

# STRATEGIC THEMES



### **ABOUT THE COVER**

# DRIVING COMMUNITY VALUE FOR ALL

Our sustainability journey at MR D.I.Y. continued to progress in 2024. In addition to advancing against our long-term targets, we deepened our commitment to local communities and gained notable industry recognition for our efforts.

This progress was underscored by a purposeful drive to advance communities and deliver value, mirroring the theme of this year's report. Ultimately, we believe that by aligning ESG responsibilities with the objectives of our business, we can create meaningful and lasting impact for all – truly embodying the meaning of sustainability in all its forms.

#### **Navigation Icons**



Find relevent information in this report



Find relevent information in our **Integrated Report** 



Read more on our website at www.mrdiy.com

or



Scan the QR code to access our website www.mrdiy.com

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# BASIS OF THIS REPORT

MR D.I.Y. Group (M) Berhad ("MR D.I.Y.," "The Group," or "The Company") is pleased to present its fourth Sustainability Report, for the financial year ending 31 December 2024 ("FY2024").

This report highlights our sustainability strategies, initiatives, progress, and impact across the Environmental, Social and Governance ("ESG") areas. Sustainability is central to how we do business, and this report reflects our ongoing commitment to creating value for our stakeholders.

#### **REPORTING SCOPE AND BOUNDARIES**

This report covers MR D.I.Y.'s public-listed entity and subsidiaries in Malaysia and Brunei, unless otherwise stated. A full list of these entities can be found in the Corporate Structure section of our Integrated Report 2024. Associate companies, which are not under our full management control, are excluded from this report.

#### REPORTING FRAMEWORKS AND STANDARDS

We are committed to best practices in sustainability reporting and compliance with regulatory requirements. This report has been prepared in line with Bursa Malaysia's Main Market Listing Requirements, the 3rd Edition of Bursa Malaysia's Sustainability Reporting Guide, and the following frameworks and standards:

#### Global Reporting Initiative ("GRI") Standards

This report follows the revised Universal Standards by GRI. The GRI content index can be found on page 76.

#### International Financial Reporting Standards ("IFRS") S2

In preparation for the mandatory adoption of IFRS S2 (Climate-related Disclosures), we have proactively aligned this report with their requirements. The IFRS S2 disclosures can be found on page 66.

# Sustainability Accounting Standards Board ("SASB") Standards

We have referenced the SASB Standard for the Multiline and Specialty Retailers & Distributors industry to ensure our disclosures reflect industry best practices. We understand the SASB Standards are a source of guidance for applying IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and therefore we have embarked on our IFRS S1 disclosure journey. The SASB index is available on page 75.

#### **Sustainability Performance Benchmarks**

As a constituent of the FTSE4Good Bursa Malaysia Index, we benchmark our sustainability performance against relevant indicators, ensuring transparency and accountability in our disclosures.

#### **ASSURANCE STATEMENT**

The Group Internal Audit has performed a review of this report for the financial year ended 31 December 2024. Our review was conducted in accordance with the Bursa Malaysia Main Market Listing Requirements and with reference to the GRI Standards. We have verified that the selected data presented in the statement is consistent with the company's records and complies with the relevant sustainability reporting guidelines.

#### FORWARD-LOOKING STATEMENT

This report contains forward-looking statements that outline our future plans and strategies. While we aim for accuracy, external factors beyond our control may affect actual outcomes. Readers are encouraged to exercise discretion and conduct due diligence before making investment decisions based on this report. The Group disclaims liability for any variances in business or operational performance.

#### REPORT AVAILABILITY AND FEEDBACK CHANNEL

As part of our commitment to sustainability, we encourage stakeholders to access the digital version of this report at: <a href="https://mrdiy.listedcompany.com/sustainabilityreports.html">https://mrdiy.listedcompany.com/sustainabilityreports.html</a>.

A limited number of printed copies are available for shareholders upon request.

We value feedback and continuously seek to improve our sustainability practices and reporting. Queries, comments, and feedback may be directed to:

MR D.I.Y. Group (M) Berhad Lot 1907, Jalan KPB 11, Kawasan Perindustrian Balakong, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia. Email: my.scom@mrdiy.com



Scan here to download our Sustainability Report 2024

# ABOUT MR D.I.Y.



MR D.I.Y is Malaysia's leading value retailer, offering over 18,000 products through 1,429 stores nationwide in Malaysia and our e-commerce platform: www.mrdiy.com.

Our stores offer a wide selection of SKUs across five major categories, namely hardware; household and furnishing; electrical; stationery and sports equipment products; and others (comprising toys, car accessories, jewellery, cosmetics and food and beverage).

At the core of our business is our commitment to "Always Low Prices." By leveraging economies of scale and optimising operational efficiency, we provide high-quality products at highly competitive prices. This competitive advantage allows us to differentiate ourselves and expand across urban, suburban, and rural areas, making our stores more accessible to customers nationwide.

Beyond our flagship MR D.I.Y. stores, we have expanded our retail offerings with specialised formats, including MR TOY, MR DOLLAR, MR D.I.Y. Express, and MR D.I.Y. PLUS.

In 2024, we further strengthened our market position by acquiring a 49% stake in KKV, one of China's largest lifestyle retailers, which also owns one of the leading makeup retail brands, The Colorist. These strategic investments enable us to better cater to specific market segments, attract new customer demographics, and enhance our resilience.

To be the most valued retailer

**VISION** 

# OUR MISSION

To offer everyone everything, every day, at always low prices

Always Low Prices



Wide Product Range



Convenient Locations Nationwide



# AWARDS & ACCOLADES

 World Branding Awards 2024

Regional Brand of the Year, Gold

- National Corporate Governance & Sustainability Awards 2024
   Top 50
- Malaysia
   Sustainability & CSR
   Awards 2024

Foundation of the Year (Home Improvement Retailer) Outstanding Community Spirit Award

# BUILDING A FUTURE WITH PURPOSE



#### **DEAR STAKEHOLDERS,**

It is our pleasure to present MR D.I.Y.'s Sustainability Report for FY2024, a detailed account of our commitments, actions, and impact across key ESG topics during the past year.

At MR D.I.Y., sustainability is not just a commitment – it is a strategic necessity. By implementing the right initiatives, we enhance operational efficiencies, optimise resource use, and future-proof our business against evolving trends and requirements. Through this, we create shared value — benefitting local communities and the environment while strengthening our long-term competitiveness — a win-win outcome.

Guided by this philosophy, we have expanded our sustainability agenda over the past year, taking deliberate steps to reduce our environmental footprint, support people and communities, and strengthen the resilience of our business. As a result, we have made meaningful progress across our sustainability targets, achieving improvements in 8 out of 11 key areas in FY2024.



### ADRIAN ONG

Chief Executive Officer

#### ADVANCING OUR ENVIRONMENTAL AMBITIONS

As a leading retailer with an extensive nationwide footprint, we have a responsibility not only to minimise our environmental footprint but also to set a positive example for our supply chain and industry peers. With this in mind, we have embedded key environmental considerations into our operations and procurement practices.

A key focus area is expanding our eco-product range - products that consume less water or energy, are made from recycled or biodegradable materials, or are reusable. These products currently contribute 6.2% of our revenue, moving us closer to our goal of 10% by 2030.

Renewable energy adoption is another priority. Our phased installation of solar panels across distribution facilities provides clean energy, reduces reliance on fossil fuel-based grid power, and lowers long-term energy costs. At the same time, we are exploring the use of electric vehicles to reduce emissions from our transportation fleet, aiming to future-



proof our transportation operations against rising fuel costs and evolving regulatory standards.

In FY2024, we also advanced our decarbonisation efforts. For the first time, we incorporated business travel and employee commuting into our Scope emissions calculations, reinforcing commitment comprehensive carbon accounting. Additionally, conducted an in-depth detailed climate risk assessment in line with the IFRS S2 standard, identifying both physical and transitional climate risks that could impact our business in the future.

Although IFRS S2 will only become mandatory for reports issued for year-ends on or after 1 January 2025, we have chosen to take proactive steps now. As an early adopter, we are well-positioned to implement forward-looking actions that mitigate climate-related risks while reinforcing our reputation as an environmentally responsible and trustworthy organisation.



# RM4.31

RM2.13 million in FY2023



Training hours per employee

**27.4** hours

19.4 hours in FY2023

At the same time, we are driving sustainability across our value chain by encouraging and supporting our suppliers in assessing and disclosing their greenhouse gas emissions. As of 31 December 2024, 51 suppliers have committed to reporting their GHG emissions, taking a significant step towards greater transparency and accountability.

#### SUPPORTING OUR PEOPLE

Our people are the foundation of our success. By investing in their professional development and well-being, we strengthen our business from within.

Over the past year, we significantly increased our investment in employee training. Training expenditure more than doubled, rising from RM2.13 million in FY2023 to RM4.31 million in FY2024. Similarly, the average training hours per employee increased from 19.4 hours to 27.4 hours.

In parallel, we have expanded our commitment to employee well-being with new initiatives, including health screenings, vaccination programmes, and enhancements to our medical facilities. By supporting holistic wellness, we create a healthier, more engaged workforce, strengthening our foundation for long-term growth.

We also recognise that diversity and inclusion are key to building a dynamic, future-ready organisation. Our hiring

and leadership development practices ensure that talent is valued, nurtured, and empowered to meet tomorrow's challenges.

#### CHAMPIONING COMMUNITY ADVANCEMENT

Through Yayasan MR D.I.Y. ("MR D.I.Y. Foundation"), we invested over RM1.2 million in community-based programmes in FY2024 – nearly double the RM595,000 invested the previous year. This reflects our commitment to driving long-term social impact and contributing to national development goals.

A key initiative in FY2024 was our "mega upcycling" event under the *Walk for Style* programme, where we collaborated with 14 schools in Selangor to creatively upcycle 2,800 pairs of white shoes in a single day. This initiative was originally conceptualised in response to the government's decision to change the mandated school shoe colour from white to black, preventing excess white shoes from ending up in landfills. Beyond its environmental benefits, the event educated schoolchildren on the importance of reuse and recycling.

We also launched the Yayasan MR D.I.Y. Scholarship Programme in FY2024 to support high-potential undergraduates, providing financial assistance for higher education. This initiative empowers deserving students with the resources to improve their livelihoods and uplift their families. By investing in young talent, we are also helping to shape the next generation of leaders who will drive progress in their respective fields.

Looking ahead, our Yayasan MR D.I.Y. initiatives will place greater emphasis on science, technology, engineering, and mathematics (STEM) learning. Recognising STEM as a key driver of national development, we aim to equip young minds with the skills they need to thrive in an increasingly digital and innovation-driven world.

#### **SUSTAINING OUR PROGRESS**

Our sustainability efforts are delivering tangible results. In the past year, Yayasan MR D.I.Y. was named Foundation of the Year (Home Improvement Retailer) and received the Outstanding Community Spirit Award at the Malaysia Sustainability & CSR Awards 2024. Additionally, our FTSE4Good rating increased from 3.3 to 3.6, reflecting our ongoing commitment to enhancing our sustainability reporting standards.





Invested in community programmes that benefitted

>95,000 beneficiaries



2,800
White shoes creatively upcycled in a day with 14 Selangor

walk for Style programme



Looking ahead, we remain focused on advancing our sustainability targets while driving solutions that create long-term value for our business and ESG agenda.

One such initiative is our state-of-the-art automated warehouse, which was launched in 2024. By integrating advanced automation and robotics, this facility optimises operational efficiency while reducing the environmental footprint of our storage and transportation processes.

At the same time, we recognise that sustainability starts from within. We will continue to uphold the highest standards in product quality and safety, data privacy and security ethics and compliance. As with our ESG initiatives, we take a disciplined, detail-oriented approach – ensuring that our actions drive both business success and meaningful impact.

We extend our heartfelt gratitude to our employees, customers, partners, and stakeholders for their unwavering support on this journey. Together, we look forward to making even greater strides toward our shared goals and aspirations.

DATO' AZLAM SHAH BIN ALIAS

Chairman

**ADRIAN ONG** 

Chief Executive Officer

# **OUR SUSTAINABILITY JOURNEY**

 Developed ESG policies for Group-wide implementation 2019

2020

2021

- Established COVID-19 Committee
- Formulated sustainability governance structure
- Published first sustainability report in accordance with Bursa Malaysia's Main Market Listing Requirements and with reference to GRI Standards
- Qualified as a constituent of the FTSE4Good Bursa Malaysia (F4GBM) Index
- Established baseline metrics and set sustainability KPIs and targets
- Established Yayasan MR D.I.Y. as an independent foundation to increase investment in and impact on local communities
- Improved facilities at headquarters to enhance the work environment and improve employee well-being
- Aligned sustainability disclosures with Bursa Malaysia's enhanced sustainability reporting requirements
- Acknowledged as the Company of the Year at the Sustainability and CSR Malaysia Awards 2023
- Improved Morningstar Sustainalytics' ESG Risk Rating from 31.4 (high risk) to 18.9 (low risk)

2022

- Conducted a full-scale materiality assessment
- Established Sustainability Committee
- Aligned Group disclosures to TCFD recommendations and SASB Standards

2024

2023

- Included business travel and employee commuting within Scope 3 emissions calculations
- Upgraded CRM system by consolidating communication channels into a single, automated platform
- Commenced the assessment of electric vehicles for use in logistics processes
- Invested more than RM1.2 million in community-based initiatives through Yayasan MR D.I.Y.
  - Held a "mega upcycling" event under the Walk for Style initiative, upcycling close to 2,800 pairs of white shoes in a single day across 14 schools in Selangor.
  - Improved FTSE4Good Rating from 3.3 to 3.6
  - Achieved partial compliance with the IFRS S2 standards





For sustainability to drive real impact, it must create positive ESG value while also making business sense. Achieving this balance requires a well-structured strategy grounded in strong governance, continuous stakeholder engagement, and a clear sustainability framework with measurable targets. By integrating these elements, we take a focused and collaborative approach, ensuring long-term value creation for our business, our stakeholders, and the communities we serve.

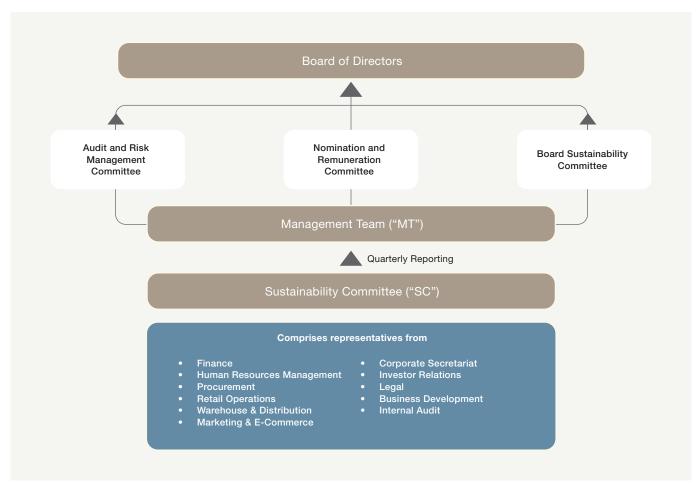
#### SUSTAINABILITY GOVERNANCE

At MR D.I.Y., sustainability governance starts at the top. Our Board of Directors provides strategic oversight, ensuring that environmental, social, and governance (ESG) considerations are embedded in decision-making and long-term business strategy. Reflecting the growing importance of sustainability, the Board's responsibilities have been expanded to include key ESG priorities.

The Board's diverse experience — spanning finance, corporate leadership, risk management, business innovation, and retail operations – strengthens its ability to drive meaningful progress toward our sustainability goals. More details on the Board's composition can be found in our Integrated Report 2024 or on our corporate website.

Our Management Team ("MT"), led by the CEO, is responsible for executing corporate strategies and monitoring performance against business and sustainability objectives.

To further embed sustainability into our operations, we established the Sustainability Committee ("SC") in 2020. Chaired by the Chief Operating Officer, the SC comprises representatives from various departments and is responsible for implementing and tracking sustainability initiatives. The committee plays a key role in ensuring sustainability is integrated across all areas of the business, reporting regularly to the MT to maintain alignment with strategic priorities.



Presently, the remuneration of executive directors is partly linked to the achievement of the Group's ESG targets, which includes the continued inclusion of MR D.I.Y. in the FTSE4Good Bursa Malaysia index and the improvement of MR D.I.Y.'s performance as per the Group's ESG KPIs and targets.

#### STAKEHOLDER MANAGEMENT AND ENGAGEMENT

Engaging with our stakeholders is key to our sustainability efforts. Open and ongoing dialogue allows us to understand their priorities, address concerns, and build long-term trust. By actively listening and responding to stakeholder needs, we develop strategies that create shared value and drive meaningful impact.



🔟 For a detailed overview of our stakeholder engagement efforts and how we address key concerns, please refer to our Integrated Report 2024.

Key Stak	eholders	Why They Are Important
	Regulatory Bodies & Government Agencies	Maintaining strong relationships with government and regulatory entities is essential for maintaining market access and ensuring compliance. This helps us mitigate financial, legal, or reputational risks while fostering a stable business environment.
8 8 1 8 9 1	Shareholders	Our shareholders provide the capital that drives our growth and expansion. Earning and maintaining their trust is critical, as their confidence in our strategies supports long-term business sustainability.
	Customers	Our customers are at the heart of our business. To remain the value retailer of choice, we must consistently deliver quality, reliability, and affordability, reinforcing their trust in the MR D.I.Y. brand.
	Suppliers	Our suppliers are key partners in maintaining our competitive edge, providing high-quality products at affordable prices. By upholding high standards across our supply chain, we also minimise the risk of non-compliance with environmental, ethical, and regulatory requirements.
	Employees	Our workforce directly impacts our ability to achieve key strategic and operational goals. We are committed to creating a safe, inclusive, and engaging workplace that fosters growth, development, and career advancement.
	Media	The media play a crucial role in influencing public perception of MR D.I.Y. which can ultimately impact brand reputation and our ability to achieve business objectives. Maintaining open, transparent, and positive media relations is key to reinforcing trust in our brand.
	Local Communities	We see ourselves as a key contributor to local community development. Through job creation, local investments, and impactful community programmes, we strive to generate sustainable value for the communities we operate in while reinforcing our standing as a responsible corporate citizen.

#### **OUR MATERIAL TOPICS**

We adhere to the principle of materiality, focusing on the issues that have the greatest impact on our business and stakeholders.

Our last materiality assessment, conducted in FY2022, identified 10 key material matters that have guided our sustainability strategy over a three-year period. The assessment process involved four key steps:

#### Identification

We developed a list of potential material topics based on global sustainability reporting frameworks and commonly reported material matters among leading international retailers.

#### Stakeholder Engagement

We conducted a survey involving our Board of Directors, management, employees, and external stakeholders, asking them to rank each material matter by its relative importance.

# Materiality Determination

The survey results were analysed, with material matters shortlisted based on their importance to both internal and external stakeholders.

#### Validation

The final list of material matters was reviewed by the management team and approved by the Board of Directors to ensure alignment with our strategic priorities.

In FY2024, we conducted a desktop validation process to reassess our material matters. This review confirmed that they remain relevant in driving:



#### Value creation for our business



Our environmental and social impact

The materiality matrix below reflects this validation, with our material matters positioned in the top quadrant.



<sup>\*</sup>These topics have been comprehensively assessed and reclassified under a new framework and label, Environmental Stewardship.

<sup>\*\*\*</sup>This topic is subsumed under the discussion of "Employee Engagement, Diversity & Inclusion".



For detailed information on how we drive value creation within each of our material matters, please read our Integrated Report 2024.

<sup>\*\*</sup>These topics are included in the discussion under "Ethics & Compliance".

#### FINANCIAL PERFORMANCE

Achieving consistent revenue and profit growth in line with internal targets and market expectations.

#### Importance to MR D.I.Y.

Our financial performance directly influences our ability to reinvest capital in growth opportunities, maintaining sustainable long-term value creation and business growth. Failure to meet financial targets could erode trust in our brand and hinder future expansion.

#### Importance to Our Stakeholders



#### **Shareholders**

Financial performance directly affects shareholder returns. Missing targets may result in capital outflows and reduced investor confidence.



#### Media

Financial underperformance can attract negative media coverage, impacting stakeholder perceptions and overall brand reputation.

#### **Our Approach**

To sustain growth and financial resilience, we focus on:

- Expanding our store network across urban, suburban, and rural areas to drive revenue growth.
- Introducing innovative retail formats (MR TOY, MR DOLLAR, MR D.I.Y. PLUS) to cater to diverse consumer segments.
- Maintaining an attractive quality-toprice ratio to reinforce our value retailer positioning.
- Leveraging data analytics to tailor product offerings based on local demand, optimising sales potential.
- Investing in automation and digital transformation to enhance operational efficiencies.

#### **ETHICS & COMPLIANCE**

Upholding a strict commitment to ethical business conduct through robust policies, governance frameworks, and adherence to all relevant laws and regulations.

#### Importance to MR D.I.Y.

Any instance of unethical behaviour or non-compliance could lead to significant legal, financial, and reputational consequences, ultimately impacting our business and long-term sustainability and growth.

#### Importance to Our Stakeholders



# Regulatory Bodies & Government Agencies

Compliance with laws and regulations ensures continued market access and prevents legal repercussions.



#### Shareholders

Ethical governance safeguards investor confidence and protects shareholder value.



#### **Suppliers**

Clear business standards create transparency and accountability across the supply chain.



#### Media

A strong compliance record strengthens brand reputation and mitigates risk of negative publicity.

- Ensuring full compliance with all applicable laws and regulations relevant to our operations.
- Enforcing a Group-wide Code of Business Ethics (COBE) to establish clear standards of ethical conduct, supported by comprehensive policies and quidelines.
- Upholding a zero-tolerance policy against all forms of bribery, corruption and unethical behaviour.
- Integrating human rights principles into workplace policies and operations.
- Extending our ethical and environmental standards to suppliers through the Vendor Code of Conduct.
- Implementing robust data privacy and security measures to protect customer information.
- Adhering to regulations on tax transparency, anti-trust and competition, product labelling, and responsible marketing.
- Providing a secure whistleblowing channel for employees, business partners, and the public to anonymously report concerns of misconduct.

#### **PRODUCT QUALITY & SAFETY**

Ensuring strict adherence to safety and quality standards set by SIRIM and other relevant industry regulators, to maintain the integrity of our product offerings

#### Importance to MR D.I.Y.

Product quality and safety are fundamental to customer trust and satisfaction, reinforcing our position as a value retailer of affordable, high-quality everyday essentials. Failure to meet these standards could undermine our brand credibility.

#### Importance to Our Stakeholders



# Regulatory Bodies & Government Agencies

Compliance with product safety regulations ensures uninterrupted business operations and prevents potential legal repercussions.



#### **Shareholders**

Maintaining quality and safety ensures long-term business sustainability and brand reputation.



#### **Customers**

Providing safe, reliable products strengthens consumer confidence and brand loyalty.



#### **Suppliers**

Enforcing quality expectations ensures accountability and upholds supply chain integrity.

#### Our Approach

- Overseeing product quality and safety through our dedicated Quality Management Department.
- Conducting rigorous quality control checks at the sourcing stage to maintain quality consistency across our supply chain
- Performing on-site inspections on new suppliers to verify compliance with safety and quality benchmarks.
- Carrying out health and safety assessments on products before they reach customers.

#### **CUSTOMER SATISFACTION**

Ensuring our products are affordable, accessible, and aligned with customer needs through our extensive store network to drive sales and financial growth

#### Importance to MR D.I.Y.

Customer satisfaction directly impacts financial performance, supporting store expansion and reinforcing our reputation as Malaysia's preferred value retailer.

#### Importance to Our Stakeholders



#### Customers

Satisfied customers are more likely to return, increase their spending, and recommend MR D.I.Y. to others, fostering long-term brand loyalty and business growth.



#### Suppliers

A high degree of customer satisfaction equates to stronger and more consistent sales, improving our ability to negotiate favourable terms with our suppliers, which further drives our economic performance.

- Engaging with customers across multiple channels to gather feedback and enhance shopping experiences.
- Leveraging data-driven insights to ensure popular products are consistently available in stores.
- Introducing new store formats to cater to evolving customer preferences and create more engaging retail experiences.

#### **SUPPLY CHAIN MANAGEMENT**

Optimising our supply chain to enhance operational efficiency and reduce costs, while upholding high standards in product quality and ethical sourcing.

#### Importance to MR D.I.Y.

A well-managed and efficient supply chain increases our profitability, allowing us to deliver on our promise of "Always Low Prices". This enhances competitiveness and long-term growth.

#### Importance to Our Stakeholders



#### **Shareholders**

Cost efficiency and local sourcing contribute to sustainable business growth and shareholder value.



#### **Suppliers**

Partnering with suppliers fosters trust and business growth.

#### **Our Approach**

- Dedicated product procurement team ensuring an efficient and cost-effective supply chain.
- Ongoing supplier engagement to uphold product quality and compliance with our standards.
- Strict enforcement of ethical business practices, human rights, and environmental responsibility through our Vendor Code of Conduct.
- Commitment to local sourcing, targeting 30% local procurement by 2025 to drive economic value within Malaysia.

#### **ENVIRONMENTAL STEWARDSHIP**

Minimising our environmental impact through responsible management of energy, water, waste, and emissions while maintaining operational efficiency and competitiveness.

#### Importance to MR D.I.Y.

Environmental stewardship is essential for two key reasons:

#### 1. Corporate Responsibility

As a responsible business, we must manage shared resources sustainably to minimise harm to the environment.

# 2. Reputation & Business Resilience

Poor environmental management could damage brand trust, weaken shareholder confidence, and hinder future growth initiatives.

#### Importance to Our Stakeholders



# Regulatory Bodies & Government Agencies

Compliance with environmental laws and sustainability regulations.



#### Customers

Increasing preference for ecoconscious brands.



#### **Shareholders**

Expectation of sustainable business practices to mitigate long-term risks.



#### Media

Scrutiny of corporate environmental commitments and actions.

- Monitoring and optimising energy, water, and emissions across our operations.
- Expanding renewal energy adoption and enhancing energy efficiency.
- Promoting environmental awareness through Yayasan MR D.I.Y. and internal initiatives.
- Reducing plastic waste by encouraging the sale of eco-products in our stores.
- Evaluating climate-related risks and opportunities to drive sustainable business decisions.

#### **EMPLOYEE HEALTH & SAFETY**

Enhancing productivity by ensuring safe, healthy, and supportive work environments.

#### Importance to MR D.I.Y.

Investing in employee health and safety enables our workforce to perform at their best while mitigating risks associated with workplace incidents, which could lead to operational disruptions, financial penalties, and reputational harm.

#### Importance to Our Stakeholders



# Regulatory Bodies & Government Agencies

Compliance with occupational health and safety regulations.



#### **Employees**

Ensuring a secure and supportive work environment.



#### Media

Avoiding negative publicity related to workplace incidents.



#### **Local Communities**

Upholding safety standards that extend to the wider community.

#### Our Approach

- Enforcing stringent workplace safety measures in accordance with our Occupational Safety and Health Policy.
- Ensuring compliance with all relevant health and safety laws and regulations.
- Implementing risk mitigation protocols through clear operating procedures and safety controls.
- Leveraging on automation and technology to increase productivity and reduce workplace hazards.
- Providing ongoing safety training to enhance employee awareness and preparedness.
- Fostering holistic employee well-being through comprehensive benefits and wellness initiatives.

#### **EMPLOYEE ENGAGEMENT, DIVERSITY & INCLUSION**

Fostering a diverse and inclusive workforce that integrates a broad range of skills, perspectives, and experiences while creating work environments that support personal and professional growth.

#### Importance to MR D.I.Y.

Diversity and inclusion drive productivity, innovation, and employee engagement, while strong development initiatives enhance job satisfaction. By prioritising these areas, we strengthen our human capital, improve talent retention, and lay a strong foundation for long-term business success.

#### Importance to Our Stakeholders



#### **Employees**

A supportive and growth-oriented workplace fosters motivation and loyalty.



#### Media

Demonstrating leadership in diversity and inclusion enhances brand reputation.



#### **Local Communities**

Providing job opportunities and development initiatives benefits society at large.

- Expanding employment opportunities in underserved towns and regions across Malaysia to address local unemployment.
- Implementing inclusive hiring practices, including recruitment opportunities for differently-abled individuals.
- Upholding equal pay for equal work, ensuring gender-based pay equity.
- Engaging employees regularly through town halls, intranet updates, and festive celebrations.
- Providing structured professional development to enhance skills, bridge competency gaps, and prepare highpotential employees for leadership roles.

#### **IMPACT ON LOCAL COMMUNITIES**

Creating meaningful and lasting positive impact on local communities by offering high-quality, affordable products, prioritising local sourcing and employment, and investing in CSR initiatives that empower and uplift society.

#### Importance to MR D.I.Y.

Supporting local communities enhances our reputation as a responsible corporate citizen, strengthens our appeal as an employer and business partner, and reinforces our social license to operate. More importantly, we believe in our role as a driver of local economic growth.

#### Importance to Our Stakeholders



# Regulatory Bodies & Government Agencies

Aligning with national development goals strengthens our relationships with policymakers.



#### **Shareholders**

A strong corporate reputation supports long-term business growth and sustainability.



#### Media

Positive community impact garners favourable media coverage, enhancing brand perception.



#### **Local Communities**

Our initiatives create job opportunities, economic benefits, and direct support for those in need.

- Investing in community capacity building activities through Yayasan MR D.I.Y., focusing on environmental protection, health and well-being, capacity building, and arts and culture.
- In FY2024, we invested over RM1.2 million in 289 programmes under Yayasan MR D.I.Y., directly benefitting communities.
- Prioritising Malaysian employees and suppliers to stimulate local economic growth.
- Providing affordable, high-quality products that cater to the everyday needs of Malaysians.



#### **RISK MANAGEMENT**

Within each of our material topics, we acknowledge the presence of challenges and risks that, if not effectively managed, could hinder our efforts and pose significant impact on our business and stakeholders.

To address this, we have integrated risk management considerations into both our topic-specific and overarching sustainability strategies. These efforts are supported by robust controls designed to mitigate potential threats while enabling us to seize strategic opportunities.

The table on the next page outlines the key risks we have identified, along with the opportunities we aim to capitalise on, across each of our material topics. Many of these ESG risks and opportunities are also embedded within our Enterprise Risk Management (ERM) framework, detailed in the Statement of Risk Management and Internal Control section of our Integrated Report 2024.



MATERIAL TOPICS	STAKEHOLDERS IMPACTED	RISKS AND OPPORTUNITIES
Financial Performance Supporting SDGs:	<ul> <li>Regulatory Bodies &amp; Government Agencies</li> <li>Shareholders</li> <li>Suppliers</li> <li>Employees</li> <li>Local Communities</li> </ul>	The Group's financial performance has a direct and significant impact on our stakeholders. Weak financial results could threaten business continuity and limit our ability to invest in growth opportunities. Conversely, strong financial performance drives long-term growth and stability.  Beyond our business, our financial performance also influences a broader range of stakeholders. It determines our role as a key contributor to economic and social development, affecting our ability to:  - Contribute taxes to the country
		<ul><li>Create and sustain jobs</li><li>Foster business partnerships</li><li>Invest in local communities</li></ul>
Ethics & Compliance Supporting SDGs:	<ul><li>Regulatory Bodies &amp; Government Agencies</li><li>Shareholders</li><li>Suppliers</li></ul>	Upholding the highest standards of conduct is essential to maintaining stakeholder trust and confidence, which in turn underpins our long-term success as a business.
16 not interest inter	<ul><li> Employees</li><li> Local Communities</li><li> Customers</li></ul>	Failure to adhere to these standards could lead to loss of stakeholder trust, reputational damage, and legal and financial repercussions.
Product Quality & Safety	<ul><li>Customers</li><li>Shareholders</li><li>Suppliers</li></ul>	Customer trust and brand loyalty are built on the foundation of customer satisfaction, driven by the quality and safety of our products. This trust encourages repeat purchases, attracts new customers, and supports business growth.
Customer Satisfaction	<ul><li>Customers</li><li>Shareholders</li></ul>	Failure to manage these effectively could lead to product recalls, legal issues, and reputational risks, potentially impacting our long-term success.
Supply Chain Management Supporting SDGs:	Suppliers	Effective supply chain management is essential for cost optimisation, fostering impactful collaboration and product co-creation, and enabling agile responses to market dynamics.
8 HOON WHIS ARE CHORNEL BURSON		At the same time, maintaining stringent sustainability standards across our supply chain is increasingly critical to preserving our credibility as a responsible and sustainable organisation in the eyes of our stakeholders.
Environmental Stewardship Supporting SDGs 13 9999	<ul> <li>Regulatory Bodies &amp; Government Agencies</li> <li>Shareholders</li> <li>Suppliers</li> <li>Employees</li> </ul>	A proactive approach to environmental stewardship is essential to driving innovation, strengthening stakeholder relationships, improving operational efficiency, differentiating our brand in the market, and unlocking opportunities in new markets.
MARKETS COOK	Local Communities     Customers	Failure to uphold environmental responsibilities can harm public perception and lead to legal consequences. Additionally, inadequate responses to climate adaptation and mitigation increase exposure to risks such as extreme weather events, which may disrupt supply chains and escalate operational costs.

MATERIAL TOPICS	STAKEHOLDERS IMPACTED	RISKS AND OPPORTUNITIES
Employee Health & Safety Supporting	• Employees	Prioritising employee health and safety minimises workplace accidents and associated costs while fostering a positive work environment that enhances productivity and engagement.
SDGS:  3 AND WILLIAM  8 EXTENSION AND		Conversely, non-compliance with health and safety regulations can lead to legal repercussions, as well as reputational and financial risks.
Employee Engagement, Diversity & Inclusion Supporting SDGs:	• Employees	Fostering employee engagement is essential to building a supportive and productive workplace, driving innovation, and enhancing overall business performance. Emphasising diversity and inclusion fuels creativity, brings fresh perspectives, attracts a broader talent pool, and reduces employee turnover.  Neglecting these areas, however, can result in lower employee satisfaction, decreased morale, and potential legal risks, ultimately impacting workplace culture and organisational success.
Impact on Local Communities Supporting	Local Communities	Our commitment to social responsibility is reflected in our active engagement with local communities, strengthening our corporate reputation, and fostering trust and loyalty among the public and stakeholders.
SDGs:  1 ******  1 ******  2 *****  1 *****  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 *****  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 ******  1 *****  1 ******  1 ****  1 ****  1 ****  1 ****  1 ****  1 ****  1 ****  1 ****  1 ****  1 ****  1 ****  1 **  1 ***  1 ***  1 ***  1 *		Conversely, a lack of community engagement can damage our reputation, erode social capital, and strain relationships with key stakeholders, ultimately hindering our ability to meet business objectives.
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#### SUSTAINABILITY FRAMEWORK

Our sustainability framework links our material matters to the ESG value we aim to create. This framework provides a clear direction for the Company, ensuring that all activities and efforts are aligned with the overarching goals of the Company, and prioritises the resources to address concerns related to each of our Material Topics.

Within this framework, our material matters are grouped into four strategic themes, each aligned to strategic intents that define the sustainability outcomes we strive to achieve.

We have also adopted a precautionary approach particularly in critical areas such as environmental impact, occupational safety and health (OSH), labour and human rights, and supply chain management. This proactive stance involves taking early action to prevent and reduce potential harm rather than addressing the consequences of delayed responses.

#### Strategic Themes Strategic Intent **Material Topics** Financial Performance Generate positive The socio-economic multiplier Ethics & Compliance **Business &** Product Quality & Safety effects through ethical Sustainability and responsible business · Customer Satisfaction of Profits practices • Supply Chain Management Enhance circularity and Our optimise resource utilisation Environmental Stewardship **Environment** to minimise our environmental footprint Foster a nurturing and safe Employee Health & Safety workplace conducive to • Employee Engagement, People continuous learning and Diversity & Inclusion individual development Drive meaningful change through impactful CSR Impact on Local Communities initiatives and positively Communities **Around Us** impact the communities in which we operate

#### PERFORMANCE SCORECARD

To enhance accountability and ensure continuous progress in our sustainability mission, we have established measurable targets for each of our material topics.

This table outlines our key targets and the progress achieved to date:

			Achieved	On Track	Not Met
STRATEGIC THEME	MATERIAL TOPIC	TARGET	FY2021 (Base Year)	FY2024	STATUS
The Business & Sustainability of	Supply Chain Management	Vendor Code of Conduct onboarding – to report ongoing process	4 signatories	686 signatories	
Profits	Customer Satisfaction	80% Customer Satisfaction and Experience Score by 2030	75%	99%	
		Plastic bags per 1,000 transactions – to report ongoing progress	3.31kg	2.40kg	
		10% of total revenue from eco-products by 2030	3.0%	6.2%	
		30% of renewable energy mix at all distribution facilities by 2030	4.0%	11.2%	
The	Environmental Stewardship	Carton boxes per 1,000 transactions – 40% reduction or 0.20kg by 2030	0.51kg	0.28 kg	
Environment	Gtewardship	Diesel per 1,000 transactions – 20% reduction or 5.5 litres by 2030	27.5 litres	26.2 litres	
		30% reduction or 5.9 kWh per sq ft in annual weighted energy intensity for standalone stores by 2030*	19.8 kWh	25.7 kWh	
		Suppliers' commitment to measure and report their GHG emissions – to report ongoing progress	0 suppliers	51 suppliers	
Our People	Employee Health & Safety	Zero Lost time Injury Frequency Rate by 2025	0.48	0.38	
The Communities Around Us	Impact on Local Communities	30% sourcing from local suppliers by 2025	29.4%	34.5%	

**Note:** \* The figures have been restated due to a refinement in the measurement methodology. The annual weighted energy intensity measures electricity usage by excluding newly opened standalone stores or stores closed during the year to prevent distortion from low annual readings.



We believe that sustainability and profitability go hand in hand. Sustainable value creation relies on achieving growth and profits that drive long-term progress, benefitting our business, stakeholders, communities, and the environment.

Related to UN SDGs











Total revenue

RM4.7 billion



raised to **83.1%** of profit

#### **FINANCIAL PERFORMANCE**

#### Why This Is Important

Our financial performance directly influences the value we create as a business. Strong financial results enable us to generate positive impacts for our stakeholders through wages, business partnerships, taxes and more. Conversely, poor financial performance threatens business continuity, limiting our ability to execute both our business and sustainability strategies – ultimately affecting the outcomes we aim to achieve. Our goal is to bolster the long-term resilience of our business by improving our ability to generate economic value, ensuring that we continue to create value for all stakeholders.

#### **Our Approach**

We remain committed to driving sustainable growth through the following strategies:



Delivering the Best Price-to-Quality Ratio Ensuring that our products offer the best value for a given price or the most competitive price for a given quality. This is made possible by maintaining direct relationships with manufacturers worldwide and leveraging on our global procurement model to purchase in high volumes, generating economies of scale and cost savings that we pass on to our customers.



Offering a Wide Product Range We carry over 18,000 stock-keeping units (SKUs), carefully selected using strict data-driven insights. They cater to diverse customer needs and preferences while meeting the unique needs of the local population, whether in a rural or suburban store.





Expanding our Store Network The strategic expansion of our store network is a key part of our growth strategy. Our extensive network of 1,429 stores across Malaysia and Brunei uniquely positions us to better serve customers and communities with value and convenience.





#### **Our Performance**

In FY2024, we recorded total revenue of RM4.7 billion, which was distributed to our stakeholders as follows:

	FY2022 RM million	FY2023 RM million	FY2024 RM million
Economic value generated	3,985.8	4,359.3	4,651.4
Economic value distributed	(3,313.7)	(3,611.1)	(4,028.5)
Total monetary value / spend on procurement	(2,338.6)	(2.382.1)	(2,518.8)
Total payout to employees in salaries and benefits	(484.8)	(620.5)	(695.7)
Taxes paid to government	(171.3)	(189.3)	(206.0)
Repayments to financiers	(114.8)	(154.9)	(211.0)
Dividend returns to shareholders	(204.2)	(264.3)	(397.0)
Economic value retained	672.1	748.2	622.9

**Note:** The financial results presented in the table above are derived from our audited financial statements. For more information, please refer to page 93 of our Integrated Report 2024.

As part of our commitment to long-term value creation, we have raised our full year dividend payout to 83.1% of profit, exceeding the earlier target of 50% to 65%. This underscores our strong financial position and dedication to shareholder value creation.

#### **ETHICS AND COMPLIANCE**

#### Why This Is Important

Integrity is at the core of everything we do. By upholding transparency, accountability, and fairness in all aspects of our business, we build trust with our stakeholders while mitigating legal, financial, and reputational risks. This commitment strengthens our foundation for long-term success.

#### **Our Approach**

Our commitment to ethics and compliance is guided by the Group's Code of Business Ethics ("COBE"), which serves as a comprehensive framework for ethical conduct. The COBE outlines our core principles and expectations, providing clear guidance for directors and employees in their daily interactions. It also acts as a benchmark for assessing the ethical standards of our business partners, fostering a shared commitment to responsible practices across our supply chain.

To ensure accessibility, the COBE is available in English, Malay, and Chinese, and is published on both our intranet and corporate website.

We have also implemented a range of policies and guidelines aligned with the COBE to ensure everyone in the company upholds strong corporate governance and maintains high standards of behaviour and accountability. These policies and guidelines are publicly accessible on our corporate website.

Additionally, we have established a range of policies and guidelines aligned with the COBE, ensuring that corporate governance, accountability, and ethical behaviour remain at the forefront of our operations. These policies and guidelines are also publicly accessible on our corporate website.

#### **Board Policies**

- Board Charter Remuneration Policy
- Fit And Proper Policy

#### **Corporate Policies**

- Code Of Business Conduct
- Anti-Bribery And Corruption Policy
- Conflict Of Interest Policy
- Whistleblowing Policy
- Gift And Entertainment Policy
- Vendor Code Of Conduct
- Social Media House Rules
- Privacy Policy

The scale of our operations requires us to engage with a diverse range of stakeholders across a vast geographical footprint, exposing us to a wide range of ethics-related risks on a daily basis. To mitigate these risks, we have identified the following priority areas where compliance with high ethical standards is essential:

#### **Anti-Bribery and Corruption (ABC)**

We uphold a zero-tolerance policy against all forms of bribery and corruption. In 2020, we introduced our Anti-Bribery and Corruption (ABC) Policy, which sets out clear behaviourial standards, defines unlawful and corrupt activities, and prescribes corrective or punitive measures in cases of direct or indirect involvement in such misconduct.

Our approach is further reinforced by the Conflict of Interest Policy and Gifts & Entertainment Policy, which provide specific guidelines and best practices for managing ethical risks in these areas.

To ensure vigilance and compliance:

- We conduct regular corruption risk assessments to proactively identify potential vulnerabilities.
- We provide training and awareness programmes to equip employees with the knowledge to detect and prevent bribery and corruption. This includes mandatory training during onboarding and annual refresher sessions for all employees.

As a Group, we maintain a neutral, apolitical stance and do not endorse or affiliate with any political organisation. However, we actively participate in government-led initiatives that contribute to societal well-being, aligning with our role as a responsible corporate citizen.

#### **Upholding Human Rights**

Given the wide-ranging nature of our business operations, we continuously navigate complex global supply chains. We acknowledge that this extensive exposure comes with potential labour-related risks that could impact our reputation and operational integrity.

To address these risks, we strictly uphold fundamental human rights across our workplace and value chain. We have institutionalised human rights principles within our organisation through policies and practices that align with the following local and international standards:

- International Labour Organization (ILO) guidelines
- Malaysia Employment Act 1955
- Brunei Employment Order 2009

In FY2021, we reinforced our commitment beyond our own operations by establishing a Vendor Code of Conduct, ensuring that our suppliers uphold ethical labour practices. The Code sets out the following non-negotiable expectations of our vendors:

- Prohibiting forced and child labour
- Promoting fair treatment for all
- Preventing discrimination of any kind
- Abiding with local laws and regulations

By enforcing these standards, we cultivate a respectful and inclusive workplace where all employees and stakeholders across our supply chain are treated with dignity, fairness, and respect at all times.

#### **Data Privacy and Security**

We handle a significant volume of financial and personal data, and we recognise that safeguarding this information is crucial to building and maintaining trust with our customers. In an era of rapid digital disruption and evolving cyber threats, data protection is more important than ever.

As data users, we strictly comply with the Personal Data Protection Act 2010, which mandates that we protect personal data from misuse, unauthorised access, and manipulation. Our COBE further reinforces this commitment by requiring employees to uphold the confidentiality of all information shared by the Company or its customers.

To strengthen our data protection efforts:

- We have established Standard Operating Procedures (SOPs) for handling customer information, ensuring it is used solely for authorised purposes in limited contexts.
- We maintain a strict policy against sharing customer information with any third party.
- Our robust IT system is designed to prevent unauthorised access, with data access restricted to a select group of internal users.

#### **Tax Transparency**

We recognise that taxes are a critical resource for the government to support economic development and social welfare. As a business built on integrity and sustainable growth, we take a responsible and transparent stance on all tax matters. Our commitment includes:

- Full compliance with the Malaysia Income Tax Act 1967 and the Brunei Income Tax Act (Chapter 35).
- Avoiding tax-friendly jurisdictions or offshore tax havens to minimise tax liabilities on activities conducted elsewhere.
- Ensuring full adherence to all applicable tax laws, rules, and regulations.

We disclose taxes paid in our quarterly and annual audited financial statements, which are available through our quarterly results announcements and Integrated Reports.

All tax-related matters are overseen by the Audit and Risk Management Committee, ensuring compliance and accountability in all our tax practices.



#### **Anti-Trust and Competition**

We recognise that healthy industry competition plays a critical role in driving innovation and providing consumers with better choices and value. As a responsible corporate entity, we are committed to competing fairly and ethically while fully complying with applicable anti-trust and competition laws.

To uphold these principles, we:

- Commit to ethical business practices and full compliance with relevant anti-trust and competition laws.
- Refrain from leveraging our market position to manipulate market access or gain an unfair advantage.
- Compete responsibly to expand market share, drive revenue, and achieve sustainable earnings growth.

By maintaining a level playing field, we foster trust and transparency within our industry while ensuring long-term business sustainability.

#### Product Labelling and Responsible Marketing

Upholding responsible marketing practices is essential to maintaining customer trust and confidence in our brand.

We work closely with manufacturers and regulatory authorities to ensure that all products in our stores are labelled accurately and responsibly. This is especially crucial for processed food and beverage (F&B) products, which provide detailed labelling information, including:



#### **Nutritional content**



Presence of preservatives, flavouring and colouring

By ensuring transparent and accurate information while avoiding any form of misrepresentation, we empower our customers to make well-informed purchasing decisions, strengthening their trust in MR D.I.Y..

#### **Whistleblowing Policy and Mechanism**

We take all allegations of misconduct seriously and are committed to maintaining a transparent and ethical workplace. To this end, we have established a confidential whistleblowing channel, open to employees, business partners, and the public. Whistleblowers can seek advice or report concerns about potential misconduct involving the company or its personnel under full confidentiality.





Our Whistleblowing Policy, introduced in 2020, defines misconduct as including but not limited to:



All reports are thoroughly investigated by a dedicated team comprising representatives from the Group Human Resources, Internal Audit, and Legal departments. For cases involving middle or senior management, investigations may be escalated to Senior Management and the Board of Directors. Serious violation of local laws may also be referred to local enforcement authorities.

Through these measures, we reinforce our commitment to ethics, transparency, and accountability across our organisation.

#### **Our Performance**

#### **Anti-Bribery and Corruption**

Our comprehensive corruption risk assessment conducted in FY2023 found that all departments had low to moderate corruption risk and that our existing safeguards and measures were adequate and effective in detecting and deterring potential corruption within the organisation.

In FY2024, we conducted a targeted risk assessment based on the findings of our 2023 report, aligning with the TRUST principles, particularly the Undertake Control Measures. Our risk-based approach ensured that the assessment remained applicable to 100% of our operations.

	FY2022	FY2023	FY2024
% Operations that underwent corruption risk assessments	100%	100%	100%
Number of confirmed corruption incidents	0	0	0

	% of Employees who completed Anti-Corruption Training		
Employee Category	FY2022	FY2023	FY2024
Management	77%	72%	62%
Executive employees	87%	91%	78%
Non-executives	87%	80%	87%

We are pleased to report that no incidences of corruption occurred within the Group during the year under review.

#### **Upholding Human Rights**

In FY2024, we recorded zero incidents of labour infringements related to child, forced, or illegal labour within the Group's operations or supply chain. Additionally, no other human rights violations were identified during the year, nor were any legal proceedings undertaken against the Group due to labour law violations or employment discrimination.

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning	0	0	0
human rights violations			

Monetary Losses as a Result of Legal Proceedings Associated with	FY2024
Labour law violations	0
Employment discrimination	0

#### **Data Privacy and Security**

In FY2023, we conducted a comprehensive, group-wide audit to identify and address vulnerabilities in our data security architecture. Additionally, we introduced non-disclosure agreements ("NDAs") for vendors handling sensitive data, ensuring stricter control over data access, and preventing unauthorised disclosure.

Our proactive approach yielded positive results, with no reported breaches of customer privacy or data loss incidents in FY2024.

	FY2022	FY2023	FY2024
Number of substantiated complaints concerning breaches of customer privacy or data loss	0	0	0

#### **Tax Transparency**

In FY2024, we contributed a total of RM194.2 in taxes to the Governments of Malaysia and Brunei.

	Income Tax (RM million)			
Operating Country	FY2022	FY2023	FY2024	
Tax contributed to Government of Malaysia (RM million)	167.8	190.9	193.3	
Tax contributed to Government of Brunei (RM million)	0.6	1.6	0.9	
Total tax contributed	168.4	192.5	194.2	

#### **Anti-Trust and Competition**

In FY2024, there were 0 complaints lodged with the Group regarding anti-competitive behaviour and/or monopolistic practices.

	FY2022	FY2023	FY2024
Number of complaints received concerning anti- competitive behaviour and/or monopolistic practices	0	0	0

#### **Product Labelling and Responsible Marketing**

In FY2024, we received one customer complaint regarding product labelling. There were no complaints from customers, regulatory bodies or other stakeholders regarding our marketing content and messages.

	FY2022	FY2023	FY2024
Number of complaints received regarding product labelling	0	1	1
Number of complaints received regarding marketing messaging	0	0	0

#### Whistleblowing

In FY2024, one whistleblowing report was lodged regarding an alleged case of employee misconduct, specifically abuse of power. This report underwent our established investigation process to gather evidence. However, as the report was submitted anonymously, we were unable to verify the complainant's details or obtain additional information to substantiate the allegation.

While the case could not proceed due to insufficient evidence, a verbal warning was issued to the employee concerned as a cautionary measure.

#### **PRODUCT QUALITY AND SAFETY**

#### Why This Is Important

As most of the products we carry cater to the daily needs of families and individuals, it is vital that we uphold the highest quality and safety standards at all times. Any incidents related to product quality or safety could significantly harm our brand reputation, eroding customer loyalty and weakening our position in a highly competitive retail landscape.

#### **Our Approach**

Our Quality Management, Group Strategy, and Procurement teams lead our product quality and safety efforts, maintaining a comprehensive system of checks and balances across all products, whether third-party branded or privately labelled. These controls include:

- Ensuring quality control at the sourcing stage by verifying that suppliers comply with local regulations and industry standards, such as those set by SIRIM and other relevant hodies
- Performing desktop audits and reviewing supplier-provided documents to assess compliance.
- Conducting on-site inspections of selected suppliers, including evaluations of ESG practices.
- Working closely with regulatory authorities to maintain compliance with health, safety, and environmental regulations.
- Protecting intellectual property and enforcing trademark laws.
- Partnering with manufacturers and distributors to assess the health and safety impacts of products sold in our stores.

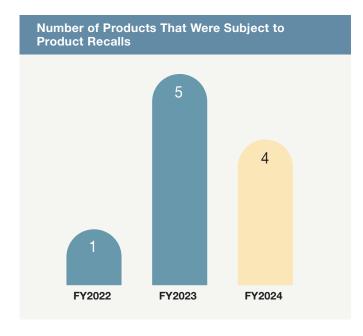
In the event of a product being deemed unsafe or not meeting our quality standards, our corporate recall process ensures swift action to protect consumers. Once a recall is approved, affected products are removed from distribution, and all stakeholders - including regulators, retailers, and consumers - are provided with clear return or disposal instructions. The Quality Management Department then reconciles the balance stock in our Qube system, a new process added in FY2024 to ensure accurate tracking.



#### **Our Performance**

In FY2024, we had four product recalls, each due to defects where specific products were inaccurately labelled as vegetarian. These products were subsequently removed from distribution and our store shelves.

#### **Product Recalls**



#### **CUSTOMER SATISFACTION**

#### Why This Is Important

The scalability of our business depends on building a large base of customers who regularly return to us for their shopping needs. As such, customer satisfaction is central to our success, and we must consistently meet and exceed their expectations to maintain our market leadership position.

#### **Our Approach**

We actively communicate and engage with our customers to gauge their level of satisfaction. By encouraging feedback through our QR Channel, Help Desk, or Customer Feedback System, we can stay ahead of emerging issues and maintain high service and product quality standards.

Since its launch in FY2022, our QR Channel has been a valuable source of customer insights. Along with our research, these insights have helped us enhance our offerings, leading to the launch of new store formats like MR D.I.Y. PLUS — an all-inclusive store concept featuring a wider range of SKUs. As of 31 December 2024, we have launched three new flagship MR D.I.Y. PLUS outlets in high-traffic urban areas, providing an engaging and differentiated shopping experience.

We have clear return and exchange policies in place, which allow exchanges or replacements within seven days of purchase, subject to terms and conditions. This policy extends to our e-commerce platform as well.

Many of our products also come with quality assurances and fixed-time warranties, giving customers added confidence in their purchases. These efforts reflect our commitment to ensuring exceptional customer experience.

#### **Our Performance**

#### **Customer Service Channels**

In FY2024, we enhanced our customer service capabilities by upgrading our CRM system and integrating all communication channels into a single automated platform to ensure prompt and efficient responses.

Moving forward, we will expand our communication channels to include WhatsApp, Live Chat, Google Reviews, and YouTube, providing customers with more ways to reach us and ensuring a seamless and accessible customer experience.

To improve service availability, we have introduced after hours response support for marketplace customers on Lazada and Shopee, allowing us to address customer inquiries immediately. Additionally, we will implement Customer Satisfaction (CSAT) ratings across all channels to measure agent performance and service quality, reinforcing our commitment to continuous improvement in customer experience.

#### **Customer Insights**

In response to customer feedback, we expanded our product offerings to provide greater variety, introducing new product ranges under brands such as JOMOO, EMTOP, Disney, and Marvel.

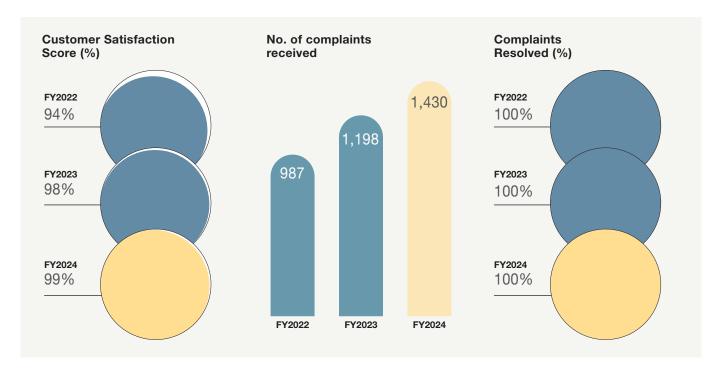
Additionally, we are enhancing our online presence by actively participating in marketplace live sales events on platforms such as TikTok and Shopee, particularly during key sales periods such as payday promotions and major events such as "11/11" and "12/12".

#### **Customer Satisfaction and Experience Score**

We have set a target of achieving an 80% customer satisfaction and experience score by 2030. To support this goal, we have implemented an e-rating and customer feedback system in 99% of our stores, enabling us to continuously monitor and improve customer experience.

In FY2024, we recorded a 99% satisfaction and experience score, up from 98% in FY2023, significantly exceeding our target.

We received 1,430 customer complaints in FY2024, all of which were resolved to the satisfaction of the complainant, underscoring our commitment to swiftly resolve issues and provide exceptional customer service.



#### **SUPPLY CHAIN MANAGEMENT**

#### Why This Is Important

Effective supply chain management is essential to maintaining our competitive edge in the industry. Through strategic demand forecasting, inventory management, and cost-efficient practices, we optimise operations to offer products at compelling price-to-quality ratios while achieving our financial objectives.

#### **Our Approach**

We drive supply chain excellence by balancing operational efficiency with responsible sourcing. Our procurement strategy focuses on product quality, competitive pricing, service reliability, delivery timelines, and supplier sustainability commitments. A dedicated team collaborates closely with suppliers to ensure that our products meet customer expectations while aligning with our sustainability goals.

As a Malaysian company, we prioritise local sourcing whenever possible to strengthen the economy, foster community ties, and enhance supply chain resilience. At the same time, we uphold a fair and transparent procurement process, practising competitive tendering to maximise value.

Before making any procurement decisions, we conduct thorough due diligence to verify licenses, certifications, regulatory approvals, and compliance with intellectual property and trademark laws. All suppliers are required to adhere to our Vendor Code of Conduct ("VCC"), which outlines expected standards in environmental responsibility, human rights, governance, and anti-corruption.



#### **Our Performance**

#### **Operational Efficiency**

In FY2024, 100% of procurement activities were conducted through competitive tenders, reinforcing our commitment to transparency and cost efficiency.

#### **Responsible Business Practices**

We have set a target to source 30% of all products locally by 2025. In FY2024, our total procurement expenditure amounted to RM2.5 billion, with local suppliers representing 34.5% of this total.

As of FY2024, 686 suppliers have formally pledged compliance with our VCC, demonstrating their commitment to upholding responsible and ethical business practices aligned with our standards.

	FY2022	FY2023	FY2024
% Procurement carried out through competitive tenders	100%	100%	100%
% Spending on local suppliers	28.7%	31.5%	34.5%
No. of vendors onboarded to the vendor code of conduct	250 signatories	382 signatories	686 signatories

#### **MOVING FORWARD**

As we advance on our sustainability journey, we recognise that lasting social and environmental impact can only be achieved when built on a foundation of financial viability and economic value creation.

For this reason, we continue to prioritise business strength and competitiveness, focusing on product quality and safety, customer satisfaction, and stronger enforcement of our supply chain standards. At the same time, we embrace innovative solutions that enhance operational efficiencies while meeting the objectives of profit and sustainability. For example, our upcoming automated warehouse — the largest of its kind in Malaysia's retail sector — will centralise storage, streamline processes, and reduce emissions, lowering our environmental footprint while also enhancing financial efficiency by reducing reliance on manual labour.

By maximising sustainable profitability, we continue to create lasting value for the environment, our people, and the communities we serve.





# THE ENVIRONMENT

As climate change becomes an increasingly urgent and global challenge, and awareness of key environmental issues - such as the circular economy - continue to grow, we are committed to championing environmentally responsible solutions across our operations and supply chain.

With our extensive operational presence and wide-reaching supply chain network, the positive actions we take have the potential to drive meaningful impact – not only on the natural environment, but also on local communities and Malaysia as a whole.

Related to UN SDGs











accounted for **11.2%** of our total energy consumption



accounted for **6.2%** of our total revenue



#### **ENVIRONMENTAL STEWARDSHIP**

#### Why It Matters

As a leading Malaysian organisation, we recognise our responsibility to be a responsible steward of the environment. Stakeholders including customers and investors - are increasingly prioritising environmental sustainability in their decisions. Consumers are making purchasing choices based on a company's eco-conscious efforts, while investors are shifting towards ESG-focused investments to ensure long-term returns.

By taking proactive action for the environment, we enhance stakeholder confidence, and contribute to a more sustainable future.

#### **Our Approach**

Our environmental stewardship strategy focuses on three key areas of impact, each supported by clear strategies and targets that align with national sustainability initiatives such as the National Energy Transition Roadmap and the Malaysia Plastic Sustainability Roadmap 2021–2030.



#### **GHG Emissions, Energy Management, and Water Consumption**



- Regularly assess and track our performance and impact
- Innovate and invest in new solutions in areas where we have direct control, including increasing the use of renewable energy in our facilities.
- Improve operational efficiency in areas where our direct control is limited, such as our mall-based stores.

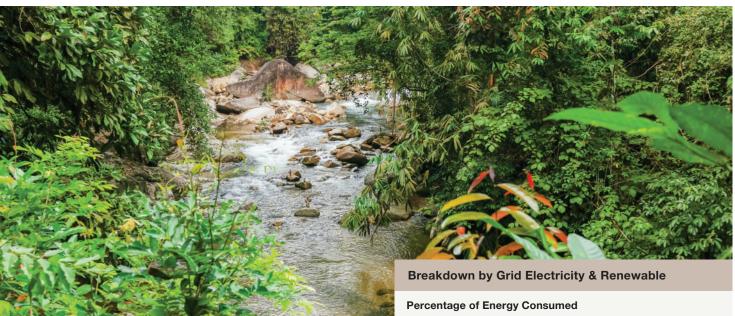


#### **Targets**

- By 2030, reduce diesel consumption by 20%, to achieve a target of 5.5 litres per 1,000 transactions, compared to our 2021 baseline of 27.5 litres.
- By 2030, increase the share of renewable energy in our distribution facilities to 30%, up from the 2021 baseline of 4%.

In addition to our operational focus areas, we acknowledge the medium-to-long term risks that climate change poses to our business. These include both physical risks (such as extreme weather events) and transitional risks (such as evolving regulations and market shifts). To address these challenges, we have conducted a comprehensive risk assessment and identified potential climate-related opportunities, which are detailed in the Climate-related Risks and Opportunities section on page 66 of this

Furthermore, we are committed to promoting low-carbon practices across our supply chain. Our goal is to encourage more suppliers to measure and report their GHG emissions, supporting broader decarbonisation efforts. In FY2024, we made steady progress, increasing our total number of participating suppliers from 38 to 51.



## Waste Management and Resource Consumption

# Regularly monitor and evaluate our

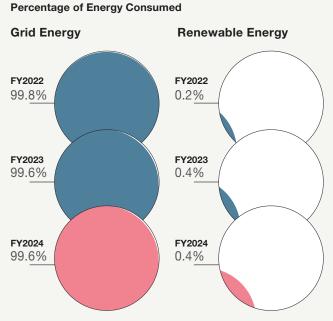
performance

- Adopt the 3R principles of "Reduce, Reuse, and Recycle" within our operations
- By 2030, reduce use of carton boxes by 40%, from our 2021 baseline of 0.51kg to 0.31kg

#### **Biodiversity**

All our stores are located in developed areas, which means the Group's direct business operations, activities, products, and services have minimal disruption to the existing local biodiversity. However, we remain vigilant and proactive in addressing potential risks and opportunities related to biodiversity

Not applicable



#### **Our Performance**

#### **Energy Management**

Energy consumption across our distribution facilities, retail stores, and goods transportation constitutes most of our carbon footprint. As our store network continues to expand, managing energy efficiency remains a key priority.

In FY2024, our total energy consumption was 904,402 MWh, reflecting an increase in line with our business growth. To mitigate this impact, we have implemented energy-efficient technologies to reduce the energy required for core business operations.

	FY2022	FY2023	FY2024
Total energy consumption (megajoules '000)	612,581	764,888	904,402
Non-renewable fuel consumed • Diesel	130,679	161,842	171,080
Electricity, heating, cooling and steam purchased for consumption	480,979	600,737	730,172
Total renewable electricity consumption • On-site renewable energy (solar)	923	2,309	3,150

MR D.I.Y.'s reported energy consumption reflects applicable categories, with renewable fuels and the sale of electricity, heating, cooling, and steam currently excluded. Purchased electricity consumption was 133,605 MWh in FY2022, 166,871 MWh in FY2023 and 202,826 MWh in FY2024.

#### **Renewable Energy**

We are committed to increasing the share of renewable energy in our distribution facilities, targeting 30% by 2030. To date, solar panels have been installed in 4 of our 17 distribution facilities, generating 3,150 MJ of energy annually.

In FY2024, solar energy accounted for 11.2% of our total energy consumption, marking a significant step toward of sustainability goals. We will continue expanding our renewable energy initiatives to further reduce our reliance on non-renewable energy sources.

	FY2022	FY2023	FY2024
% Renewable energy mix (all distribution facilities)	4.7%	10.6%	11.2%

#### **Purchased Energy**

	FY2022	FY2023	FY2024
Standalone stores	66%	70%	74%
Mall located stores	30%	27%	23%
Distribution facilities	4%	3%	3%



#### **Average Electricity Per Premise**

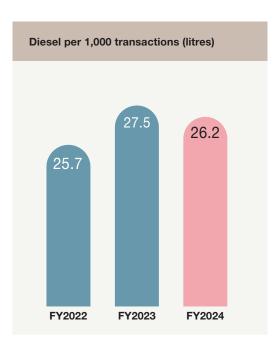
		FY2022		FY2023		FY2024
Average Electricity Consumption	MWh/ premise	MJ/ premise ('000)	MWh/ premise	MJ/ premise ('000)	MWh/ premise	MJ/ premise ('000)
Mall-located stores	84	303	91	326	90	325
Standalone stores	146	525	152	547	162	584

#### **Diesel Consumption**

Our company-owned vehicles rely on diesel for transporting goods to and from our retail outlets.

By 2030, we aim to reduce diesel consumption per 1,000 transactions by 20%. To achieve this, we have implemented GPS tracking to monitor distance and fuel usage in real-time, enabling more efficient route planning and fleet management.

We remain committed to reducing our dependence on diesel and we are currently studying the viability of deploying EV trucks in our transportation fleet as part of our long-term sustainability strategy.



#### **Water Consumption**

Water conservation is a key component of our sustainability efforts and contributes to cost reduction.

We actively engage employees and stakeholders to raise awareness of proper water management practices across all our stores. Additionally, we track and report water consumption at all standalone stores and distribution facilities to ensure efficient usage.

While our ability to control water usage in mall-located stores is limited due to shared utilities, we remain committed to optimising consumption through careful monitoring and management.

Standalone	FY2022	FY2023	FY2024
stores	Megalitres	Megalitres	Megalitres
Total volume of water used	157	172	184
Average volume of water used	0.3	0.2	0.2



Distribution facilities		FY2022		FY2023		FY2024
Distribution facilities	'000 M³	Megalitres	'000 M³	Megalitres	'000 M³	Megalitres
Total volume of water used	113,445	113	141,345	141	144,443	144
Average volume of water used	6,673	7	7,853	8	12,037	12

Our operations do not result in any wastewater discharge, except for wastewater created during our sanitation operations.

#### **Waste Management**

At MR D.I.Y., we prioritise waste reduction, focusing on reuse and recycling. Packaging waste, especially from carton boxes, contributes significantly to our overall waste. To tackle this, we have set a target to reduce carton box usage to 0.31 kg per 1,000 transactions by 2030.

We are making progress towards this goal by tracking carton usage and reusing each carton up to 18 times before recycling it, with this initiative not only helping reduce waste but also lowering costs.

In FY2024, there was a slight increase in carton box usage per 1,000 transactions compared to the previous year. However, we are still on track to meet our longer-term target to 0.31 kg per 1,000 transactions by 2030.

Our pilot waste segregation programme, which began in FY2023, yielded insignificant results. Thus, we decided not to continue with this programme, focusing our efforts on waste indicators which yield greater results.

	FY2022	FY2023	FY2024
Total carton boxes received from overseas suppliers (metric tonnes)	10,568	10,305	11,140
Carton boxes per 1,000 transactions (kg)	0.72	0.19	0.28



#### **Use of Plastic Bags**

Since 1 January 2018, all our stores have exclusively used biodegradable plastic bags made from recyclable materials.

To further reduce our environmental footprint, we have:

- Introduced thinner plastic bags that require less resources to produce.
- Instructed stores to limit plastic bag distribution, encouraging customers to bring their own bags.
- Offered affordable reusable bags for purchase in-store
- Explored the introduction of foldable reusable bags as an equally sustainable alternative.

	FY2022	FY2023	FY2024
Single use plastic bags per 1,000 transactions (kg)	2.82	2.53	2.40
Total reusable bags sold ('000)	3,191	2,412	4,088

#### **GHG** Emissions

We are proactively enhancing our processes to measure, monitor, and report our operational (Scope 1 and 2) GHG emissions in Malaysia and Brunei, covering our headquarters, retail stores, and distribution facilities. In parallel, we have begun tracking Scope 3 emissions, starting with business travel and employee commuting.

To drive climate action across our supply chain, we encourage our suppliers to measure and report their operational emissions. Our procurement team conducts an annual email survey to check on their progress and encourage those who have not yet begun reporting.

As of 31 December 2024, 51 suppliers have committed to reporting their GHG emissions.

Total Emissions (tCO <sub>2</sub> e)	FY2022	FY2023	FY2024
Scope 1	9,511	11,563	12,218
Scope 2	96,588	120,266	146,707
Scope 3:	N1/A	N1/A	000
<ul> <li>Category 6         (Business Travel)     </li> </ul>	N/A	N/A	239
- Category 7 (Employee Commuting)	N/A	N/A	12,283

<b>Emissions Intensity</b>	FY2022	FY2023	FY2024
Scope 1 (kg CO <sub>2</sub> e/1,000 transactions)	67.2	70.5	67.2
Scope 2 (kg CO <sub>2</sub> e/sq ft))	9.1	10.1	10.8

**Note:** Our greenhouse gas emissions data for prior years have been restated due to improvement in data collection.

#### **Sales of Eco-products**

Our eco-products are defined as products that contribute to environmental sustainability by falling into one of four categories:

1

Products that reduce energy and water consumption

2

Products made from recycled materials

3

Products made of biodegradable materials

4

Reusable products

We are making steady progress toward our goal of generating 10% of our revenue from eco-products by 2030. In FY2024, eco-products accounted for 6.2% of our total revenue compared to 3.5% in FY2023, reflecting our commitment to expanding our sustainable product offering.

	FY2022	FY2023	FY2024
% revenue derived from eco-products	3.4%	3.5%	6.2%

#### **Biodiversity**

As of 31 December 2024, none of our facilities or stores are located in high-biodiversity zones or pose any threat to any flora or fauna listed on the IUCN Red List. While our operations do not have a material impact on biodiversity, we remain committed to supporting conservation and habitat restoration efforts through targeted CSR initiatives.

#### **MOVING FORWARD**

We remain committed to advancing responsible environmental stewardship in synergy with our business growth.

Moving forward, we plan to refine our GHG emissions calculations to encompass all activities under Scope 3, enabling a comprehensive emissions inventory and more effective decarbonisation efforts.

At the same time, we will continue making steady progress towards our 2030 targets, striving to reduce our environmental impact while maintaining business efficiency and competitiveness.





Our people are the driving force of our success, bringing the skills, knowledge, and values that define our culture and fuel our growth.

We are committed to empowering our employees by investing in their professional development, ensuring their physical safety and mental well-being, and providing fair and meaningful opportunities for career advancement. We firmly believe that investing in our people strengthens not just individuals, but the organisation as a whole.

Related to UN SDGs













close to
19,000
employees
from diverse
backgrounds



#### **EMPLOYEE HEALTH AND SAFETY**

#### Why This Is Important

While automation and data systems have streamlined many processes, physical tasks - such as lifting, handling products and operating equipment - remain integral to our retail and distribution operations. This presents potential risks of accidents and injuries, which must be carefully managed to ensure that the health and safety of our employees is safeguarded, to prevent operational disruptions and regulatory penalties, and the loss of stakeholder trust.

#### **Our Approach**

Our commitment to employee health and safety is holistic, focusing on two key priorities:



#### Physical Safety:

Ensuring a safe and secure environment through rigorous operating procedures and processes, and well-maintained facilities to mitigate workplace hazards.



#### Holistic Wellbeing:

Supporting the physical and mental well-being of employees through purpose-fit programmes.

#### **Physical Safety**

Our Occupational Safety and Health Policy guides our approach, outlining best practices to prevent workplace accidents and injuries. A dedicated committee comprising senior management members ensures effective policy implementation and continuous improvement across our business.

Our health and safety practices are aligned with the relevant standards and guidelines, including:

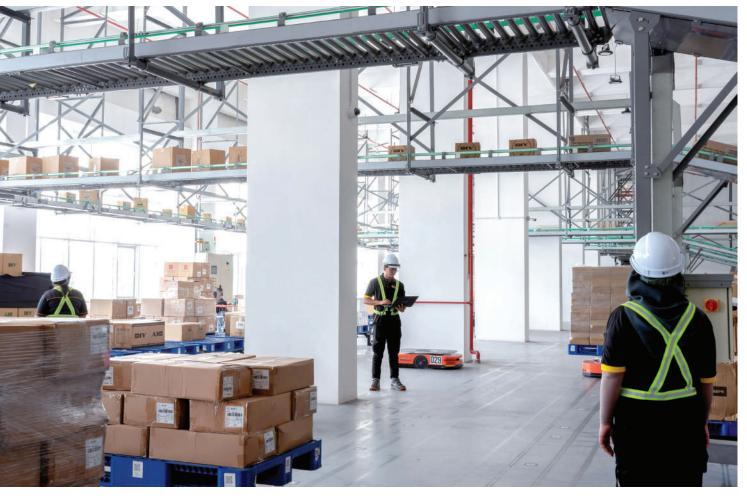
- Occupational Safety and Health Act 1994 (Amendment 2022)
- Factories and Machinery Act 1967 (FMA)
- ISO 45001:2018 Occupational Health and Safety Management System
- MS 1722:2011 (Malaysian Standard for Occupational Safety and Health Management Systems)
- MS 1539 for fire safety

We consistently strive to maintain compliance and implement best practices as recommended by these systems and guidelines.

To enhance safety and efficiency, our latest automated warehouse incorporates advanced warehouse technologies, including:

- Warehouse management systems
- Automated storage and retrieval systems
- Conveyors and sorters
- Autonomous mobile robot
- Pick-to-Light systems





At our retail stores, we maintain strict safety protocols by implementing:



Clear operating procedures



Slip-resistant flooring



Surveillance systems for employee and customer protection

Additionally, all retail employees are required to undergo training in safety protocols to mitigate workplace hazards and security threats:

Safety Hazard or Threa	t Training Objective
Injuries from manual handling of equipment	Educate employees on proper lifting techniques to safely handle heavy loads and prevent injuries.
Electrical hazards	Educate employees on inspecting, maintaining, and safely operating electrical appliances and equipment in retail stores.
Fire hazards	Provide training on handling flammable materials and ensure employees can correctly operate fire extinguishers.
Violence from disgruntled customers	Equip employees with skills to identify potential threats and manage conflicts effectively before they escalate.

We have established a robust monitoring process to assess safety risks and control measures across our distribution facilities and retail stores. Our internal audit team conducts regular reviews to ensure compliance, assess the effectiveness of existing measures, and identify opportunities for improvement. This proactive approach enables us to detect potential hazards early and implement effective safeguards to protect our workforce and operations.

To reinforce a strong safety culture, we conduct mandatory weekly briefings for employees across our distribution facilities and retail stores. Additionally, annual fire drills are held at our distribution centres and stores to familiarise employees with evacuation procedures, first aid protocols, and other critical emergency measures.

#### **Holistic Wellbeing**

Our Human Resources Department plays a pivotal role in fostering a culture of care and support, implementing initiatives that enhance the overall well-being of our employees.

Recognising the correlation between extended working hours and occupational injuries, we prioritise rest and recovery for our workforce. To this end, we strictly adhere to the working hours and overtime regulations stipulated in the Employment Act 1955.

In addition, we provide comprehensive paid leave options and a range of other employee benefits, as detailed below:

#### **Leave Entitlement\***

- Statutory paid sick leave without hospitalisation:
  - 14 days for service tenure of less than two years
  - 18 days for tenure between two to five years
  - 22 days for tenure exceeding five years
- Up to 60 days leave for hospitalisation
- Paid leave which includes:
  - Compassionate leave
  - 98 days Maternity leave
  - 7 days Paternity leave
- \* only for full-time employees

#### **Other Benefits**

- Overtime pay (where applicable)
- · Sports and recreational activities
- Employee's birthday
- Meal allowance
- Employee bereavement
- · Group personal accident (GPA) insurance coverage

Beyond structured benefits, we provide a variety of additional incentives to enhance employee well-being and job satisfaction. These include attendance and punctuality incentives, long service awards, company trips, and team-building away days to foster engagement and camaraderie.

To further strengthen our workplace culture, we organise annual department gatherings, offer staff discounts, and implement other initiatives that contribute to a more rewarding and enjoyable work environment.

#### **Our Performance**

In FY2024, we expanded our employee safety and well-being efforts, building on FY2023's initiatives to provide a more holistic support system for our workforce. This included health screenings, vaccination programmes, and workshops on critical issues like cancer and diabetes.

We also made several significant upgrades to our health facilities to enhance medical support and preventive care, including:

1

ECG machine for cardiac health monitoring.

2

Dengue and influenza rapid test kits for early detection and management of cases. 3

Weekly physiotherapy sessions to support rehabilitation and physical well-being. 4

Monthly doctor visits for ongoing consultative expertise.

5

Adjustable cervical collars available to support neck injuries and conditions.

6

New equipment for blood glucose, uric acid, and cholesterol level monitoring, to support early detection of lifestyle-related conditions.

7

Expanded our medicine inventory to provide a broader range of treatments.

#### **Health And Safety Awareness**

The Awareness Advisory is a health and safety initiative aimed at enhancing awareness of critical health and safety topics. By equipping employees with the necessary knowledge, this programme fosters a more informed, proactive, and safety-conscious workforce across our operations.

#### Advisories issued in FY2024 included:

Awareness Advisory	Objective
SOP for Covid-19	Increase awareness of the new COVID-19 SOPs released by the Health Ministry.
Monkey Pox Awareness	Educate employees on infectious diseases such as Monkey Pox, including necessary precautions to prevent its spread.
World Heart Day	Promote heart health by providing guidance to employees on adopting healthy lifestyles, identifying early cardiovascular risks, and taking proactive preventive measures
Women's Health	Empower women to prioritise their health through preventive care, early detection, and healthy lifestyle choices.
Men's Health	Foster men's wellness by raising awareness of key health issues and encouraging preventive health practices.
World Mental Health Day	Enhance awareness by reducing stigma, encouraging open conversations, and providing resources for support and self-care.
Hypertension Awareness	Raise awareness of managing hypertension effectively through lifestyle adjustments and medical adherence.
Prevention on Slip, Trip and Fall Hazard	Educate retail staff on minimising exposure to slip, trip, and fall hazards to enhance workplace safety.
Mental Wellness	Promote stress management strategies to support mental well-being and resilience.
World Diabetes Awareness	Educate employees on diabetes management, including medication adherence, regular blood sugar monitoring, and routine medical check-ups.
Back Pain Prevention with Safe Lifting Technique	Reduce the risk of musculoskeletal issues through proper ergonomic practices and preventive measures.

#### **Health-related Initiatives**

In FY2024, our employees took part in the following health-related initiatives.

#### **Programme**

Blood donation drive (in collaboration with PDN)

HPV vaccinations (in collaboration with NCSM)

Influenza vaccination

Health screening (in collaboration with KKM and As Salam Clinic)

Physiotherapy sessions for employees with musculoskeletal disorders

Total number of participants close to

2,400

#### **Physical Safety**

#### Enhanced Safety Training Programmes

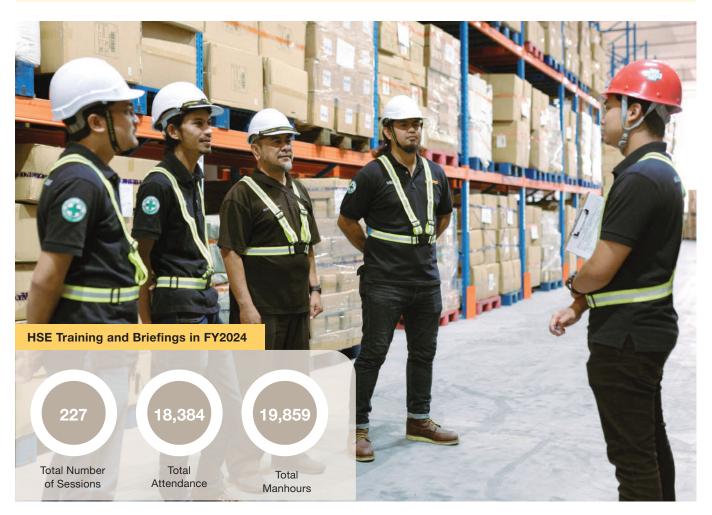
In FY2024, we strengthened our safety training programmes to foster a culture of safety, compliance, and self-regulation in the workplace.

Employees received training in essential areas, including workplace hazard assessment, safe chemical handling, proper ladder usage, and powered industrial truck operation. These programmes equip our workforce with the knowledge and skills needed to identify and mitigate risks, ensuring a safer work environment for all.

Topic	Objective
Occupational safety & health workplace assessment (OSHWA)	Training employees to identify, assess, and mitigate workplaces hazards effectively.
Safe chemical handling and storage	Educating employees on proper techniques and best practices for handling and storing chemicals safely.
HSE orientation	Familiarising new employees with our Health, Safety, and Environment ("HSE") policies, procedures, and expectations from their first day of employment
First aid preparedness	Training employees on how to properly use, maintain, and replenish first aid kits for quick and effective responses to workplace injuries or emergencies.
<ul> <li>Forklift safety</li> <li>Workplace safety</li> <li>Hand washing</li> <li>Housekeeping</li> <li>Safe working at heights</li> <li>PPE</li> <li>General safety</li> <li>Health and safety responsibilities</li> <li>Slip, trip, &amp; fall hazards</li> <li>Safe handling of sharp tools</li> </ul>	Fostering a proactive safety culture rooted in best practices and practical knowledge.
Powered industrial equipment operations	Equipping employees with the knowledge and skills required to operate and manage powered industrial equipment safely and effectively.
Truck and lorry safety	Ensuring that trucks and lorries are operated safely, efficiently, and in compliance with regulatory requirements.

During the year under review, we conducted 227 training sessions, totalling 19,859 manhours and involving 18,384 participants.

	FY2022	FY2023	FY2024
Number of employees trained in OSH	6,504	8,127	8,889



#### Work-Related Injuries

We actively cultivate a work environment that prioritises the safety, health, and productivity of our employees, while actively engaging with suppliers to ensure that they adhere to these high standards as well. Our aim is to achieve zero Lost Time Injury Frequency Rate (LTIFR).

In FY2024, we had zero work-related fatalities.

	FY2022	FY2023	FY2024
Total hours worked (million)	41.6	45.3	47.1
Number of fatalities	1	0	0
Number of lost time injuries	20	18	18
Lost time incident rate (LTIR)	0.10	0.08	0.08
LTIFR	0.50	0.40	0.38

#### Safety Inspections

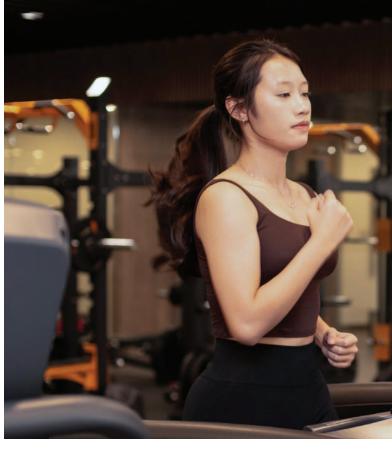
To ensure that our measures are properly implemented and adhered to, we increased the number of safety inspections carried out at our warehouses, from 23 to 33.

	FY2022	FY2023	FY2024
Safety inspections conducted	14	23	33

#### **Employee Wellbeing**

In FY2024, we implemented several programmes to promote employee well-being.

Programme	Participant
Activ@Work 2024 (in collaboration with SOCSO and BookDoc)	2 teams of 500 participants each  Rank: Team MR D.I.Y.: 2 <sup>nd</sup> Place Team MR D.I.Y.: 3 <sup>rd</sup> Place
Nutrition Talk:	26 pax
A Healthy & Balanced diet (in collaboration with the Health Ministry)	
Diabetes Awareness (Diabetes 101 Workshop)	10 pax
Understanding Carbs, Sugar & Diabetes	
Breast Cancer Awareness (Know Your Lemons) Workshop (in collaboration with Cancer Research Malaysia)	45 pax
Healthy Well-Prepped Food Workshop	20 pax
Corporate Privilege Programme (CPP) – Sunway Multicare Pharmacy	All staff



#### **EMPLOYEE ENGAGEMENT, DIVERSITY AND INCLUSION**

#### Why This Is Important

Highly engaged employees demonstrate strong morale, involvement, and job satisfaction, leading to higher productivity and performance. A diverse and inclusive workplace further cultivates innovation and drives sustainable growth.

#### **Our Approach**

To attract and retain top talent, we are committed to enhancing job satisfaction, providing access to meaningful professional development opportunities, and embedding respect and recognition at the heart of our culture. Our approach is comprehensive and multifaceted, focusing on the following key areas:

#### **Engagement and Professional Development**

We believe that open and active communication is fundamental to employee engagement. To develop strong connections with our team members, we provide multiple communication channels, including our intranet, town halls, and festive celebrations.

We also make continuous investments in our employees' professional and personal growth through a range of purpose-



fit and role-specific training programmes. Every employee benefits from personalised development plans aligned with their strengths and career aspirations, while identified future leaders are supported through a structured succession plan that prepares them for roles of greater responsibility.

Beyond professional skills, we encourage employees to explore personal interests — such as learning new skills or languages — to enrich their development journey and create a well-rounded workforce.

#### **Diversity, Equality, and Inclusion**

We are committed to building a workforce that reflects Malaysia's rich diversity while fostering an equitable and inclusive work environment where everyone has equal access to employment and career advancement opportunities.

To this end, we actively review job roles and hiring policies to ensure inclusive recruitment practices, including the hiring of differently-abled individuals. We also promote workplace inclusivity through the Job Coaching Programme organised in collaboration with the Department of Social Welfare. This initiative provides job coaches to guide employees with disabilities and their managers, equipping them to with the necessary support to adapt and thrive in their roles.

Beyond recruitment, diversity is an integral part of our organisational culture. To reinforce this, we offer onboarding sessions for employees and management that fosters collaboration and mutual respect amongst individuals of different ethnicities and religions. This module is also accessible to all employees through our internal Learning Management System (LMS) platform, MR D.I.Y. Pulse.

#### **Compensation, Benefits, and Entitlements**

Our compensation framework complies with all relevant provisions of the Employment Act 1955 and is shaped by our internal commitment to the principle of equal pay for equal work. We maintain a gender-neutral approach to remuneration, with compensation determined solely bythe market rate for the role in question, as well as the experience and contributions of the employee.

We are committed to exceeding the requirements of Malaysia's Minimum Wage Order, ensuring that our compensation packages reflect our dedication to employee well-being and financial security.

Additionally, we uphold the fundamental right of our employees to freely associate with political or social organisations of their choice and to participate in related activities, ensuring their voices are heard and respected both within and outside the workplace.

#### **Our Performance**

## **Engagement and Professional Development**

In FY2024, we reinforced our commitment to employee growth by investing RM4.31 million in internal and external training programmes. This investment facilitated a total of 562,102 training hours, empowering our workforce with enhanced skills, knowledge, and career development opportunities.

	FY2022	FY2023	FY2024
Training spend (RM million)	N/A	2.13	4.31
Training hours	193,123	359,801	562,102
Average hours / employee	11.6	19.4	27.4
No. of training programmes	N/A	203	171

#### Total Training Hours by Employee Category

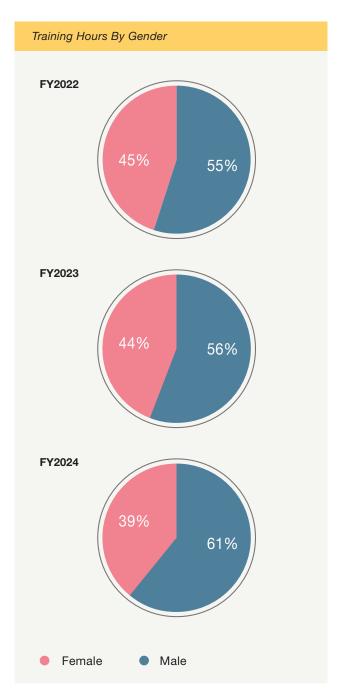
	Total Training Hours ('000)			
<b>Employee Category</b>	FY2022 FY2023 FY20			
Management	15.1	21.2	15.7	
Executive	21.2	59.4	49.4	
Non-executive	156.8	279.2	497.0	
Total	193.1	359.8	562.1	

#### Average Training Hours by Employee Category

Employee Cotomony	Average Training Hours Per Employee		
Employee Category	FY2022	FY2023	FY2024
Management	40.2	46.4	29.9
Executive	15.6	33.2	25.8
Non-executive	10.5	17.1	27.4
Total	11.6	19.4	27.4

#### Training Areas

	Training Sessions	Training Hours
Anti-bribery & corruption	1	64,404
Functional	95	44,329
Job knowledge	124	9,204
Leadership	21	3,856
On-the-job training	77	359,653
Retail operating procedures	256	33,561
Safety, security, health and environment	227	19,859
Soft skills	112	27,237





#### **Diversity, Equality, and Inclusion**

**Diversity by Employee Category** 

As of 31 December 2024, our workforce stands at about 19,000 employees from diverse backgrounds, reflecting our commitment to fostering an inclusive team that mirrors the communities we serve.

FY2022

FY2023

FY2024

Permanent	93%	99%	100%
Temporary	7%	1%	0%
Diversity by Gender	FY2022	FY2023	FY2024
Male	9,849	11,204	11,700
Female	6,828	6,953	7,183
Total	16,677	18,157	18,883
Diversity by Age & Employee Category	FY2022	FY2023	FY2024
Management-under 30	23%	20%	21%
Management-30-50	69%	72%	73%
Management-Above 50	7%	8%	6%
Total Management	377	459	586
Executive-under 30	67%	63%	58%
Executive-30-50	32%	37%	41%
Executive-Above 50	0%	0%	1%
Total Executive	1388	1,692	2,037
Non-executives-under 30	82%	80%	78%
Non-executives-30-50	18%	20%	22%
Non-executives-Above 50	0%	0%	0%
Total Non-Executives	14,912	16,006	16,260

Diversity by Gender & Employee Category	FY2022	FY2023	FY2024
Management-Male	53%	51%	51%
Management-Female	47%	49%	49%
Executives-Male	46%	45%	46%
Executives-Female	54%	55%	54%
Non-executive-Male	60%	64%	64%
Non-executive-Female	40%	36%	36%

Diversity by Ethnicity	FY2022	FY2023	FY2024
Bumiputera	77%	78%	79%
Chinese	4%	3%	4%
Indian	4%	3%	2%
Others	15%	16%	15%

Board Diversity by Age & Gender	FY2022	FY2023	FY2024
Male	50%	50%	50%
Female	50%	50%	50%
Under 30	0%	0%	0%
30 - 50	0%	0%	0%
Above 50	100%	100%	100%

#### **Compensation, Benefits, and Entitlements**

As of 31 December 2024, 32% of our employees were compensated at the government-mandated minimum wage, marking a significant improvement from 45% recorded in FY2023. A breakdown of this total by role is provided below.

Position	Population	Basic Salary of RM1,500	Basic Salary of more than RM1,500
Assistant Lorry Driver	156	33	123
Assistant Officer	5	0	5
Cashier	0	0	0
Company Driver	5	1	4
Lorry Driver	210	7	203
Officer	92	1	91
Promoter	71	21	50
Retail Associate	7,279	4,457	2,822
Senior Officer	129	1	128
Store Assistant	1,684	498	1,186
Store Associate	2,315	730	1,585
Support Team Assistant	766	257	509
Total	12,712	6,006	6,706

Percentage of total employees who are at minimum wage (RM1,500)

31.8%

#### **Employee Attraction and Retention**

The retail industry is characterised by high turnover rates, particularly among front-line employees. To address this, we cultivate a diverse, inclusive work culture and provide competitive remuneration packages to attract and retain talent.

In FY2024, we recorded a turnover rate of 44% and a new hire rate of 48% across all employee categories - an improvement from 46% and 74% in FY2023, respectively.

Voluntary & Involuntary Turnover by In-Store, Distribution Centre and HQ Employees	FY2024
In-Store	41.4%
Voluntary turnover rate	38.9%
Involuntary turnover rate	2.5%
Distribution centre	0.8%
Voluntary turnover rate	0.3%
Involuntary turnover rate	0.5%
HQ	1.4%
Voluntary turnover rate	1.3%
Involuntary turnover rate	0.1%

Employee	Total E	mployee Tu	nover
Category	FY2022	FY2023	FY2024
Management	29	26	41
Executive	104	202	206
Non-executive	9,275	8,130	7,947
Total	9,408	8,358	8,194

Employee	Total Nu	ımber of Nev	of New Hires			
Category	FY2022	FY2023	FY2024			
Management	47	48	94			
Executive	192	185	199			
Non-executive	15,641	13,119	8,805			
Total	15,880	13,352	9,098			

#### **MOVING FORWARD**

As our organisational footprint expands, our people become even more integral to our success. By prioritising employee safety and well-being, championing diversity and inclusion, and equipping our workforce with future-fit skills and competencies, we strengthen our reputation as an employer of choice.





Our business is deeply embedded in local communities, and enhancing community wellbeing remains central to our mission.

Through the products we offer, jobs we create, partnerships we build with suppliers, and contributions to community development, we generate sustainable economic and social value. In doing so, we not only positively impact lives, but also strengthen our reputation as a responsible corporate citizen.

#### **Related to UN SDGs**



































Invested in community

# programmes that benefitted >95,000

beneficiaries



made up **34.5%** of
our total
procurement
expenditure in
FY2024



#### **IMPACT ON LOCAL COMMUNITIES**

#### Why This Is Important

As a leading Malaysian corporation, we are expected to make a meaningful contribution to the nation and its people. Given our presence in many local communities, we have the unique opportunity to drive localised impact through job creation, sourcing, and support for community-based initiatives.

Ultimately, meeting these expectations is essential to maintaining stakeholder trust and safeguarding our social license to operate.

#### **Our Approach**

Our community-based efforts are focused on three key areas of impact:









Yayasan MR D.I.Y.

Supporting local communities has always been at the heart of MR D.I.Y.'s ethos. Since our earliest days, we have sought to improve lives through MR D.I.Y. Cares, a volunteer-driven initiative that has spearheaded numerous impactful community projects.

In 2023, as our nationwide presence grew, we scaled up our community impact efforts by launching Yayasan MR D.I.Y., an independent foundation that is focused purely on community-based CSR initiatives. With a dedicated team and increased financial investment, the Foundation has introduced a range of new programmes and partnerships, expanding our reach and impact.

These efforts were recognised in 2024 when Yayasan MR D.I.Y. was awarded the Foundation of the Year, Outstanding Community Spirit Award at the Sustainability & CSR Malaysia Awards 2024, a testament to our commitment to building a better Malaysia.

Today, our programmes continue to focus on four key pillars: Environmental Protection, Health and Well-being, Capacity building, and Arts and Culture. In FY2024, we carried our several impactful initiatives, including:

- A "mega upcycling" event under the Walk For Style initiative, where we upcycled 2,800 pairs of white shoes in a single day across 14 schools in Selangor.
- The third annual MR D.I.Y. Art Competition, which received 1000 entries from both public and educational institutions.
- The launch of Yayasan MR D.I.Y.'s Scholarship Programme, providing financial assistance to academically strong undergraduates with a passion for community service.



We measure the impact of our CSR initiatives by quantifying the benefits delivered to individuals and communities, allowing us to assess our long-term social return on investment. This approach enables us to optimise resources effectively, ensuring we maximise our positive impact.

For a comprehensive overview of our programmes and their impact in FY2024, please refer to the Our Performance section below.

#### Local Sourcing

As part of our broader supply chain management strategy, we prioritise the sourcing of goods and services from local suppliers wherever possible. Our goal is to increase local sourcing to 30% by 2025, reinforcing our commitment to strengthening local business ecosystems. For more details, refer to the Supply Chain Management section on page 32 of this report.

#### **Employment**

We strive to hire individuals from the communities in the vicinity of our stores wherever possible. By offering competitive wages and stable employment, we contribute to the local economy, benefiting not just our employees but also their families and the businesses in their communities.

#### CSR: Yayasan MR D.I.Y.

In 2024, Yayasan MR D.I.Y. invested over RM1.2 million in community-based programmes, positively impacting the lives of over 95,000 individuals.

	FY2023	FY2024
Total amount invested where the target beneficiaries are external to MR D.I.Y. (RM '000)	595.7	1,229.1
Total number of beneficiaries in communities (external to MR D.I.Y.) ('000)	58.2	95.5

#### **Key CSR Initiatives**

#### **CSR INITIATIVES**

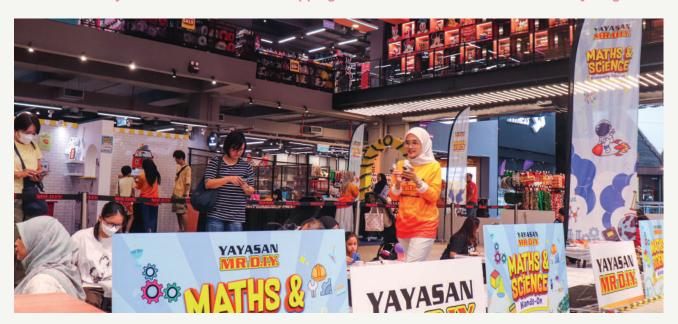
#### MR D.I.Y. Art Competition 2024



An annual art competition that provides aspiring artists with a platform to showcase their talents to a bigger audience.

Our 2024 competition, themed "Reality of Abstraction", encouraged participants to challenge perceptions, leading to a range of pieces that integrated Malay, Chinese and Indian cultural elements in captivating ways.

#### STEM Discovery @ MR D.I.Y. PLUS IPC Shopping Centre and MR D.I.Y. PLUS Mid Valley Megamall



A vibrant, two-and-a-half day event at each location that engaged the public in fun and engaging activities related to maths and science, laying the groundwork for additional programmes in STEM learning in the future.

#### **DIY Made Simple 2024**



This competition, organised in collaboration with Universiti Malaya, encourages secondary school students to explore innovative ways of enhancing their school facilities and infrastructure through do-it-yourself solutions, supporting creative and innovative thinking.

Themed "Wonder Waste Creations", the 2024 edition focused on the circular economy for paper and plastic, emphasising the many ways that these materials can be upcycled to form useful and sustainable creations.

#### **Contribution to Charities Nationwide**

Love on Wheels

Bersama Satu Hati



We are active contributors to charities across the country through two long-term programmes.

Through the Bersama Satu Hati programme, we contribute daily essentials to charity homes nationwide, helping to cover the cost of cooking oil, travel, meal allowances, and other essentials, while also engaging in activities with the children of these homes.

Through Love on Wheels, we aim to share the joy of celebration with residents of these homes, contributing festive items, decorating their homes, and taking part in festive-related activities. In 2024, we organised two activations under Love On Wheels: House of Hope and Light, and Raya Sama Sama.

#### **CSR INITIATIVE**

#### Mega Upcycling - Walk With Style



In response to the Ministry of Education's directive to change the colour of school shoes to black, we were left with a surplus of white shoes.

Instead of letting these shoes go to waste, we collaborated with Soroptimist International to launch the innovative Walk With Style initiative, under which schoolchildren were given the tools to upcycle the shoes into stylish, individual pieces of art.

This distinctive campaign has proven to be a hit – supporting education, nurturing creativity, and having a positive environmental impact too.

Taking it further, we held a "mega upcycling" event in 2024, where close to 2,800 pairs of shoes were recycled in a single day across 14 schools in Selangor.

#### **Bakul Ramadhan**



We contributed a range of items – including rice, cooking oil, raya cookies, biscuits, pudding, layer cakes, acar buah, and shopping bags – to benefit asnaf and underprivileged families during Ramadhan.

#### Iftar Ala Madinah @ Karangkraf



We sponsored food for 1,000 participants at Karangkraf's Iftar Ala Madinah programme, which forges stronger community bonds by bringing people together to break fast during Ramadhan.

#### **Program Konservasi Bukit Kutu**



A conservation programme held at Bukit Kutu, Selangor, where MR D.I.Y. volunteers cleaned, repaired, and upgraded the trail to the peak, increasing safety for hikers.

#### Learn at Zoo Negara



Held in conjunction with our PANDAi Jaga Anda brand campaign, we brought 20 children from amongst our staff member's families to Zoo Negara, where they participated in fun and interactive panda-related activities.





No. of Beneficiaries:

> 9,200

#### Local Sourcing

Demonstrating our commitment to supporting the Malaysian business ecosystem, 34.5% of our total procurement expenditure in FY2024 - amounting to RM881.2 million - involved local suppliers.

#### Employment Expansion

In 2024, the expansion of our store network led to the creation of employment opportunities for 9,090 local individuals, representing almost 100% of our total new hires for the year.

#### **MOVING FORWARD**

In 2025, we will refine our CSR strategy under Yayasan MR D.I.Y to focus on Science, Technology, Engineering, and Mathematics (STEM) education, aiming to inspire and equip the nation's next generation of innovators and leaders.

Our emphasis on STEM aligns with the government's increasing prioritisation on education as a key driver of future progress. As a leading Malaysian company committed to national development, we are dedicated to supporting this agenda by addressing evolving educational needs.

Key initiatives to be launched under this thrust include:



#### **National Science Week:**

Engaging primary students in interactive STEM activities designed to ignite curiosity and foster a passion for science.



#### **Educator Workshops:**

Providing teachers with innovative tools and methodologies to enhance STEM learning in classrooms.



#### **ASEAN Robot Wars:**

A high-energy robotics competition that brings together talent from across ASEAN to showcase technical expertise and creativity.



#### **STEM Outreach:**

Strengthening our impact through handson science programmes, sponsorships, and community initiatives that provide underserved communities with access to transformative learning experiences.

Complementing our STEM efforts, we will also reimagine the MR D.I.Y. Arts Competition as a platform to nurture creativity, self-expression, and artistic talent across diverse communities.

Through these initiatives, Yayasan MR D.I.Y. will continue to deepen its impact, reinforcing our long-term commitment to supporting and uplifting local communities.



The growing threat of climate change presents significant challenges to businesses. The ability to effectively manage climate-related risks and seize opportunities – particularly those with financial implications - is essential for maintaining stakeholder trust and ensuring long-term financial and environmental sustainability.

Recognising this, in 2022, we proactively aligned our reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a globally recognised standard for disclosing corporate climate strategies. Since then, we have further enhanced our disclosures to meet the more detailed requirements of the IFRS S2 (Climate-related Disclosures) standards, which will become mandatory for large Main Market issuers in reports issued from 2025 onwards.

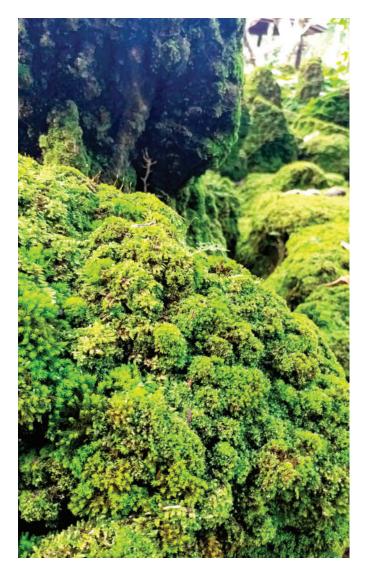
This section outlines our climate-related disclosures in accordance with the sub-sections of IFRS S2: Governance, Strategy, Risk Management, and Metrics & Targets.

#### Governance

The Board of Directors holds ultimate responsibility for integrating sustainability into our operations and ensuring that our sustainability objectives align with our overall strategic goals. This includes overseeing all climate-related risks and opportunities.

The Sustainability Committee, which reports directly to the Board, provides regular updates on sustainability and climate-related matters. These updates cover key areas such as energy management, renewable energy options, carbon emissions, and the Group's sustainability targets, commitments, and progress. Additionally, the Board, through the Audit and Risk Management Committee, reviews and assesses climate change-related risks and their potential impact on the business.

The Board and its committees are supported by the Management Team (MT), which is responsible for driving



the Group's sustainability efforts, including climate-related initiatives. Their key responsibilities include:

- Setting the Group's key performance indicators and targets to track sustainability progress.
- Formulating strategies and action plans to achieve the Group's sustainability objectives.
- Monitoring and reporting on sustainability performance, including updates on energy consumption, emissions, waste management, and other relevant metrics.
- Providing the Board with regular progress updates and recommending initiatives for continuous improvements.
- Identifying emerging climate-related risks, assessing potential impacts, and recommending effective mitigation measures.

Together, the complementary roles and collaboration between the Board and MT ensure strong governance of our climate-related impacts and sustainability commitments.

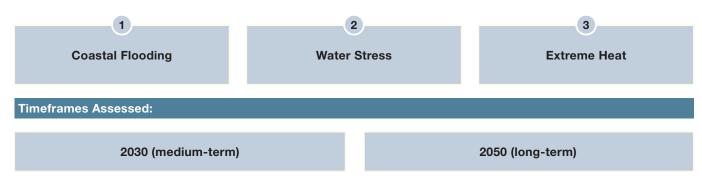
#### STRATEGY & RISK MANAGEMENT

#### **Physical Climate Risk Assessment:**

In FY2024, we conducted a high-level physical climate risk screening of our owned and rented properties. The assessment considered the following parameters:

#### **Key Climate Physical Risks Assessed:**

Three physical climate hazards relevant to MR. D.I.Y. Group's operations in Malaysia and Brunei were evaluated:



#### Climate Change Scenarios (IPCC-based):

The assessment incorporated two Representative Concentration Pathways ("RCPs") from the Intergovernmental Panel on Climate Change ("IPCC"):

#### **RCP 8.5 (High Emissions Scenario)**

Assumes a business-as-usual (BAU) trajectory, with emissions continuing at current rates, leading to projected global warming exceeding 4°C by 2100.

#### **RCP 2.6 (Low Emissions Scenario)**

Reflects aggressive mitigation efforts, aiming to halve emissions by 2050 and limit global warming to below 2°C by 2100.

#### **Data Tools Used:**

The screening utilised publicly-available spatial data tools:

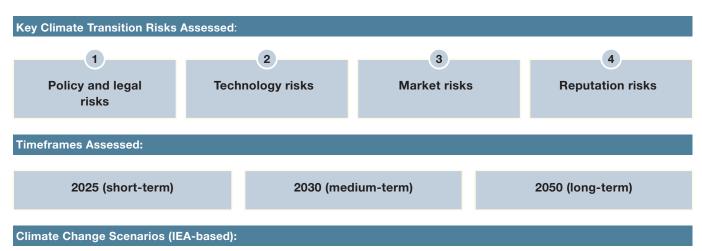


Our analysis revealed that two distribution centres and 173 stores may be susceptible to coastal flooding by 2050, posing a moderate impact on our operations. The exercise also helped identify impact to our business and the risk responses required:

Hazard	Impact to Our Business	Risk Treatment Response
Coastal Flooding	<ul> <li>Damage to inventory and equipment</li> <li>Increased asset replacement or repair costs</li> <li>Access disruptions to distribution centres and stores</li> <li>Safety risks for employees and communities</li> <li>Increased insurance costs</li> </ul>	<ul> <li>Purchase floor insurance for distribution centres</li> <li>Implement comprehensive flood response plans</li> <li>Develop standard operating procedures (SOPs) for flood management at stores</li> <li>Consider relocation or closure of high-risk stores</li> </ul>
Water Stress	<ul> <li>Reduced availability of water at offices, distribution centres, stores, and hostels</li> </ul>	<ul> <li>Increase water tank capacity</li> <li>Procure additional storage equipment</li> <li>Conduct regular water tank inspections</li> <li>Implement water efficiency measures</li> </ul>
Extreme Heat	<ul> <li>Employee and customer discomfort</li> <li>Increased electricity costs due to airconditioning use</li> </ul>	<ul> <li>Increase use of fans and air conditioners</li> <li>Integrate heat-related measures into health and safety SOPs</li> </ul>

#### **Transitional Climate Risk Assessment:**

We also conducted a qualitative assessment of our climate-related transition risks and opportunities, based on the following parameters:

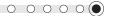


The assessment leveraged two climate scenarios from the International Energy Agency (IEA).

- Stated Policies Scenario (STEPS) (High Emissions Scenario) A business-as-usual scenario incorporating announced climate policies but assuming limited decarbonisation, with fossil fuels remaining the primary energy source. This puts the world on course for an estimated global temperature rise of 2.4°C by 2100.
- Net Zero Emissions by 2050 Scenario (NZE2050) (Low Emissions Scenario) A scenario assuming aggressive mitigation
  efforts to cap global warming at 1.5°C, and achieve net zero emissions by 2050.

Climate Scenario							
			STEPS (2.4°C)	NZE2050 (1.5°C)			
Transition Risk/ Opportunity Area	Transition Risk / Opportunity	Time Horizon	Risk / Opportunity Rating	Risk / Opportunity Rating	Financial Impact	Business Impact	Response
Policy & Legal	[Risk] Introduction of carbon tax in Malaysia	Medium- term	Low risk	Medium risk	Opex	Reduction in profitability	To address the potential impact of carbon pricing, we have set targets, including achieving a 30% renewable energy mix at all distribution facilities and a 30% reduction in annual weighted energy intensity (equivalent to 13.9 kWh) for standalone stores by 2030. Additionally, we are developing GHG reduction targets and a climate transition plan.
Policy & Legal	[Risk]  Energy Efficiency and Conservation Act ("EECA"): New regulations and standards for energy efficiency and consumption reduction	Medium- term	Low risk	Medium risk	Capex, Opex	Initial investment but future operational cost savings	Increase renewable energy usage in distribution facilities and enhance energy efficiency awareness in mall-located stores.
Policy & Legal	[Risk] Removal of RON95 fuel subsidy in Malaysia	Short- term	Medium risk	Medium risk	Opex, revenue	Increased travel expenses, potential consumer purchasing power impact	We recognise the potential impact of the RON95 subsidy removal and will proactively explore strategies to mitigate its effects.
Policy & Legal	[Risk]  Transport policy for electric vehicles ("EV") in Malaysia	Medium- term	Low risk	Medium risk	Asset, Opex	N/A	We are assessing the feasibility of transitioning our distribution truck fleet to EVs.
Market	[Risk] Stranded assets: Loss of value due to climate hazards or transition to a low-carbon economy	Long- term	Low risk	Low risk	Asset, Opex	Remote likelihood of coastal flooding hazard exposure	Our owned assets are located in areas with minimal risk of impairment from coastal flooding hazards.

Market	[Risk]	Medium-	Low risk	Low risk	Revenue	Revenue may	We are assessing
	Shifting customer demand: Transition to a low-carbon economy impacts consumer preferences	to-long- term				be affected by shifting demand	potential risks and will continuously monitor and adapt to evolving consumer preferences.
Reputation	[Risk] Stakeholders' sentiments: Concerns regarding environmental and climate commitments	Medium- to-long- term	Low risk	Medium risk	Financing	Potential reputational damage if climate commitments are not met	We aim to achieve a 30% renewable energy mix across all distribution facilities by 2030, along with a 30% reduction in annual weighted energy intensity (equivalent to 13.9 kWh) for standalone stores by 2030. Additionally, we are also establishing GHG reduction targets and a climate transition plan.
Energy Source	[Opportunity] Renewable energy implementation: Installation of solar panels in distribution facilities and standalone stores	Short-to- medium- term	Medium opportunity	High opportunity	Capex, future cost savings, tax incentives	Lower operating costs, tax incentives (Green Investment Tax Allowance - GITA)	By 2030, we aim to achieve a 30% renewable energy mix across all distribution facilities, up from the 2021 baseline of 4%.
Products and Services	[Opportunity]  New market and sustainable product: Growing demand for sustainable products	Medium- to-long- term	Medium opportunity	Medium opportunity	Revenue	Revenue and profit from new products	We will invest in sustainable products, collaborate with suppliers, and innovate lower-emission solutions to align with ESG awareness and meet growing demand for eco-friendly products and solutions.
Market	[Opportunity] Sustainable finance: Opportunity to raise financing from capital providers	Medium term	Low opportunity	Medium opportunity	Financing costs	Lower financing costs	We are considering sustainable trade financing.



### CLIMATE-RELATED RISK MANAGEMENT

### **METRICS & TARGETS**

We track our performance in climate action and climate risk management using a range of carefully defined metrics. These metrics provide a comprehensive view of our progress against industry peers and the broader corporate landscape.

### **Cross-Industry Climate Metrics**

Metric Category	Metric	FY2024 Performance	Unit of Measurement
GHG Emissions	Scope 1 emissions	12,218	tCO <sub>2</sub> e
	Scope 2 emissions	146,707	tCO <sub>2</sub> e
	Scope 3 emissions: Category 6: Business Travel Category 7: Employee Commuting	239 12,283	tCO <sub>2</sub> e
Climate-related Transition Risks	Percentage of revenue from business activities that are affected by low-carbon transition	-	% of revenue
Climate-related Physical Risks	Carrying amount of owned property in areas at risk of flooding	-	RM
Climate-related Opportunities	Percentage of revenue derived from eco- products	6.2	% of revenue
Capital Deployment	Capital deployed towards climate-related risks and opportunities	2.1	RM million
Internal Carbon Prices	Internal carbon price used	N/A	RM per tCO <sub>2</sub> e
Remuneration	Percentage of current period executive management remuneration connected to climate-related considerations	-	%

### **Industry-Based Climate Metrics**

Metric	FY2024 Performance	Unit of Measurement
Total energy consumed	904,402	GJ
Grid electricity as a percentage of total energy consumed	99.6	%
Renewable energy as a percentage of total energy consumed	0.4	%
Number of retail locations	1,429	Number
Number of distribution centres	17	Number
Total area of retail space	1,102,168	Square metres (m²)
Total area of distribution centres	159,980	Square metres (m²)

### PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Management	Percentage	72.00	62.00
Executive	Percentage	91.00	78.00
Non-executive	Percentage	80.00 *	87.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	595,717.00	1,229,087.50
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	58,280	95,467
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	20.00	21.00
Management Between 30-50	Percentage	72.00	73.00
Management Above 50	Percentage	8.00	6.00
Executive Under 30	Percentage	63.00	58.00
Executive Between 30-50	Percentage	37.00	41.00
Executive Above 50	Percentage	0.00	1.00
Non-executive Under 30	Percentage	80.00 *	78.00
Non-executive Between 30-50	Percentage	20.00 *	22.00
Non-executive Above 50	Percentage	0.00	0.00
Gender Group by Employee Category			
Management Male	Percentage	51.00	51.00
Management Female	Percentage	49.00	49.00
Executive Male	Percentage	45.00	46.00
Executive Female	Percentage	55.00	54.00
Non-executive Male	Percentage	64.00 *	64.00
Non-executive Female	Percentage	36.00 *	36.00

Internal assurance External assurance No assurance (\*)Restated



## PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	50.00	50.00
Female	Percentage	50.00	50.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	0.00	0.00
Above 50	Percentage	100.00	100.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	764,888.00	904,402.00
Bursa (Health and safety)			
Bursa C5(a) Number of work- related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.08	0.08
Bursa C5(c) Number of employees trained on health and safety standards	Number	8,127	8,889
Bursa (Labour practices and stand	lards)		
Bursa C6(a) Total hours of training by employee category			
Management	Hours	21,222	15,764
Executive	Hours	59,388	49,396
Non-executive	Hours	279,191 *	496,942
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	1.00	0.00
Bursa C6(c) Total number of employee turnover by employee category			

Internal assurance External assurance No assurance

e (\*)Restated

## PERFORMANCE DATA TABLE

Indicator	Measurement Unit	2023	2024
Management	Number	26	41
Executive	Number	202	206
Non-executive	Number	8,130 *	7,947
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	31.50	34.50
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	313.000000	328.000000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	0.00	0.01
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.00	0.01
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0.00	0.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	11,563.00 *	12,218.00
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	120,266.00 *	146,707.00
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	12,522.00

Internal assurance External assurance No assurance (\*)Restated

## SASB Content Index

Multiline and Specialty Retailers & Distributors

	ainability Disclosure Topics and Metrics		Unit of		Disclosure
Topic	Metric	Category	Measure	Code	Location
Energy Management in Retail & Distribution	Total energy consumed     Percentage grid electricity and     Percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	CG-MR-130a.1	Environmental Stewardship, pages 37-38 Climate-related Risk Management, page 71
Data Security	Description of approach to identifying and addressing data security risks	Discussion and Analysis	N/A	CG-MR-230a.1	Ethics and Compliance, page 27
	<ul><li>(1) Number of data breaches</li><li>(2) Percentage that are personal data breaches</li><li>(3) Number of customers affected</li></ul>	Quantitative	Number, Percentage (%)	CG-MR-230a.2	Ethics and Compliance, page 30
Labour Practices	<ul><li>(1) Average hourly wage and</li><li>(2) Percentage of in-store and distribution centre employees earning minimum wage, by region</li></ul>	Quantitative	Presentation currency, Percentage (%)	CG-MR-310a.1	Employee Engagement, Diversity and Inclusion, page 54
	<ul><li>(1) Voluntary and</li><li>(2) Involuntary turnover rate for in-store and distribution centre employees</li></ul>	Quantitative	Percentage (%)	CG-MR-310a.2	Employee Engagement, Diversity and Inclusion, page 55
	Total amount of monetary losses as a result of legal proceedings associated with labour law violations	Quantitative	Presentation currency	CG-MR-310a.3	Ethics and Compliance, page 29
Workforce Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management and (c) all other employees3	Quantitative	Percentage (%)	CG-MR-330a.1	Employee Engagement, Diversity and Inclusion, pages 53-54
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination4	Quantitative	Presentation currency	CG-MR-330a.2	Ethics and Compliance, page 29
Product Sourcing, Packaging & Marketing	Revenue from products thirdparty certified to environmental or social sustainability standards	Quantitative	Presentation currency	CG-MR-410a.1	Performance Scorecard, page 21 Environmental Stewardship, page 41
	Discussion of processes to assess and manage risks of hazards associated with chemicals in products	Discussion and Analysis	N/A	CG-MR-410a.2	N/A
	Discussion of strategies to reduce the environmental impact of packaging	Discussion and Analysis	N/A	CG-MR-410a.3	Environmental Stewardship, pages 37, 39

Table 2: Activity Metrics				
Metric	Category	Unit of Measure	Code	Disclosure Location
Number of: (1) retail locations and (2) distribution centres	Quantitative	Number	CG-MR-000.A	About MR D.I.Y., page 3 Climate-related Risk Management, page 71
Total area of: (1) retail locations and (2) distribution centres	Quantitative	Square metres (m²)	CG-MR-000.B	Climate-related Risk Management, page 71

### **GRI Standards Content Index**

Statement of

MR D.I.Y. has reported the information cited in this GRI content index for the period of 1 January 2023 to 31 December 2023 with reference to the GRI Standards.

GRI 1 used

GRI 1: Foundation 2021

ODI Ctarri	D:		Location
GRI Standard		osure	Location
GRI 2: General Disclosures 2021	2-1	Organisation details	<ul> <li>MR D.I.Y. Group (M) Berhad</li> <li>Headquarters: Seri Kembangan, Malaysia</li> <li>Country of Operations: Malaysia, Thailand, Brunei, Indonesia, Singapore, Philippines, India, Cambodia, Turkey, Spain, Vietnam Bangladesh</li> <li>Corporate Structure: IR2024: Group Corporate Structure, page 7</li> </ul>
	2-2	Entities included in the organisation's sustainability reporting	SR2024: Basis of This Report, page 2
	2-3	Reporting period, frequency, and contact point	SR2024: Basis of This Report, page 2
	2-4	Restatements of information	SR2024: Environmental Stewardship, page 40
	2-5	External assurance	SR2024: Basis of This Report, page 2
	2-6	Activities, value chain, and other business relationships	SR2024: About MR D.I.Y., page 3
	2-7	Employees	SR2024: Employee Engagement, Diversity and Inclusion, pages 52-54
	2-9	Governance structure and composition	SR2024: Sustainability Governance, page 9 IR2024: Corporate Governance Overview Statement, page 52
	2-10	Nomination and selection of the highest governance body	IR2024: Corporate Governance Overview Statement, page 52 and 59
	2-11	Chair of the highest governance body	IR2024: Corporate Governance Overview Statement, page 52
	2-12	Role of highest governance body in overseeing the management of impacts	SR2024: Sustainability Governance, page 9
	2-13	Delegation of responsibility for managing impacts	SR2024: Sustainability Governance, page 9
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