Care for Business

Driving Integrity & Accountability

We Care for Business

> "We drive sustainable solutions by fostering innovation and collaborating closely with our partners."

SUSTAINABILITY STATEMENT

S9 **Sustainable Supply Chain**

WITH OPERATIONS SPANNING ACROSS FOUR KEY GEOGRAPHIES - MALAYSIA, SINGAPORE, CHINA, AND TAIWAN - KELINGTON HAS ACTIVELY ENGAGED WITH OVER 1,500 GLOBAL AND LOCAL EXTERNAL PROVIDERS IN OUR SUPPLY CHAIN DURING FY2024, PRIMARILY CONSISTING OF MATERIAL SUPPLIERS AND SUBCONTRACTORS.

Given the diverse nature of our business, Kelington boasts a broad customer base spread across various geographies, primarily comprising multinational corporations committed to stringent standards in social, safety, health, and environmental practices. Aligning with these requirements, we ensure that our next tiers of suppliers and subcontractors uphold similar parameters.

Recognising the paramount importance of integrating sustainability into our operations, Kelington has embedded sustainability goals into our long-term strategy. We hold our external providers accountable for adhering to high standards, thereby fostering a cascade of sustainable practices throughout our supply chain.

Throughout FY2024, our focus remained steadfast on key areas including occupational health and safety, environmental protection, combating corruption, and upholding human rights. Additionally, we maintained rigorous tracking and monitoring mechanisms for local procurement, prioritising local sourcing whenever feasible to directly contribute to the economies of the regions where we operate.

Governance and Oversight

Kelington's executive management committee are actively engaged in overseeing sustainable supply chain initiatives. Biannual updates on sustainability performance are presented at board meetings to ensure alignment with our strategic objectives.

Sustainable Supply Chain Working Group ("SSCWG") comprising representatives from the local procurement team oversees the implementation and monitoring of supply chain sustainability practices. The SSCWG has been tasked with advancing sustainability initiatives and engaging with our selected key external providers through formal and informal channels, ensures that our policies and initiatives are effectively executed across all regions

Sustainable Supply Chain - Strategy and Policies

Kelington's sustainability goals focus on communicating ESG expectations to key external providers and supporting local procurement. We aim to ensure that all external providers comply with our ESG standards while maintaining local procurement at a minimum of 80%. Our Responsible Supply Chain Policy require suppliers to uphold high standards in ethics and corporate governance, environment , health and safety, human rights and labor practices.

Our key objectives include assessing the level of understanding among key external providers regarding sustainability practices and their ethical commitments, identifying any challenges they face in delivering supplies or services to our valued customers, managing supply chain risks and opportunities to ensure quality services and the fulfillment of contractual obligations, and providing assistance and support to help external providers advance their sustainability journey.

Through these efforts, we strive to build collaborative relationships, promote sustainable practices, and enhance the overall resilience and responsibility of our supply chain ecosystem. Kelington actively engages with suppliers through training programs, workshops, and collaborative projects to drive continuous improvement in sustainability practices.

Supply Chain Risk and Opportunities

Proactively identifying, assessing, and mitigating supply chain risks is central to our management approach. We foster a culture of continuous improvement, driving operational excellence and innovation across our supply chain while exploring opportunities to create positive impacts.

Key risks include environmental degradation, labor rights violations, and corruption. To address these, we conduct regular risk assessments, implement supplier audits (for high-risk external providers as needed), and enforce due diligence processes and risk assessment frameworks. Our key external providers undergo regular evaluations to ensure compliance with our sustainability standards.

At the same time, we recognise opportunities to enhance supply chain resilience and performance by collaborating with high-tech partners and external providers who share our commitment to sustainability. This includes promoting fair labour practices and driving innovation in sustainable technologies and manufacturing processes, and upholding our commitment to Safety, Health, Environment, and Quality ("SHEQ") as well as anti-bribery principles.
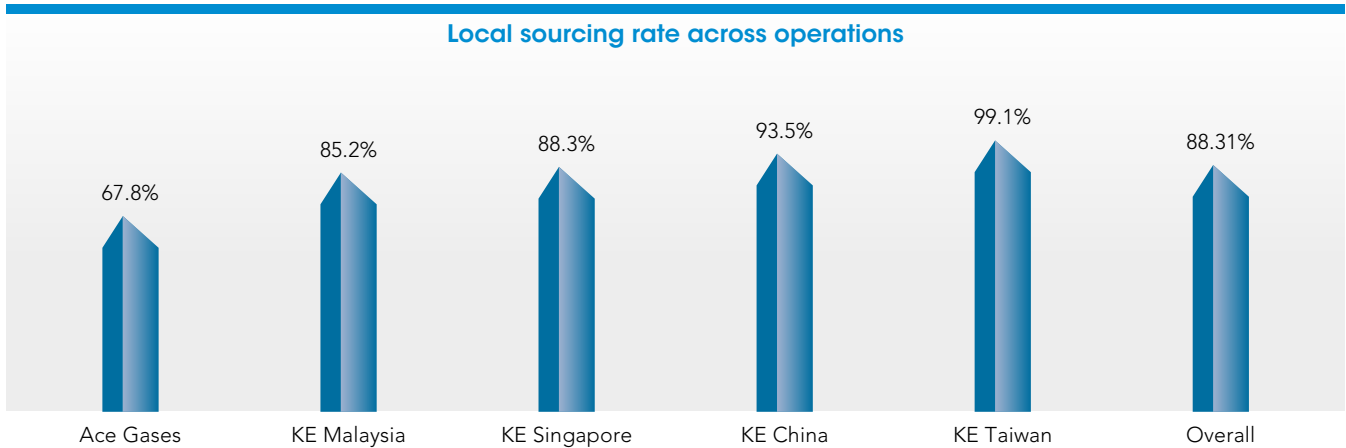
By integrating sustainability principles into our supply chain strategy, we aim to minimise environmental impact, uphold regulatory compliance, and meet customer expectations for responsible sourcing and ethical manufacturing. Through this balanced approach, we strengthen partnerships, drive long-term value creation, and build a more resilient and responsible supply chain ecosystem.

Supplier Sustainability & ESG Compliance

	Target 2030	Unit of measure	Progress		
			FY2022	FY2023	FY2024
(i)	Maintain at least **80%** local sourcing	%	90%	82.6%	**88.3%**
(ii)	Ensure **100%** key external providers trained on Kelington's expectations.	%	31%	86%	**51%**
(iii)	Achieve **Zero** major non-compliance Incidents related to ESG aspects within our supply chain.	unit	Zero	Zero	**Zero**

SUSTAINABILITY STATEMENT

Commitment to Local Sourcing and Supplier Engagement

Local sourcing rate across operations

Ace Gases	KE Malaysia	KE Singapore	KE China	KE Taiwan	Overall
67.8%	85.2%	88.3%	93.5%	99.1%	88.31%

At Kelington Group, we actively prioritise local sourcing to support homegrown businesses, drive economic growth, and maintain strong community relations. We seek opportunities to procure materials and services locally, providing favorable supply conditions such as flexible payment terms, technical assistance, and guidance to smaller external providers. Since our inception, we have nurtured lasting partnerships with local suppliers, leveraging our innovation network to drive sustained growth.

In FY2024, Kelington maintained a strong focus on local sourcing, with 88.3% of our suppliers being locally sourced. We engaged with more than 1,500 external providers and identified 68 key external providers who also serve our high-end multinational customers. As part of our ongoing commitment to enhancing supply chain sustainability, 35 key external providers participated in training sessions where we communicated our expectations, and 41 external providers submitted supplier due diligence questionnaires. These initiatives provided valuable insights into the ESG compliance levels across our key external providers, reinforcing our dedication to responsible and sustainable sourcing practices while effectively leveraging our current human resources.

To uphold the highest standards of integrity and corporate governance, Kelington has implemented adequate procedures that require all external providers to acknowledge reading and understanding our company's policies. Additionally, we request our external providers to sign an integrity pledge, reinforcing our shared responsibility in promoting ethical business practices and ensuring alignment with our values and expectations. These measures further enhance transparency and accountability, fostering a culture of trust and integrity throughout our supply chain.

As at 31 December 2024, we have received accumulated 618 integrity pledges and 718 external provider declarations, reflecting our ongoing commitment to promote ethical business practices and enhancing transparency across our supply chain.

Bridging ESG Gaps in the Supply Chain: Empowering Local Subcontractors for Sustainable Growth

One of the significant challenges we face in supply chain management is the lack of resources among local subcontractors to effectively manage ESG initiatives. These subcontractors often prioritise cost control and project execution over sustainability efforts, which can lead to gaps in meeting our ESG standards. Addressing this challenge requires targeted support and training for local subcontractors to build their capacity in ESG management, ensuring that all parts of our supply chain can contribute to our sustainability objectives.

Kelington remains committed to fostering sustainable practices across our supply chain, supporting local economies, and ensuring compliance with high ESG standards. Our efforts are focused on building resilient, responsible partnerships that drive long-term growth and sustainability.

S11 Governance & Ethics

Sound Corporate Governance

Sound corporate governance is a material topic for Kelington, forming the basis for ensuring long-term viability and business growth. Kelington is committed to delivering sustainable value to our stakeholders, guided by the Malaysian Code on Corporate Governance. We ensure that the principles and best practices of good corporate governance are applied throughout the Group.

Our corporate governance framework and practices, detailed in the Corporate Governance Overview Statement on pages 137 to 165 of the Annual Report, demonstrate robust board and management accountability to our stakeholders.

Commitment to Governance and Ethics

Kelington remains dedicated to upholding the highest standards of governance and ethics. Our objectives for FY2024 focus on strengthening our internal policies, enhancing training and communication, and maintaining a culture of integrity across the organisation.

Managing Corruption Risk

To effectively manage corruption risk, we have implemented a structured approach that includes:

Corruption Risk Assessment

At least once every three years, Kelington Group Berhad engages independent external consultants to conduct a comprehensive corruption risk assessment across the organisation. This process ensures that potential risks are systematically identified and addressed at a strategic level.

Enterprise Risk Management & Internal Audit

As part of our ongoing risk management efforts, we engaged external consultants to conduct Enterprise Risk Management assessments and internal audits across our main subsidiaries in Malaysia, Singapore, and China. These assessments cover ESG risks, including corruption-related risks, ensuring that anti-corruption measures are effectively implemented and continuously improved.

As at 31 Dec 2024, Kelington Group do not have any active projects in countries ranked among the 20 lowest in Transparency International's Corruption Perceptions Index.

Business Ethics and Policies

In adherence to the principles of sound corporate governance, the Board promotes a culture of integrity and ethical values. Kelington has established a Code of Ethics and Conduct, which includes the Whistleblowing Policy and No Gift Policy. This Code is applicable to all directors, employees within the Group, and third parties performing works or services for and on behalf of the Company. It governs the standard of behavior and ethical conduct expected from each individual to whom it applies.

Kelington has enforced several company codes and policies that establish the rules of conduct within the organisation, serving as the main points of reference for all who work for and with us. These codes and policies are available on the Company's website.

Board Policy

Board Diversity Policy

Remuneration Policy

Corporate Code and Policies

Risk Management Policy

Anti-Bribery and Corruption Policy

Whistleblowing Policy

Code of Ethics and Conduct for employees and third parties

Corporate Disclosure Policy

Conflict of Interest Policy

Fit and Proper Policy

External Auditors Policy

Sustainability Policies

Sustainable Development Position Statement

Environmental Policy

Community Investment Policy

Diversity, Equity and Inclusion Policy

Human Rights Policy

Responsible Supply Chain Policy

Safety and Health Policy

Quality Policy

Drug Free Environment Policy

Sexual Harassment Policy

SUSTAINABILITY STATEMENT

Annual Ethics Training

To reinforce the importance of ethical behavior, promote a culture of ethics, and mitigate risk, Kelington requires annual awareness training on ethics. In FY2024, the percentage of employees who received training on the Anti-Bribery and Corruption ("ABC") policy and risk management is detailed below:

	Malaysia	Singapore	China	Taiwan
Director and Senior management	100%	100%	100%	100%
Middle management	100%	100%	100%	100%
Engineers / Executive	100%	100%	100%	100%
Operators / Technicians / Non Executive	100%	100%	100%	100%

Risk Management: Our Approach to a Better Business

Kelington integrates material sustainability topics into our overall risk management framework by identifying specific risks, opportunities, and key priorities to drive our strategic decisions. Sustainability risks are assessed from three key perspectives: firstly, by evaluating risks arising from external sources such as environmental trends, stakeholder expectations, and legal or regulatory developments; secondly, by assessing the potential social and environmental impacts of our operations; and thirdly, by identifying and reviewing new and emerging risks, both from external sources and within our organisation.

Examples of ESG-related risks considered in our risk profile include workplace injuries, waste and hazardous material disposal, collusion frauds, and supply disruption. More details on our risk management process can be found in the Annual Report on page 175.

Whistleblowing and Incident Reporting

Violations of any codes and policies can be reported through established mechanisms.

Application	Mechanisms
• Employee to raise their grievance in matters involving work relations and conditions.	**Grievance Procedures email:** grievance@kelington-group.com
• Member of the Public to raise any concern or complaint in their dealing with or in relation to Kelington Group.	**Grievance Procedures Hotline:** +603 7845 8751
• Stakeholder / Public to report wrongdoings by any employees in the conduct of Kelington's business or affairs.	**Whistleblowing Email:** ccid@kelington-group.com

In FY2024, no whistleblowing incidents were reported, reflecting the effectiveness of our policies and the commitment of our employees to uphold ethical standards.

Targets and Metrics

Target 2030	Unit of measure	Progress		
		FY2022	FY2023	FY2024
Prevention of Corruption and Bribery				
(i) **Zero**-incidence record for corruption and bribery cases, ensuring a continued commitment to ethical business practices.	unit	Zero	Zero	**Zero**
Employee Training on Anti-Bribery and Corruption (ABC) Policy and Risk Management				
(ii) Ensure **100%** of employees are trained on the ABC Policy and risk management.	%	100%	100%	**100%**
Corruption Risk Assessment				
(iii) Corruption-related risks are reviewed annually or/and periodic full assessments conducted where necessary, or at least once every three years.	% of operations reviewed annually for corruption risks / undergoing full corruption risk assessment	100%	100%	**100%**

By setting these clear targets and metrics, Kelington reaffirms its commitment to sound corporate governance and high ethical standards, promoting transparency and accountability throughout the organisation.

In FY2024, there were no reported incidents of corruption and bribery; no employee dismissed due to non-compliance with ABC Policy; and no fines, penalties or settlements made in relation to corruption. Kelington Group also confirm that no political contributions were made during the year.

S12 Economic Growth & Profitability

This journey reflects Kelington's resilience, strategic growth, and commitment to sustainability, driving outstanding financial and operational achievements:-

Our Journey Towards Sustainability for a Greener Growth		Revenue RM'000
2012	Amid reduced capital expenditure in the global semiconductor industry, we recognised our revenue's overreliance on this sector.	116,168
2016	Ventured into industrial gas supply, complementing our strong engineering portfolio.	343,344
2021	In 2021, Kelington navigated challenging global conditions due to the COVID-19 pandemic while achieving record-high financial performance. The Group introduced Sustainability Policies and Guidelines, established a groupwide sustainability governance framework, and set a baseline for sustainability management. Additionally, Kelington was included in the FTSE4Good Bursa Malaysia Index and Shariah Index, reflecting its commitment to sustainable practices.	517,825
2022	Kelington experienced its most successful year yet, surpassing RM1 billion in revenue for the first time and securing record-breaking contracts. The Group also began developing a new on-site gas supply scheme to serve a semiconductor giant in Kulim, Kedah.	1,278,837
2023	Despite a downturn in the semiconductor market, Kelington achieved another record-breaking year with RM1.6 billion in revenue and surpassed RM100 million in net profit for the first time, marking a new financial milestone.	1,614,449
2024	Beyond our integrated engineering services, the industrial gases market remains a key growth avenue. The Group is actively exploring opportunities to enter the CCUS sector, reinforcing its commitment to sustainability and innovation in industrial gas solutions.	1,272,169

SUSTAINABILITY STATEMENT

Kelington's business success is built on the principle of sustainable, long-term value creation for all stakeholders. This is achieved by maintaining leadership in our core markets, embracing innovative technologies, leveraging the expertise of our workforce to address evolving customer needs, and strategically expanding into new markets. Our robust economic performance provides a solid foundation for consistently delivering excellence to our customers while driving sustainable growth. Detailed insights into our business model can be found on pages 22 to 23 of this Report.

Kelington's economic performance is underpinned by the effective utilisation of six interconnected capitals: Financial, Manufactured, Intellectual, Human, Social, and Natural. These capitals are central to our ability to create and deliver value. Guided by our commitment to sustainability, we implement targeted initiatives to enhance long-term value creation while minimising environmental and social impacts, in line with our ESG priorities.

For a detailed review of our economic performance, please refer to the audited financial statements and the Management Discussion and Analysis section in our FY2024 Annual Report.

S13 Quality Products and Services

Kelington serves a diverse range of customers across various industries, all of whom demand high-quality products and services. Our commitment to excellence is demonstrated through our meticulous approach to work, which includes Ultra High Purity ("UHP") systems, construction management, and industrial gases supply. We prioritise safety, cost control, timely delivery, and precise specifications in all projects to meet and exceed client expectations.

Our Industrial Gas division reinforces our commitment to quality by ensuring that Liquid Carbon Dioxide ("LCO$_2$"), electronic gases, and all industrial gases meet the highest standards, tailored to the specific needs of our clients.

Commitment to Quality and Customer Satisfaction

At Kelington, we are dedicated to upholding the highest quality standards across our operations. Through internationally recognised certifications, stringent quality management practices, and continuous customer feedback, we ensure the consistent delivery of high-quality products and services.

Our Business Operations	Certification
Malaysia - Engineering	**ISO 9001:2015**
Malaysia - Ace Gases	**ISO 9001:2015, FSSC 22000, Halal certification (Jakim)**
Singapore - Engineering	**ISO 9001:2015**
China - Engineering	**ISO 9001:2015**
China - Manufacturing	**ISO 9001:2015, SEMI S2-0810E, SEMI S8-0218, equipment bears the CE marking**
Taiwan - Engineering	**ISO 9001:2015**

Risk and Opportunities related to Quality Products and Services

At Kelington, we recognise that maintaining high-quality products and services is essential for sustaining customer trust, protecting our reputation, and ensuring long-term business success.

We acknowledge that customer dissatisfaction and loss of trust can arise from low-quality products or unreliable services, potentially harming our brand reputation and customer retention. Poor product or project quality may also lead to financial losses and reputational damage.

To mitigate these risks, we prioritise stronger supply chain partnerships by working with qualified external providers to ensure consistent quality and long-term business resilience. Additionally, we continuously expand our engineering solutions to reduce environmental impact, enhancing brand value and attracting environmentally and socially conscious customers.

By embedding these principles into our operations, we reinforce our commitment to delivering high-quality, sustainable solutions that meet evolving market and regulatory expectations.

Management Approach to Quality

To consistently uphold high-quality standards, Kelington adheres to international quality and food safety standards:

Quality Management Systems: Our Engineering division, responsible for project management and construction, is ISO 9001 certified, demonstrating our dedication to quality management practices.

Food Safety and Quality Certifications: Our Industrial gas manufacturing business, particularly serving the Food & Beverage industry, holds ISO 9001, FSSC 22000, and Halal certifications. These certifications underscore our commitment to food safety, quality, and compliance with religious dietary requirements.

Ensuring Product and Service Excellence

We rigorously monitor and maintain product quality, ensuring compliance with the highest industry standards. Our Standard Operating Procedures are meticulously developed in alignment with our quality certifications to uphold consistency and excellence.

To drive continuous improvement, we actively gather customer feedback through non-conformity reports and corrective action requests, allowing us to identify and address quality concerns proactively.

Customer satisfaction is fundamental to our business continuity. By consistently meeting and exceeding customer expectations, we strengthen long-term relationships and secure both new and repeat business.

Customer Satisfaction Survey

Our customer satisfaction survey serves as a key tool to evaluate the critical factors influencing customer in their choice of a business partner or long-term supplier. The survey assesses performance across several key areas:

- Timeliness and Reliability of Product/Service Delivery
- Quality of Products and Services
- Responsiveness to Customer Needs
- Communication with Customers
- Compliance with Safety and Environmental Standards

By systematically analysing customer feedback, we continuously refine our practices, enhance service delivery, and drive sustainable business growth.

SUSTAINABILITY STATEMENT

Targets and Metrics

Customer satisfaction rate is a valuable metric for Kelington Group to assess the quality of our products and services, as it directly reflects how well we meet customer expectations. To further demonstrate our commitment to quality, we aim to maintain or achieve a minimum average score of 90% in our annual customer survey.

Target 2030 Maintain an average score of at least **90%**	Progress		
	FY2022	**FY2023**	**FY2024**
Engineering Division - Customer Satisfaction Rate	93%	94%	**94%**
Industrial Gas Division - Customer Satisfaction Rate	86%	82%	**85%**
Average Customer Satisfaction Rate	91%	88%	**92%**
Engineering Division - Number of completed Customer Satisfaction Surveys	40	47	**68**
Industrial Gas Division - Number of completed Customer Satisfaction Surveys	22	41	**24**
Total number of completed Customer Satisfaction Surveys	62	88	**92**

S14 Technology & Innovation

At Kelington, technology and innovation are at the core of our business strategy, driving operational excellence, sustainability, and competitive differentiation in the semiconductor and industrial gases sectors.

Engineering Excellence in Ultra High Purity Systems

Since 2000, Kelington has been a leader in engineering and installing Ultra High Purity ("UHP") systems designed to meet the stringent requirements of the semiconductor and biotechnology manufacturing sectors. Our expertise extends across various high-tech applications, including wafer fabrication, LCD TFT production, biotechnology, pharmaceuticals, solar cells, and industrial gases.

Precision in gas and chemical purity is paramount in these industries, and Kelington stands out by seamlessly integrating advanced engineering capabilities with a comprehensive understanding of gas and chemical dynamics. This approach ensures we meet the rigorous demands of our clients while maintaining the highest standards of safety and quality.

Commitment to Innovation and Sustainability

Kelington's commitment to technology and innovation is embedded in our strategic investments and continuous operational advancements. These initiatives are designed to enhance efficiency, reduce costs, and minimise environmental impacts, ensuring that we not only meet but exceed industry standards. Our Technology and Innovation framework cultivates a culture of creativity, empowering every member of our workforce to drive excellence and foster groundbreaking solutions at all levels of the organisation.

Our commitment to innovation and environmental stewardship is exemplified by our Carbon Dioxide Recovery Plant, which reflects our dedication to sustainable industrial practices. This facility captures waste gases from industrial processes and transforms them into high-quality liquid CO_2, reducing emissions while creating valuable resources for various applications.

By combining cutting-edge technology, sustainable solutions, and engineering expertise, Kelington continues to drive excellence and innovation across diverse industries, reinforcing our position as a trusted partner in the global market.

The Founder and CEO spearhead our innovation initiatives, overseeing them through the Executive Management Committee. This leadership structure ensures that innovation is aligned with Kelington's corporate goals and ESG priorities, guiding our business towards sustainable, long-term growth and value creation.

Enhancing Gas Supply Equipment & Existing Technology

We continuously enhance our gas supply equipment and bulk gas systems, including Hydrogen ("H_2"), Hydrogen Chloride ("HCl"), Nitrogen Trifluoride ("NF_3"), and Trichlorosilane ("TCS"). These improvements optimise operational efficiency, enhance process reliability, and ensure safe handling.

Heating Induction Technology ("HIT") Integration

We advance Heating Induction Technology for gases such as Ammonia ("NH3"), Tungsten Hexafluoride ("WF6"), and Hydrogen Fluoride ("HF"), improving energy efficiency and process reliability while reducing environmental impact.

Chemical Equipment Technology Advancements

Kelington develops high-performance chemical equipment, including:

- High-flow batch blender and inline blender for improved chemical processing efficiency.
- Self-priming transfer dispense systems that minimise waste and enhance operational safety.
- Ultrapure and high-efficiency heat exchangers that optimise energy consumption and extend equipment lifespan.
- NH4OH Generator, converting NH3 99.99% to NH4OH 29%, ensuring high-purity solutions bringing significant cost saving for clients' operations.

Scalable Product Development & Strategic Collaborations

We collaborate with our valued clients to innovate products that enhance efficiency in operations, construction, and safety. IVTECH, a trademarked brand in Singapore, represents our innovations, with Kelington owning the intellectual property to commercialise these products in industrial markets.

Aligned with Kelington's direction, we prioritise the development and launch of scalable products that support sustainability goals, ensuring long-term business growth while minimising resource consumption.

Our collaborations with international stakeholders drive innovation in various areas, including tools, components, and equipment for improving operational efficiency. We also focus on greenhouse gas treatment, exhaust gas abatement, energy storage systems, and carbon capture technologies. These initiatives reflect our commitment to sustainability and technological advancement, delivering long-term environmental and operational benefits.

Additionally, strategic partnerships with leading technology providers strengthen our cybersecurity measures, ensuring robust protection of digital assets.

SUSTAINABILITY STATEMENT

Digital Transformation, Automation & Cybersecurity
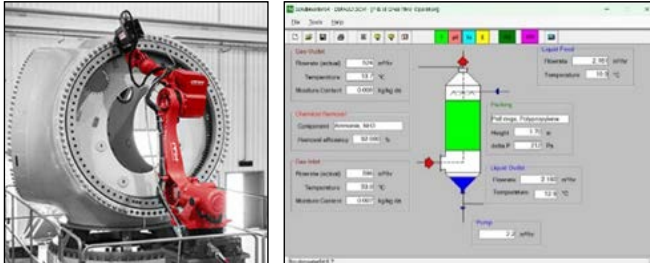
Digitalisation is a cornerstone of Kelington's strategy, driving productivity, cost efficiency, and enhanced business performance. We integrate advanced digital tools, automation, and cybersecurity measures to optimise operations, enhance precision, and improve sustainability.

Engineering & Process Automation

- **Simulation Software for Design Optimisation:** We Utilise *Arrow* and *AFT Fathom (a flow analysis software for piping and ducting systems)* for fluid dynamics analysis to enhance gas and chemical flow efficiency. *ScrubMater (a module for simulating scrubber performance in gas flow systems)* improves emissions control, ensuring regulatory compliance.
- **Semi-Automated Devices for Bolt Tightening:** Improves quality, safety, and precision while reducing human error and material waste, aligning with our ESG goals.
- **Centralised Off-Site Manufacturing ("COSM"):** Our COSM approach enhances efficiency, reduces construction-related emissions, and ensures higher quality control, resulting in cost savings, time efficiency, and sustainability gains.

Enterprise Digitalisation & Cybersecurity

From CAD software and Building Information Modeling ("BIM") for engineering projects to AFT Fathom and AFT Arrow for advanced fluid flow and gas system analysis, Kelington integrates cutting-edge digital tools to enhance system design and performance. Additionally, ScrubMater supports optimised scrubber system modeling, while Enterprise Resource Planning (ERP) systems enable real-time decision-making. These technologies collectively drive efficiency, innovation, and precision across Kelington's operations.

In FY2024, we conducted cybersecurity risk assessments, prioritising threats to critical operations, intellectual property, and client data. Key security measures include:

- Network segmentation for enhanced data protection;
- Encryption protocols ensuring secure communications; and
- Data loss prevention strategies to safeguard sensitive information.

These efforts resulted in zero privacy complaints or data breaches, reinforcing our commitment to cybersecurity and regulatory compliance.

	Target 2030	Unit of measure	Progress		
			FY2022	FY2023	FY2024
(i)	**Zero** Material Data Loss or Data Breach Incidents Annually	unit	Zero	Zero	**Zero**
(ii)	**Zero** substantiated complaints concerning breaches of customer privacy and losses of customer data	unit	Zero	Zero	**Zero**

Research and Development ("R&D")

To remain competitive in high-tech industries, we have invested significantly in R&D, spending RM3.05 million in FY2024 alone. Our R&D center in Chuzhou, China, focuses on developing innovative UHP equipment. Achievements include the development of specialty gas cabinets and high-low temperature-controlled exchangers, with two patents filed. These innovations earned SEMI S2 and SEMI S8 certifications, positioning Kelington as a qualified vendor for major wafer fabrication customers.

Continuous Improvement

Kelington continuously adapts to market dynamics and customer needs by fostering a culture of continuous learning. Through workshops, training, and industry collaborations, we remain at the forefront of emerging technologies, ensuring agile responses to evolving challenges.

By integrating cutting-edge technology, sustainable solutions, and engineering expertise, Kelington continues to drive excellence and innovation across diverse industries, reinforcing our position as a trusted partner in the global market.