

SUSTAINABILITY STATEMENT

Parkson Holdings Berhad (“Company”) is pleased to present its Sustainability Statement which provides an overview of its Economic, Environmental and Social (“EES”) practices for financial year ended 31 December 2024 (“FY2024”).

The Company is an investment holding company with stakes in Parkson Retail Asia Limited (“PRA”) and Parkson Retail Group Limited (“PGRL”), listed on the Singapore Exchange Securities Trading Limited and The Stock Exchange of Hong Kong Limited respectively. Its subsidiaries are involved in retail business, operation of department stores, and food and beverage (“F&B”) businesses, investment holding, property management, property development and project management, provision of consultancy and/or management services, wholesale and retail of cosmetic and related products, distribution and retailing of fashionable goods, provision of money lending and credit services, and intellectual property holding.

PRA operates 37 Parkson department stores in Malaysia. PRGL, one of the premier retail operators in the People’s Republic of China (“PRC”) operates and manages 41 department stores (including “Parkson Beauty” concept stores and Parkson Newcore City Malls), 1 Lion Mall, supermarkets, fashion, and F&B outlets in 27 major cities in the PRC and Laos. PRGL is also involved in the consumer financing business through Parkson Credit Sdn Bhd (“Parkson Credit”) which provides the convenience of purchasing motorcycles and household appliances via easy instalment payment.

BASIS OF SCOPE

This Sustainability Statement covers the Company’s operations in Malaysia namely Parkson department stores, Parkson Branding and Innovation division, Parkson Credit and Hogan Bakery.

REPORTING FRAMEWORK AND STANDARDS

We have taken steps to incorporate standard disclosures in accordance to the Global Reporting Initiative (“GRI”) Standards and Bursa Malaysia Securities Berhad’s (“Bursa Malaysia”) Main Market Listing Requirements (“Listing Requirements”) with reference to its Sustainability Reporting Guidelines. The standard disclosures are also aligned with the United Nations Sustainable Development Goals (“UNSDGs”).

The Company is working to adopt the recommendations of the IFRS Sustainability Disclosures Standards and the National Sustainability Reporting Framework (“NSRF”), and will continue to improve its disclosures to align with best practice reporting standards.

AVAILABILITY AND FEEDBACK

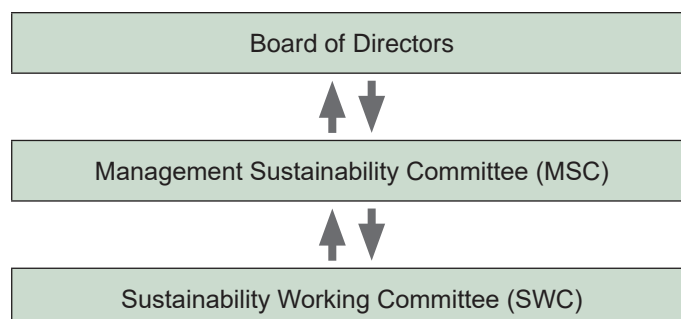
The Sustainability Statement is available on the Company’s website at www.lion.com.my/parkson and Lion Group’s website at www.lion.com.my as part of the Company’s FY2024 Annual Report. We welcome our stakeholders to share their feedback regarding this Statement and the topics discussed.

APPROACH TO SUSTAINABILITY

Our sustainability approach is guided by Lion Group’s mission “We are committed to make Lion Group a caring organisation and be recognised for excellence in quality, growth and profitability”, of which the Group Company is a member.

We have adopted a holistic sustainability approach across our business operations and functions. The strategic direction guided by the Board of Directors, with the Head of Company/Business taking on the executive role for effective and efficient implementation, and driven via collaboration amongst various Departments and Business Units across the Company.

SUSTAINABILITY STRUCTURE



The Board of Directors has oversight of the Group's strategic direction on sustainability.

The MSC is chaired by the Head of Company/Business, and assists the Board with strategic direction of sustainability matters. The MSC is responsible for steering, coordinating and ensuring the effective and efficient implementation of the sustainability framework.

The SWC comprises members from middle management across our operations and is responsible for the day-to-day implementation of the sustainability strategies and plans.

GOVERNANCE

The Company complies with all relevant corporate governance laws and regulations and follows best practices. By upholding high standards of corporate governance, we aim to ensure long-term success, competitiveness, and sustainability. Details can be found in our Corporate Governance Overview Statement and Statement on Risk Management and Internal Control on pages 13 to 31 of this Annual Report.

STAKEHOLDERS ENGAGEMENT

Engaging with stakeholders is crucial to understanding their expectations. We value their feedback, assessments, and insights as essential to shaping our sustainability strategies and initiatives. Through regular formal and informal engagements, we continuously refine our approach. These interactions help us identify key issues, uncover opportunities, and manage risks, enabling us to respond effectively to stakeholder needs.

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Employees	<ul style="list-style-type: none"> Health, safety and well-being Learning and development Respect and recognition Job satisfaction Pay and benefits 	<p>Ongoing</p> <ul style="list-style-type: none"> Meetings Training programmes Internal newsletter New employee induction programme Staff gatherings and other engagement channels <p>Quarterly</p> <ul style="list-style-type: none"> Internal newsletter <p>Annually</p> <ul style="list-style-type: none"> Performance appraisals 	<ul style="list-style-type: none"> Training and upskilling opportunities for professional and personal development Merit-based evaluation and career growth pathways

STAKEHOLDERS ENGAGEMENT (continued)

Key Stakeholders	Area of Interest	Engagement Platforms	Our Response
Customers	<ul style="list-style-type: none"> Price promotion Convenience and experience Engaging, knowledgeable personnel Responsible financing 	Ongoing <ul style="list-style-type: none"> Face-to-face interaction through service channels Communication through Marketing Department, Customer Service Department and Corporate Communications Department Feedback through website, email, social media platform Sales, promotions, road shows and related events In-store information 	<ul style="list-style-type: none"> Offer comprehensive range of products that meet customers' requirements Ethical and professional business practice
Shareholders and Investors	<ul style="list-style-type: none"> Good governance Sustainable business growth Disclosure and transparency 	As Needed <ul style="list-style-type: none"> Investor relations channel and meetings Quarterly <ul style="list-style-type: none"> Financial reports and announcements Annually <ul style="list-style-type: none"> Annual General Meeting Annual Report 	<ul style="list-style-type: none"> Timely updates on the Company's announcements Uphold good governance practices across the business units and supply chain
Local Communities	<ul style="list-style-type: none"> Responsible corporate citizen Support for social causes Creation of job opportunities 	Ongoing <ul style="list-style-type: none"> Activities and sponsorships organised by the Company and Lion-Parkson Foundation As Needed <ul style="list-style-type: none"> Job vacancies advertisement 	<ul style="list-style-type: none"> Support community initiatives/ programmes through contributions and other forms of assistance
Media	<ul style="list-style-type: none"> Response to media enquiries and requests for interviews Long term engagement 	As Needed <ul style="list-style-type: none"> Media releases, media statements and interviews Advertisements Media invitations and sponsorships 	<ul style="list-style-type: none"> Transparency in communications Timely and accurate information on corporate, industry, and business developments
Industry Associations	<ul style="list-style-type: none"> Support for mutual interests 	As Needed <ul style="list-style-type: none"> Meetings and events 	<ul style="list-style-type: none"> Participate in meetings/discussions and/or events

MEMBERSHIP AND ASSOCIATIONS

- Parkson is a member of the Malaysia Retailers Association (“MRA”), Malaysia Retail Chain Association (“MRCA”) as well as the Intercontinental Group of Department Stores (“IGDS”)
- Parkson Credit is a member of Credit Sale Companies Association and International Chamber Of Commerce (“ICC”) Malaysia

AWARDS

- Parkson received the ‘Certificate of Merit’ for the MRA Best Marketing Campaign 2024 in recognition of its “Think Green, Act Green” campaign, highlighting its commitment to sustainability and innovative event marketing.
- The Parkson Transformation Team was recognised by IGDS as one of the “World’s Best Teams 2023” (Top 10) for its innovative approach in creating a productive, efficient, and sustainable working environment.

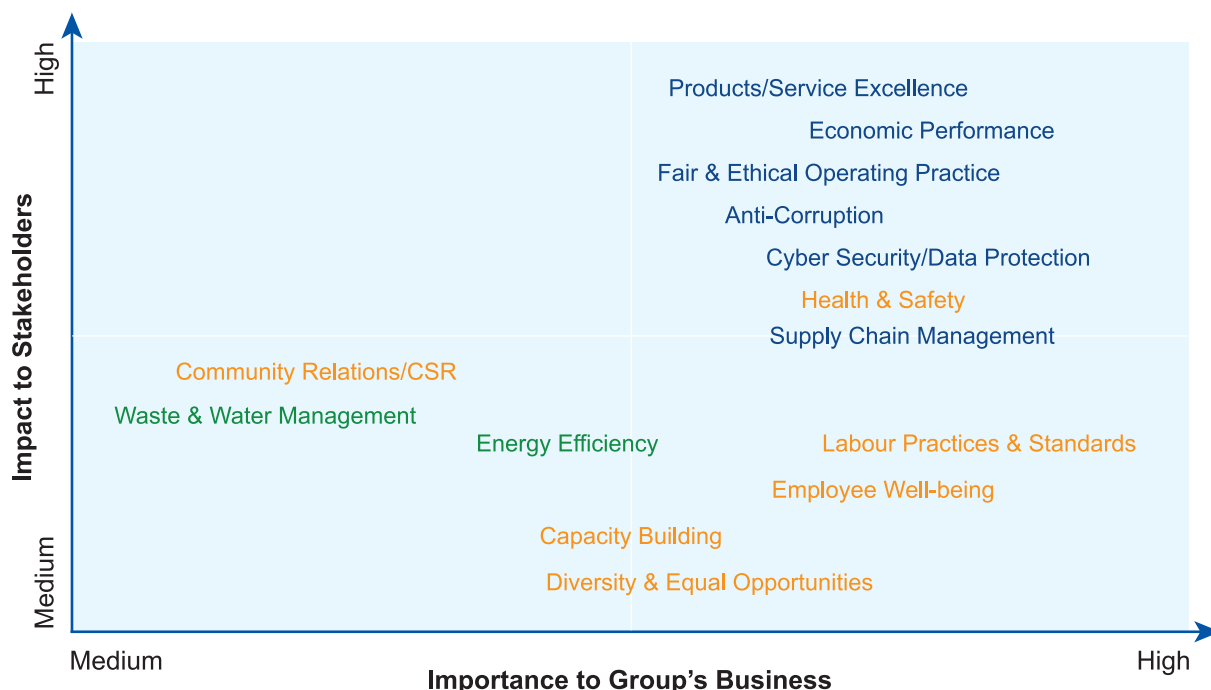
MATERIAL MATTERS

Our materiality matters are validated by our various divisions, combined into a consolidated matrix of issues relating to the activities of the Company. In identifying matters material to the Company, we were guided by GRI and the Listing Requirements.

The Company conducts its materiality assessment every three years and undertakes an annual review of the identified material matters. This process ensures that the Company remains aligned with the evolving expectations of stakeholders, regulatory requirements, and industry trends, while maintaining a proactive approach to sustainability and corporate responsibility.

Economic	Environmental	Social
<ul style="list-style-type: none"> • Economic Performance • Fair & Ethical Operating Practice • Product/Service Excellence • Anti-Corruption • Cyber Security/Data Protection • Supply Chain Management 	<ul style="list-style-type: none"> • Energy Efficiency • Waste & Water Management 	<ul style="list-style-type: none"> • Employee Well-being • Health & Safety • Capacity Building • Diversity & Equal Opportunities • Labour Practices & Standards • Community Relations/CSR

MATERIALITY MATRIX





Indicators :










CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGs”)

We are committed to supporting the UNSDGs and the following outlines our efforts during the year under review:

UNSDGs	Description	Our Approach
	Goal 1: No Poverty End poverty in all its forms anywhere	<ul style="list-style-type: none"> Provide financial aid for medical treatment to the most vulnerable segments of society Collaborate with other bodies and Non-Governmental Organisations (“NGOs”) to extend our reach and ensure help is targeted to those most in need
	Goal 3: Good Health and Well-being Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> Prioritise health and safety in our business operations by adopting rigid safety standards and systems, provide continuous safety training to protect our employees, sub-contractors and the general public Promote healthy lifestyles and work-life balance by organising programmes that focus on our employees’ physical and mental well-being

CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (“UNSDGS”) (continued)

UNSDGs	Description	Our Approach
	<p>Goal 4: Quality Education</p> <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<ul style="list-style-type: none"> • Provide scholarships to undergraduates pursuing their first degree locally • Promote employee development programme
	<p>Goal 5: Gender Equality</p> <p>Ensure full participation in leadership and decision-making</p>	<ul style="list-style-type: none"> • Acknowledge women’s contribution in the industry and committed to promoting the advancement of women, especially in fields related to steel manufacturing, engineering and construction • Ensure women’s effective representation and equal opportunities for leadership at all levels of decision-making across business activities
	<p>Goal 8: Decent Work and Economic Growth</p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<ul style="list-style-type: none"> • Provide competitive remuneration packages to our employees, and training opportunities for career growth and development • Promote a safe and secure working environment for all workers, including contractors and foreign labour • Stand firm against any form of forced labour, modern slavery and child labour
	<p>Goal 12: Responsible Production and Consumption</p> <p>Substantially reduce waste generation</p>	<ul style="list-style-type: none"> • Encourage 3R (reduce, reuse, recycle) activities to reduce waste generation
	<p>Goal 13: Climate Action</p> <p>Take urgent action to combat climate change and its impacts</p>	<ul style="list-style-type: none"> • Compliance with all applicable statutory and regulatory requirements.
	<p>Goal 16: Peace, Justice and Strong Institutions</p> <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>	<ul style="list-style-type: none"> • Support fair and equitable workplace • Ensure a strong ethics and compliance culture • Zero tolerance towards bribery and corruption, as articulated in our Anti-Bribery and Corruption Policy • Whistleblower Policy
	<p>Goal 17: Partnership for the Goals</p> <p>Encourage and promote effective partnerships, building on the experience and resourcing strategies of partnerships</p>	<ul style="list-style-type: none"> • Collaborate with regulators, industry players and community development programme partners

KEY SUSTAINABILITY MATTERS

ECONOMIC

Ensuring economic sustainability remains a key priority for achieving long-term business success. Our commitment lies in upholding ethical and responsible marketplace practices through transparent business conduct, operating our business with integrity, and a commitment to excellence. These principles not only enhance our competitiveness but also foster long-term relationships with our stakeholders.

- **Economic Performance**

We are dedicated to creating meaningful employment opportunities and supporting economic development. Through the jobs generated within our operations and related industries, along with the taxes we contribute, we play a vital role in driving positive and significant impacts on the broader economy.

RM'000	2023	2024
Revenue	3,125,907	2,805,074
Profit/(loss) after tax	28,928	(127,189)
Net loss attributable to owners of the parent	(19,186)	(102,028)

Note: Further information on Economic Performance can be found in the 5 Years Group Financial Highlights on page 43 and Financial Statements section of the 2024 Annual Report.

- **Products/Service Excellence**

Delivering quality is important in maintaining credibility and customer trust, which are necessary in the highly competitive retail industry. Parkson being a true-blue Malaysian brand and household name for over 30 years has a responsibility to its customers to ensure that all merchandise carried by its stores fulfil customers' expectations. Hence, Parkson places high priority on the quality of the products offered to its customers and ensures that its suppliers share the same philosophy.

Our F&B business adheres strictly to the Standard Operating Procedures (SOPs) laid down by our brand's Principal which have very stringent food safety policies.

In conducting its business operations, Parkson Credit adopts responsible financing best practices and is committed to provide affordable and quality financial services in line with its corporate values and within the regulatory framework.

- **Fair & Ethical Operating Practice**

We believe that conducting business responsibly means going beyond mere compliance with laws and regulations. Our commitment is to uphold high ethical standards that exceed societal expectations, ensuring fairness and equity in all endeavours. By offering products and services that meet customer expectations, we demonstrate a fair and responsible approach that balances the interests of both customers and our business.

Building trust with stakeholders, including shareholders, investors, customers, suppliers, local communities, and employees, is essential to our success. We pledge to disclose diverse information transparently to promote clear understanding of our business and corporate activities. We uphold fair competition practices, ensuring non-favouritism in our dealings with public authorities and providing suppliers with equal opportunities to compete based on the overall value they bring to the Company.

In our commitment to fair marketing practices, we prioritise clear and transparent communication with customers. As a financial service provider, Parkson Credit ensures that consumers receive fair contract terms, reflecting our dedication to responsible business conduct.

- **Anti-Corruption**

The Company is committed to promoting a culture of integrity through awareness campaigns and regular communications. We require all employees to comply with our Anti-Bribery and Corruption Policy (“ABC Policy”), ensuring that our business is conducted ethically, responsibly, and transparently. Directors and employees are also required to complete an annual e-declaration on Conflict of Interest and acknowledge their understanding of the ABC Policy to confirm compliance.

We encourage all stakeholders to report any suspected wrongdoings which may involve or concern our directors, management, employees, or actions that could affect our performance, relations with other stakeholders, assets, or reputation. Whistleblowers will be assured of confidentiality, with their identity protected unless disclosure is required by law.

Corruption-related Training

In FY2024, only 25.12% of employees completed the necessary anti-corruption training, compared to 75.95% in FY2023. This significant decline in attendance rates highlights the need for the Company to take proactive measures to ensure all employees prioritise and complete the anti-corruption training.

To improve participation, the Company is exploring online training, strengthening compliance tracking, and enhancing engagement efforts such as targeted reminders and interactive training sessions. These measures will reinforce its commitment to anti-corruption compliance and ensure all employees fulfill their training obligations.

Operations Assessed for Corruption-related Risks

In FY2024, we conducted corruption risk assessments across all our operations, with 100% of them undergoing the evaluation.

Corruption Incidents

As of 31 December 2024, we recorded zero incidents of corruption across our business operations.

Percentage (%)	2023	2024
Corruption Related Training		
- Executive	82.31	32.87
- Non-Executive	73.52	22.08
Operations Assessed for Corruption-related Risks	100	100
Corruption Incidents	ZERO	ZERO

- **Cyber Security/Data Protection**

We are committed to maintaining the confidentiality and security of customers’ and stakeholders’ information in compliance with the Personal Data Protection Act 2010. Information regarding our vendors, suppliers, and customers is handled with strict privacy and confidentiality at all times.

We actively educate our employees on data protection and privacy through knowledge-sharing initiatives, including brief learning emails and articles in our corporate newsletter. These cover essential topics such as information security fundamentals, online scams, cyber espionage, malware, and ransomware. Our primary goal is to raise awareness about the importance of protecting sensitive information, thereby reducing potential threats and security breaches that could impact the organisation.

During this reporting period, there were no substantiated complaints of breaches in customer privacy or loss of customer data. We will continue to protect our customers' data privacy across all operations.

	2023	2024
Substantiated Complains Concerning Breaches In Customer Privacy Or Data Loss	ZERO	ZERO

• Supply Chain Management

Our procurement department is dedicated to ensuring responsible procurement practices, reinforced by the requirement for all active registered vendors to periodically acknowledge their commitment to our Vendor Code of Conduct. Vendor qualifications and credentials are thoroughly vetted before being added to our list of approved suppliers. From the supplier selection process onward, we incorporate sustainability considerations, such as fair labour practices and safety requirements.

To maintain transparency and accountability, we conduct audits and continuously improve our procurement processes and policies, including reassessment of procurement contracts. We also prioritise sourcing products and services locally whenever feasible, recognising its advantages such as cost efficiency, timely delivery, lower carbon emissions, and support for the local economy.

Local Suppliers

In FY2024, we remained committed to prioritising local sourcing, with 99.67% of our procurement expenditure directed towards supporting local suppliers. The increase in spending highlights our dedication to sourcing locally, ensuring cost efficiency, reducing our environmental impact, and fostering the growth of local businesses. As we continue to evaluate and evolve our procurement practices, we aim to sustain and expand these efforts, driving even greater sustainability and economic impact.

	2023	2024
Spending on Local Suppliers (%)	98.03	99.67

• Customer Satisfaction

Customer support and loyalty are critical to the success of our business. Therefore, we prioritise placing customers at the forefront of everything we do, striving to provide safe, ethically sourced quality products as well as premium, value-added services.

To uphold these standards, we incorporate product knowledge and service skills training into our routine programmes, ensuring employees deliver exceptional service to our customers.

Parkson fosters long-lasting relationships with its customers through various initiatives, including engagement and sharing sessions, as well as loyalty programs designed for Parkson Card and BonusLink members, and in-store shoppers.

Recognising the importance of customer interaction, we prioritise engagement through multiple feedback channels to continuously enhance our service quality and customer satisfaction. Our diverse touchpoints include customer care desks, phone support, social media platforms such as Facebook and WhatsApp, email, and messaging applications to our Customer Service Department. These avenues ensure that customers can share their feedback or lodge complaints with ease, reinforcing our commitment to delivering exceptional customer experiences.

• Parkson Card Loyalty Programme

Our Parkson Card loyalty programme enables us to craft targeted promotions and events tailored to the preferences of our members. This program is further enhanced by its cross-border acceptance in countries where Parkson operates, offering members seamless benefits wherever they shop within our network.

Supported by a diverse range of merchant partners, the Parkson Card provides exclusive discounts ranging from 5% to 6%, depending on membership tiers. These cross-border privileges underscore our commitment to delivering value and convenience to our members. As at 31 December 2024, we have a total of 2.33 million Parkson Card members.

	2023	2024
Parkson Card Members	2.29 million	2.33 million

ENVIRONMENTAL

The Company is committed to sustainable development, striving to minimise environmental impact through proactive measures and adherence to the 3R principles: Reduce, Reuse, and Recycle. Employees are encouraged to adopt 'Responsible Consumption' by using materials, energy, and resources sustainably. Initiatives include reducing energy and water usage, minimising paper consumption with recycled materials, and limiting single-use plastics.

Climate Action and Environmental Goals

Aligned with the Malaysian Government's commitment to addressing climate change and achieving Net Zero greenhouse gas (GHG) emissions by 2050, the Company has set interim reduction targets, and will revise these targets in accordance with the relevant standard.

	Area	Target	Plan
1	GHG Emissions	Achieve a reduction in GHG emissions intensity and total emissions annually.	<ul style="list-style-type: none"> Collaborate with suppliers/vendors to reduce emissions in transportation. Improve fleet efficiencies and optimise route.
2	Energy Consumption	Decrease energy consumption to improve operational efficiency. <ul style="list-style-type: none"> Lower energy consumption annually. Reduce energy consumption by 15% from the FY2024 baseline by 2030. Reduce by 50% from the FY2024 baseline by 2050. 	<ul style="list-style-type: none"> Retrofit stores and offices with energy-efficient lighting. Deploy smart energy management systems in new or remodelled stores, and in all operations. Promote employee energy-saving initiatives.
3	Waste Reduction	Reduce waste sent to landfill annually.	<ul style="list-style-type: none"> Implement circular economy practices. Reduce, reuse and recycle packaging. Collaborate with local municipalities or recycling organisations for waste diversion. Instill the 3R culture amongst employees to minimise waste.
4	Water Conservation	Reduce water consumption to conserve resources. <ul style="list-style-type: none"> Reduce water consumption annually. Reduce water consumption by 15% from the FY2024 baseline by 2030. Achieve a 50% reduction by 2050. 	<ul style="list-style-type: none"> Optimise and evaluate water use system. Promote water saving habits among employees.

• Energy Efficiency

We prioritise energy conservation across all aspects of our operations, embedding energy-saving practices into our workplace culture. Employees are encouraged to adopt simple yet effective habits, such as switching off lights, air conditioners, and office equipment when not in use, and promote use of natural daylight where possible, such as having windows and skylights.

To align with the energy conservation objective, almost 80% of the lightings in our Parkson stores have been converted to light emitting diode (“LED”) lights. Compared with conventional lights, LED lights could contribute 35% to 45% savings in energy consumption.

In addition to installation of LED lights, other energy conservation initiatives undertaken by Parkson include optimising the usage of high energy consumption store equipment (such as auto start/stop elevators and air conditioners) and switching on escalators/air conditioners closer to the commencement of our stores’ operating hours. We will collaborate with mall operators on adopting green energy in our stores.

For FY2024, an increase of 5.48% in total energy consumption was recorded compared to FY2023.

	2023	2024
Total Energy Consumption (Megawatts)	43,257.85	45,626.47

• Water and Waste Management

While the Company’s operations do not involve significant water usage, we recognise water as a precious resource and encourage employees to use it responsibly.

In our department stores, the primary waste streams include cardboard, paper, and plastic, while our offices predominantly generate paper waste. We are dedicated to recycling these materials to minimise landfill contributions. As we continue to embrace digitalisation, our reliance on paper has decreased significantly, aligning with our efforts to adopt sustainable practices for a better future.

Our F&B operation uses eco-friendly, minimalist packaging made from natural materials that are biodegradable and compostable, helping to reduce our environmental footprint.

It’s important to note that, as tenants in shopping malls and office buildings, water and waste management responsibilities fall on the landlord. However, we regularly promote water conservation to employees through awareness reminders, and encouraging them to reduce water usage and report leaks promptly.

For FY2024, the total water consumed has increased approximately 6%, highlighting the need for enhanced conservation efforts.

Water Management	2023	2024
Total Water Consumed (Megalitres)	130.74	138.58

- **Promoting Green and Environment-Friendly Products and Initiatives**

While maintaining high-quality service, we also strive to provide a green and low-carbon shopping and dining experience for our customers. We continuously explore eco-friendly alternatives in our daily operations, such as implementing energy-efficient products and processes, along with adopting 5S and 3R management techniques.

In line with Parkson's 'Think Green, Act Green' initiative, the distribution of bags has been discontinued, and customers are encouraged to bring their own reusable shopping bags. To further promote sustainability, Parkson has set up Reusable Bag Community Stations in select stores, allowing shoppers to donate spare reusable bags for others to use, fostering a shared commitment to eco-conscious living.

Additionally, Parkson has organised events to educate employees about the importance of the 3R principles, demonstrating its dedication to environmental sustainability.

SOCIAL

We recognise the importance of social inclusion as it influences our lifestyles and professional endeavours. With a commitment to contribute to the betterment of society, our aim is to cultivate a positive social impact that can truly make a meaningful difference.

- **Employee Well-being**

The Company is dedicated to creating a workplace where employees feel valued, secure, and empowered to express themselves. By emphasising engagement and open communication, we foster a positive, productive, and inclusive environment.

To enhance employee engagement, we organise various initiatives such as town-halls, "lunch & learn" sessions, festive open houses, and sports and recreational activities. These efforts address both professional and social needs, promoting a healthy work-life balance, which is key to attracting and retaining talent.

Additionally, the Company provides employees with the option of Flexible Work Arrangements tailored to the roles and requirements of their jobs. These arrangements empower employees to choose between hybrid work models or flexible work hours, allowing them to better balance their professional and personal needs while maintaining productivity and efficiency.

- **Labour Practices and Standards**

The Company is committed to fostering a productive, safe, and harassment-free workplace, enforcing a zero-tolerance policy toward inappropriate behaviour, including sexual harassment. The Anti-Sexual Harassment Policy and educational posters promote awareness, while the Whistleblower Policy provides a confidential channel for reporting misconduct. The Company is equally committed to ethical labour practices, strictly prohibiting any form of involuntary, forced, or child labour - a standard that extends to our suppliers and business associates.

In FY2024, no incidents of discrimination, harassment, or violations of labour laws or workers' rights were reported, reflecting the Company's dedication to compliance and employee well-being.

	2023	2024
Substantiated Complaints Concerning Human Rights Violation	ZERO	ZERO

• Health & Safety

The health and safety of our employees and customers are vital to our businesses, hence the Company subscribes to the safety, health and environmental regulations with a systematic approach reinforced by constant training and monitoring to ensure the safety and well-being of our employees and customers.

In compliance with legal requirements such as the Occupational Safety and Health Act and related regulations and guidelines, the Company has in place a Safety and Health Policy and Guidelines for our department stores, F&B outlets and business premises to ensure a safe and comfortable environment for everyone.

Compliance with the safe work practices stated in these guidelines is the primary responsibility of all employees, consignors and their promoters, contractors and consultants performing their duties at our premises. Safety campaigns are held to remind and refresh the staff on safety awareness and related issues with training conducted for staff on the use of fire extinguishers, first aid i.e. CPR and injury management, and evacuation procedures.

Health and Safety Training

In FY2024, the number of employees trained on health and safety standards declined by 27.31% due to limited training session capacity, scheduling conflicts with shift-based staff, and increased operational demands that restricted employee availability. Additionally, overlapping training priorities and resource constraints may have contributed to the decrease in participation. Nevertheless, the Company will continue its efforts to foster a safer workplace culture and improve employee well-being.

	2023	2024
Number of Employees Trained on Health And Safety Standards	2,142	1,557

Among the training conducted were:

<ul style="list-style-type: none"> Basic Occupational First Aid, CPR And AED Essential Fire Fighting 	<ul style="list-style-type: none"> Occupational Safety And Health Training Bengkel OSH Coordinator (OSH - C) 	<ul style="list-style-type: none"> OSH Conference 2024 - Moving Towards A Sustainable OSH Self-Regulation
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Work-Related Injuries

Workplace safety remains our highest priority. In FY2024, our LTI percentage remained exceptionally low at 0.0002%, and the LTI rate improved to 0.04, down from 0.05 in FY2023. While any injury is one too many, each incident reinforces our commitment to continuous improvement. We remain focused to strengthening safety protocols and preventive measures to ensure a safe and healthy work environment for everyone.

	2023	2024
Total Hours Worked	4,206,188	15,260,000
Number of Fatalities	ZERO	ZERO
Number of Lost Time Injuries	1	3
Lost Time Incident (LTI) Percentage	0.00002%	0.00002%
LTI Rate *	0.05	0.04

* LTI Rate = (Number of Lost Time Injuries / Total Hours Worked x 200,000)

• Capacity Building

The Company prioritises talent development to cultivate future leaders and strengthen its talent pipeline. Employees are offered learning and development opportunities tailored to their technical, functional, and behavioral competencies, aligning with job requirements and career aspirations.

Training is delivered through on-the-job learning, formal classes, online platforms, and continuing education. The Company encourages employees to pursue upskilling courses and obtain skill certifications, enabling broader job coverage and fostering professional growth.

In FY2024, training hours for executive and non-executive staff decreased by 2.28% and 55.94% respectively. This reduction reflects a strategic shift towards on-the-job learning and the introduction of shorter, more focused training sessions. These changes have enhanced learning efficiency while maintaining the Company's commitment to employee development.

Total Hours of Training by Employee Category

Category/Hours	2023	2024
Executive	16,515	16,138
Non-executive	42,316	18,644

In FY2024, among the training and development programmes conducted both physically and/or online are as follows:

• Building Self Confidence - Converse To Connect	• National Anti-Corruption Summit	• National Human Capital Conference & Exhibition
• Corporate Governance	• Customer Service Training	• Team Building For Excellence
• MRA Retail Conference 2024 - Retail Paradox	• Scaminar - Understanding The Art Of Deception	• Transform 2025 : Empower, Evolve, Excel In The New Age Of AI
• Socso Workshop : Return To Work	• Pop Card - Enhancement And Guideline 2024	• Managing Difficult Behaviours In Team
• Enterprise Risk Management	• 7 Days Basic Cashiering Training	• ESG Awareness For Employees
• Taxpod Masterclass	• Pengendalian Siasatan Dalam	• Stand Up And Speak
• Vuca For Manager - Strong Business And Strategic Management Skills	• Turning Tough Into Triumph: Strategic Planning For Malaysia's 2025 Fiscal Shift	• Influencing And Negotiation Skills For Accounting And Finance Professionals
• Elevate Workplace Wellness	• Retail Overview	• Store Display 101
• Parkson Service Standard	• Product Knowledge Training	• Sustainability Reporting

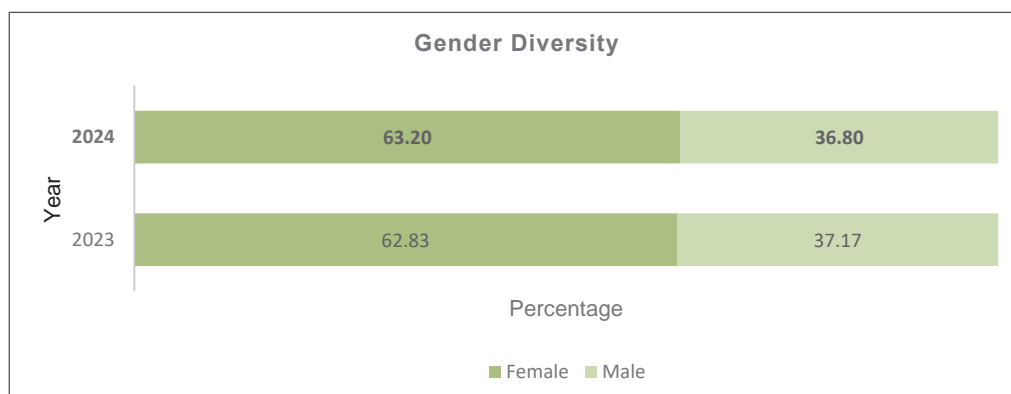
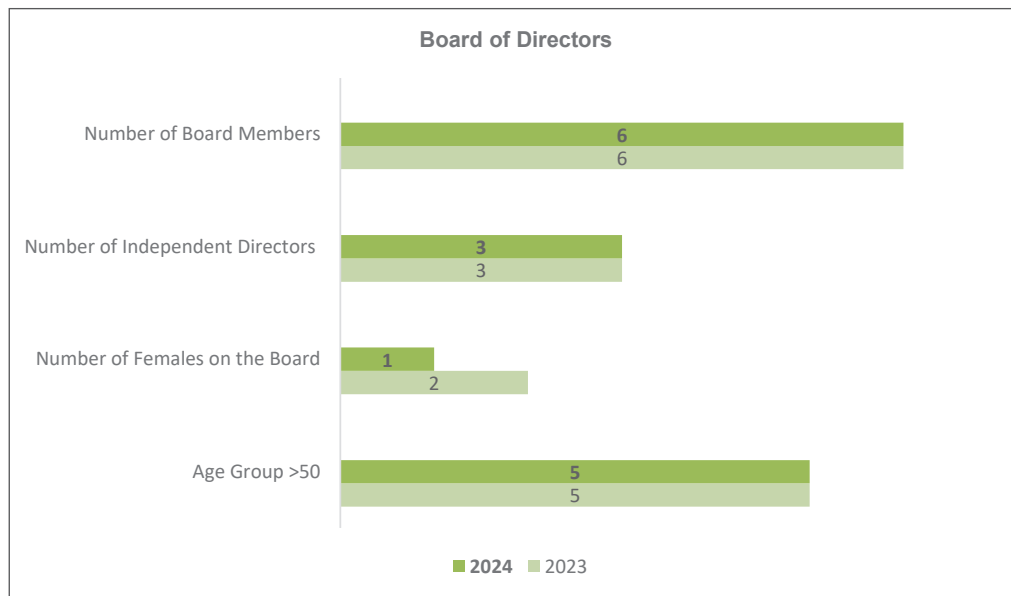
• Diversity & Equal Opportunities

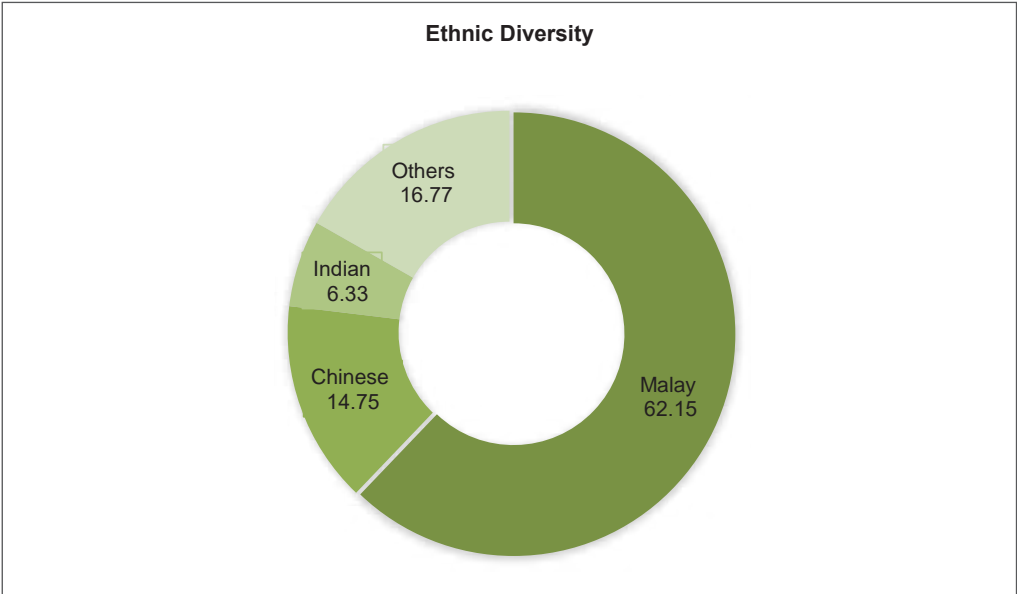
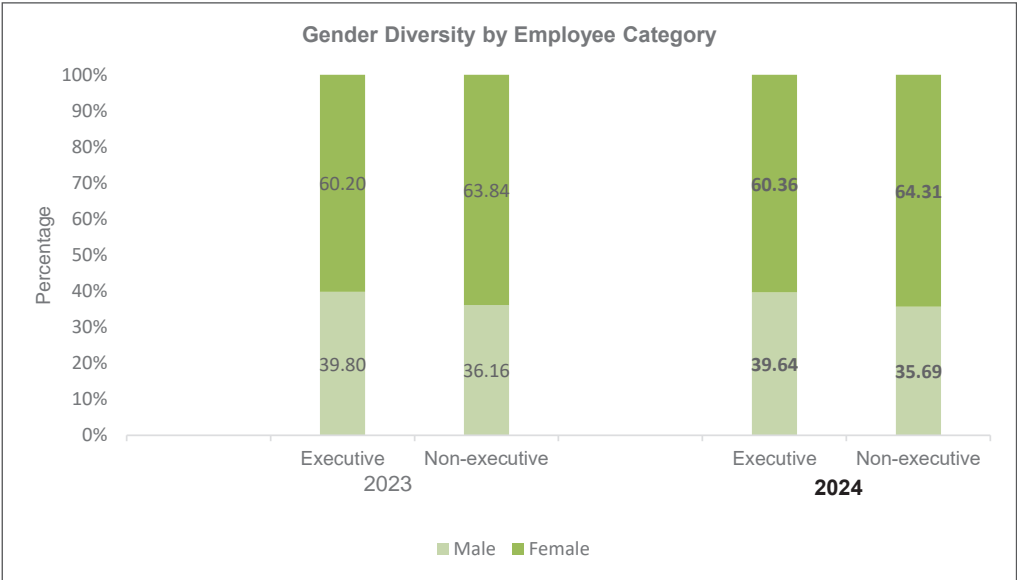
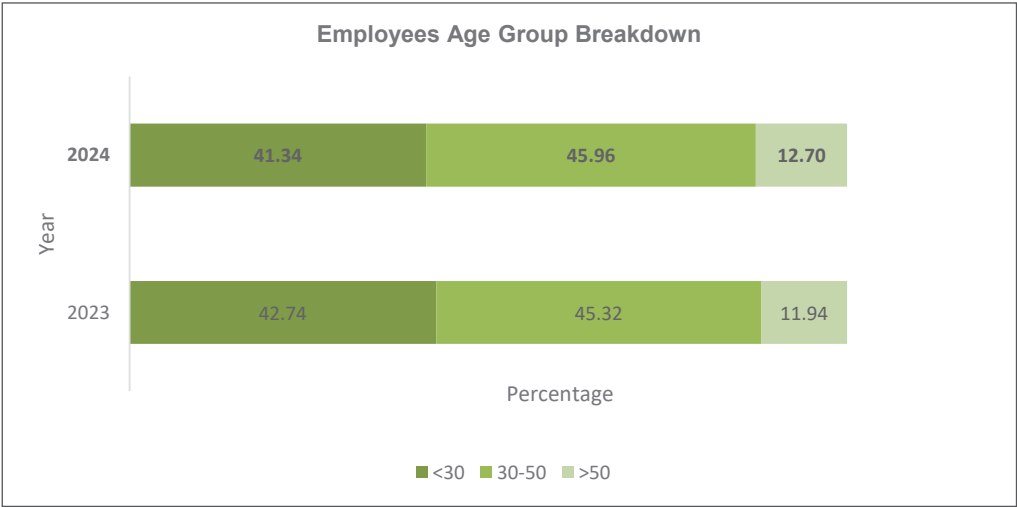
The Company's workforce reflects Malaysia's multi-cultural and multi-ethnic diversity, encompassing a wide range of demographic segments and social backgrounds across all levels of the organization. We uphold a strict non-discrimination policy, ensuring equal opportunities regardless of race, gender, age, religion, or nationality, and maintain a zero-tolerance stance on workplace harassment.

The representation of females on the Board of Directors ("Board") at 16.77% illustrates the Company's dedication to fostering diversity and inclusion in top leadership positions, while 83.33% of Board members are aged 50 and above. At the employee level, 63.20% of our workforce is female, and 36.80% is male, reflecting the nature of our core business in fashion and beauty, particularly within department stores. Our team maintains a balanced age distribution, with 45.96% of employees aged 30-50, and 36.40% of this group holding executive positions.

We also employ part-time staff, including students and retirees, who are compensated hourly under part-time regulations, as well as temporary staff receiving monthly wages. Additionally, indirect staff, managed by vendors, contribute to our operations on-site.

Due to the demanding nature of the retail industry where long working hours contribute to higher turnover, we continuously implement strategies to attract and retain talent, ensuring operational stability and efficiency. In FY2024, total employee turnover remained relatively unchanged among executives at 70, while non-executive turnover declined from 1,107 in FY2023 to 920. This decrease may reflect improved retention strategies, enhanced workplace engagement, and expanded career development opportunities.





Employees Category (%)		
	2023	2024
Indirect (vendors)	66.97	66.24
Part-time/Temporary	2.39	2.78
Permanent	30.64	30.98

Age Group by Employee Category (%)						
	2023			2024		
	<30	30 – 50	>50	<30	30 – 50	>50
Executive	15.26	59.77	24.97	13.40	59.53	27.07
Non-executive	53.28	39.77	6.95	52.27	40.66	7.07

Total Turnover by Employee Category		
	2023	2024
Executive	69	70
Non-executive	1,107	920

- Community Relations/Corporate Social Responsibility (“CSR”)**

In keeping with our philosophy of giving back to the community, the Company focuses on helping to uplift the community via Lion-Parkson Foundation (the “Foundation”) established in 1990 by Lion Group of Companies, of which the Company is a member. The Company is also supporting the local community wherein it operates by participating in charity programmes and fundraising drives to assist those in need.

Empowerment through Education

We believe that Empowerment through Education is the key to sustainable development, as education serves as a catalyst for positive, long term change. Each year, the Foundation awards scholarships to undergraduates at local universities, providing them not only financial support but also training in essential soft skills such as problem-solving, communication and teamwork. Scholars are also offered internships at Lion Group companies, allowing them to gain invaluable work experience and prepare for their future careers,

In FY2024, the Foundation disbursed scholarships amounting to RM375,000 to 39 undergraduates pursuing their bachelor’s degree in local institutions of higher learning.

Expansion of Home for Special Children

As part of its ongoing support for vulnerable communities, the Foundation completed and officially handed over the expansion of the Home for Handicapped & Mentally Disabled Children in Banting, Selangor which includes an old folks home to the operator, Persatuan Penjagaan Kanak-Kanak Terencat Akal Negeri Selangor, on 23 January 2024.

Medical Assistance for the Less Fortunate

The Foundation is also dedicated to providing medical assistance to individuals in need, regardless of their race or religion. This includes financial support for those suffering from critical illnesses who require medical treatment, surgeries, as well as the purchase of necessary medical equipment and medications.

In FY2024, approximately RM304,803 was disbursed to 38 individuals for medical treatment, which included sponsorships for surgeries, equipment, and medications. The Foundation also made contributions to the following causes:

No	Organisation	Amount (RM)	Purpose	No of beneficiaries
1	Cataract Surgery Centre, Hospital Selayang	20,000	Donation to B40 group needing cataract operation	86
2	Home for Handicapped & Mentally Disabled Children in Banting, Selangor	20,422	Medical equipment and medicine for Home residents	94
3	St John Ambulance of Malaysia	228,380	Purchase of one ambulance, fully equipped with fabrication, medical equipment, and devices	Communities served by the ambulance services
4	The Spastic Children's Association of Selangor & Federal Territory	27,715	Donation of medical equipment for physiotherapy centre	130

Other CSR Initiatives

- Parkson facilitates store visits and tours for students of retail and business courses from local institutes; providing them and stakeholders with valuable insights and hands-on retail experience.
- Parkson Credit :
 - Organised a Blood Donation Drive, in collaboration with National Blood Centre at Lion Office Tower and collected 72 pints of blood.
 - Spent 153 man-hours planting 420 mangrove saplings at Kuala Selangor Nature Park to combat coastal erosion, fight climate change, and boost marine biodiversity.

Parkson Credit also donated to:

No	Organisation	Amount (RM)	Purpose	No of beneficiaries
1	Hong Leong Yamaha Alumni (HMLYA)	2,000	Zoo Visit Charity Programme @ Taiping Zoo	Pusat Pengurusan Penjagaan 1Malaysia, Perak & Yayasan Amanah An-Nur Maisarah, Perak
2	Zoo Negara	1,700	4 units of stone bench	Visitors to Zoo Negara
3	Lion-Parkson Foundation	30,000	Support activities by the Foundation	As mentioned under CSR section
4	Kuala Selangor Nature Park	23,162	Planting mangrove saplings	Public

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Executive	Percentage	82.31	32.87
Non-executive	Percentage	73.52	22.08
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	688,082.00	1,033,181.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	197	393
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Executive Under 30	Percentage	15.26	13.40
Executive Between 30-50	Percentage	59.77	59.53
Executive Above 50	Percentage	24.97	27.07
Non-executive Under 30	Percentage	53.28	52.27
Non-executive Between 30-50	Percentage	39.77	40.66
Non-executive Above 50	Percentage	6.95	7.07
Gender Group by Employee Category			
Executive Male	Percentage	39.80	39.64
Executive Female	Percentage	60.20	60.36
Non-executive Male	Percentage	36.16	35.69
Non-executive Female	Percentage	63.84	64.31
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	66.67	83.33
Female	Percentage	33.33	16.67
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	16.67	16.67
Above 50	Percentage	83.33	83.33
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	43,257.85	45,626.47
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.05 *	0.04
Bursa C5(c) Number of employees trained on health and safety standards	Number	2,142	1,557

Internal assurance External assurance No assurance

(*) Restated

SUSTAINABILITY PERFORMANCE DATA (continued)

Indicator	Measurement Unit	2023	2024
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Executive	Hours	16,515	16,138
Non-executive	Hours	42,316	18,644
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	69.36	69.02
Bursa C6(c) Total number of employee turnover by employee category			
Executive	Number	69	70
Non-executive	Number	1,107	920
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	98.03	99.67
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	130.740000	138.580000

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Statement, selected aspects/parts of this Sustainability Statement have been subjected to an internal review by the Company's internal auditors and the Statement has been reviewed by the Company's Audit Committee and approved by the Board.

The Materiality Matters covered are provided below:

Material Matters	Subject Matter
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category
	Percentage of operations assessed for corruption-related risk
	Confirmed incidents of corruption and action taken
Community/Society	Total amount invested in the community where the target beneficiaries are external to the Company
Diversity	Percentage of employees by gender and age group, for each employee category
	Percentage of directors by gender and age group
Energy Management	Total energy consumption
Health and Safety	Number of work-related fatalities
	Lost time incident rate
	Number of employees trained on health and safety standards
Labour Practices and Standards	Total number of hours of training by employee category
	Percentage of employees that are contractors or temporary staff
	Total number of employee turnover by employee category
Supply Chain Management	Proportion of spending on local suppliers
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and loss of customer data
Water	Total volume of water used