indicator	Measurement Unit	2024
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	600,474.11
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	36,106.14
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	117,538.53
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	3,085.930000
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	212,400.83
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	202,482.89
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	9,918.13
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.20
Management Between 30-50	Percentage	3.20
Management Above 50	Percentage	0.70
Executive Under 30	Percentage	3.70
Executive Between 30-50	Percentage	5.70
Executive Above 50	Percentage	0.40
Non-executive Under 30	Percentage	49.40
Non-executive Between 30-50	Percentage	32.70
Non-executive Above 50	Percentage	4.00
Gender Group by Employee Category		
Management Male	Percentage	2.20
Management Female	Percentage	2.00
Executive Male	Percentage	4.80
Executive Female	Percentage	5.00
Non-executive Male	Percentage	53.00
Non-executive Female	Percentage	33.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	63.60
Female	Percentage	36.40
Under 50	Percentage	18.20
Between 50-59	Percentage	9.10
Between 60-69	Percentage	54.50
Above 70	Percentage	18.20


Internal assurance External assurance No assurance (*)Restated

Indicator	Measurement Unit	2024
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	11,276
Executive	Hours	24,981
Non-executive	Hours	174,646
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	37.20
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	304
Executive	Number	270
Non-executive	Number	4,588
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	1
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	4.09
Bursa C5(c) Number of employees trained on health and safety standards	Number	3,480
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	939,546.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	11,832
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	51.50
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Executive and Above	Percentage	82.90
Non-executive	Percentage	80.20
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	0
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

Internal assurance External assurance No assurance (*)Restated

KEY PERFORMANCE INDICATORS

For a detailed overview of our sustainability performance data across different business pillars, we have made available a comprehensive data table online. This table includes key performance indicators covering Environmental, Social and Governance Responsibilities. The table can be viewed directly by visiting https://ql.com.my/wp-content/uploads/2024/07/QL-IAR2024_Key-Performance-Indicator.pdf or by scanning the QR code provided.



INTERNAL AUDIT LIMITED ASSURANCE STATEMENT

Based on our review, nothing has come to our attention that would lead us to believe that the 21 common indicators included in the Sustainability Statement 2024, is not represented, in all material respects, in a fairly accurate manner.

Listed below are the selected information in the Sustainability Statement 2024 that had been subjected to internal review by the Group Internal Audit Department.

Matters	Common Indicators	Ref	UOM	Final Outcome	
Anti-corruption	Anti-corruption training	C1(a)	% of employees	Executive 82.9% Non-Executive 80.2%	
	Corruption-related risks assessment	C1(b)	% of operations	100%	
	Corruption incidents	C1(c)	No. of incidents	Nil	
Community/ Society	Investment in the community	C2(a)	RM	RM939,546	
	Beneficiaries of the investment	C2(b)	No. of beneficiaries	Organisation Level 176 organisations Individual Level 11,656 individuals	
Diversity	Employees' diversity by gender and age group	C3(a)	% of employees	<u>Gender group</u>	
				Male	60.0%
				Female	40.0%
				<u>Management</u>	
				Male	2.2%
				Female	2.0%
				<u>Executive</u>	
				Male	4.8%
				Female	5.0%
				<u>Non-Executive</u>	
				Male	53.0%
				Female	33.0%
				<u>Age group</u>	
				Under 30	53.3%
				30 to 50	41.6%
Over 50	5.1%				
<u>Management</u>					
Under 30	0.2%				
30 to 50	3.2%				
Over 50	0.7%				
<u>Executive</u>					
Under 30	3.7%				
30 to 50	5.7%				
Over 50	0.4%				
<u>Non-Executive</u>					
Under 30	49.4%				
30 to 50	32.7%				
Over 50	4.0%				
Directors' diversity by gender and age group	C3(b)	% of directors	<u>Gender group</u>		
			Male	63.6%	
			Female	36.4%	
			<u>Age group</u>		
			Under 50	18.2%	
			50 to 60	9.1%	
			60 to 69	54.5%	
70 and above	18.2%				

Matters	Common Indicators	Ref	UOM	Final Outcome
Energy Management	Energy consumption	C4(a)	Gigajoules (GJ)	2,161,706.80 GJ
Health & Safety	Number of work-related fatalities	C5(a)	No. of fatalities	1
	Lost time incidents	C5(b)	Frequency rate	4.09 per million hours
	Health & safety training	C5(c)	No. of employees	3,480
	Employee training hours	C6(a)	No. of hours	Management 11,276 hrs Executive 24,981 hrs Non-Executive 174,646 hrs
	Contract / temporary employees	C6(b)	% of employees	37.2%
	Employee turnover	C6(c)	No. of employee	Management 304 Executive 270 Non-Executive 4,588
	Human rights violations	C6(d)	No. of complaints	Nil
Supply Chain Management	Spending on local suppliers	C7(a)	% of spending	51.5%
Data Privacy & Security	Breaches of customer privacy and losses of customer data	C8(a)	No. of complaints	Nil
Water	Water consumption	C9(a)	Megalitres	3,085.93 ML
Waste Management	Waste management	C10(a)	MT	Total waste 212,400.83 MT From disposal 202,482.89 MT To disposal 9,918.13 MT
Emissions Management	Scope 1 emissions	C11(a)	tCO ₂ e	36,106.14 tCO ₂ e
	Scope 2 emissions	C11(b)	tCO ₂ e	117,538.53 tCO ₂ e
	Scope 3 emissions	C11(c)	tCO ₂ e	Not in scope

Procedures Adopted

The review procedures applied primarily comprises process evaluation, documentary reviews & sampling test on data. Internal auditors selected samples of the 21 common indicators across the 17 in-scope entities within the Group to:

- Assess the adequacy of procedures pertaining to the data collection, submission and consolidation as well as the internal controls therein.
- Review appropriateness of formulas & also accuracy of the mathematical calculation that derived the concluded common indicators to be reported in the Sustainability Statement 2024.

The outcome of the above review had been tabled as a report to the Audit Committee for their review and approval.

Scope of Work and Limitation

- The review on the 21 common indicators covers only data collected for one (1) financial year i.e. financial year ended 31 March 2024. The review does not carry out any procedures with respect to earlier periods.
- The review does not carry out any procedures with respect to any other elements included in the Sustainability Statement 2024 and, therefore, do not express any opinion thereon.
- The review did not examine any of the underlying financial information, analysis, commentary, opinion, commitment and future plans expressed in the Sustainability Statement.
- The review involved performance of limited substantive testing on a sampling basis by inspecting documents, reports, data capture forms and invoices.