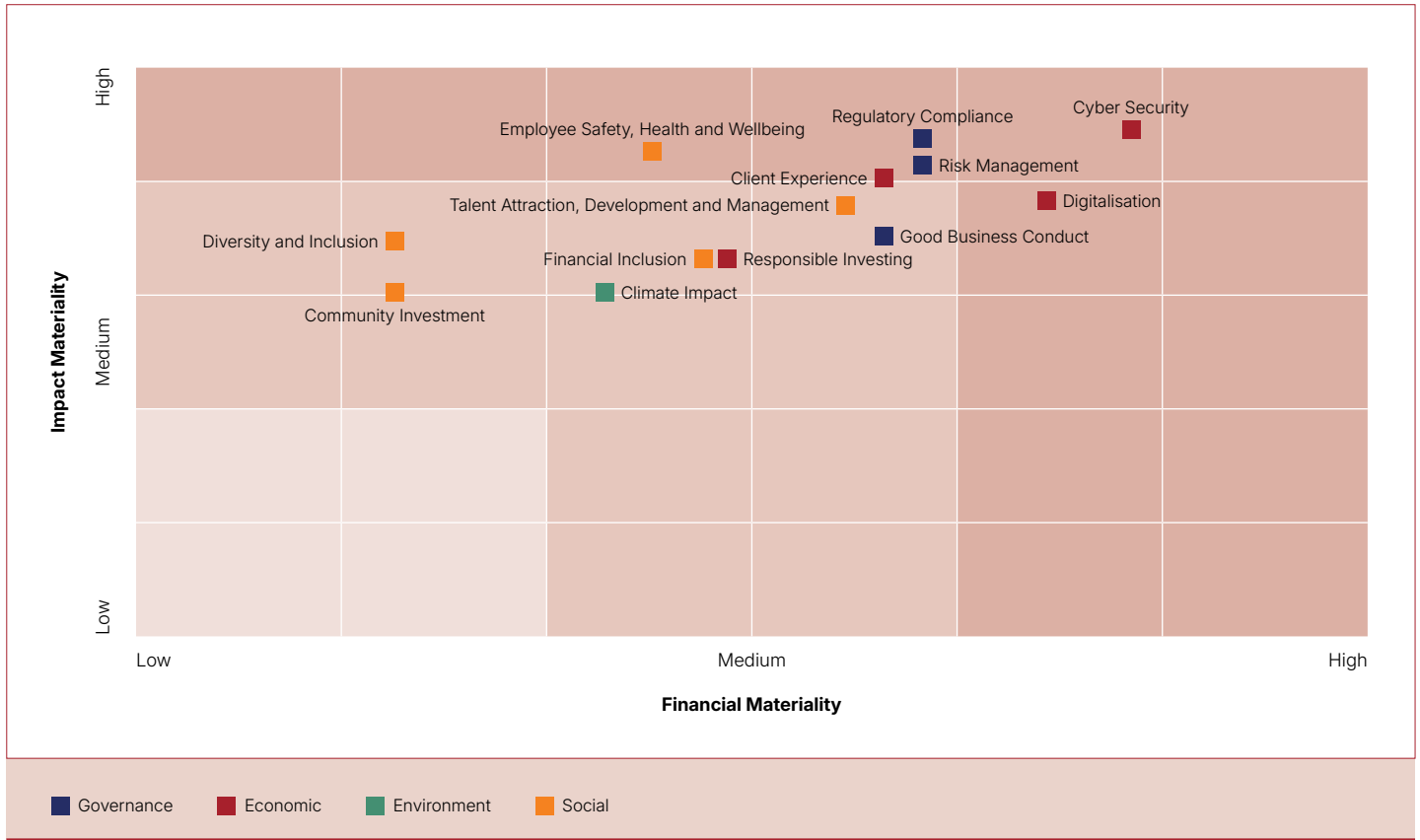


OUR APPROACH TO SUSTAINABILITY

KENANGA'S DOUBLE MATERIALITY MATRIX



Through the double materiality assessment, we identified 13 material matters that were subsequently endorsed by the KIBB Board of Directors following review by the Group Sustainability Management Committee. The Group's sustainability-related risks and opportunities ("SROs") are derived from these material matters that may influence the Group's resilience, financial prospects and broader impacts within a regulated financial market.

High Medium Low

**High Financial Impact - High Impact Materiality**

*Material Topic(s):*

- Cyber Security

Cyber security is Kenanga's most material issue due to its direct financial impact and potential for data breaches to undermine client trust and market confidence. As a financial institution, maintaining strong cyber resilience is essential to protect customer data, ensure uninterrupted operations and uphold stakeholder trust. Addressing technology and operational risks arising from cyber threats strengthens Kenanga's ability to deliver secure, reliable digital services, ultimately enhancing its competitive position and reinforcing client confidence and loyalty.

## OUR APPROACH TO SUSTAINABILITY

**↑ High Financial Impact - Medium Impact Materiality***Material Topic(s):*

- Digitalisation

Digitalisation is vital to Kenanga's competitiveness, driving client acquisition, operational efficiency and cost optimisation. Although its external impacts are moderate, stakeholders view digital readiness as essential for long-term resilience and innovation. Rapid digital transformation introduces technology and operational risks, including system vulnerabilities and changing processes. Strengthening digital capabilities enhances enterprise productivity, service quality and client engagement through modern, secure and scalable platforms.

**Medium Financial Impact - High Impact Materiality ↑***Material Topic(s):*

- Regulatory Compliance
- Employee Safety, Health and Wellbeing

Regulatory compliance is central to safeguarding Kenanga's licence to operate and preserving financial market integrity. Although direct financial impact may be moderate, non-compliance creates significant regulatory, legal and supervisory risks that can erode trust and destabilise stakeholder confidence. Employee safety, health and wellbeing also carry high societal impact, with poor management posing operational risks such as workplace incidents, reduced productivity and higher turnover. Limited support for holistic wellbeing adds sustainability risks affecting long-term workforce resilience. Because these areas are closely monitored by regulators, employees and investors, strong compliance, safety and wellbeing practices are vital to sustaining organisational performance and credibility.

**Medium Financial Impact - Medium Impact Materiality***Material Topic(s):*

- Risk Management
- Client Experience
- Responsible Investing
- Talent Attraction, Development and Management
- Financial Inclusion
- Climate Impact
- Good Business Conduct

These topics collectively underpin the Group's resilience and value creation. Strong governance, responsible investing, inclusive financial services and a high-quality client experience strengthen stakeholder confidence. Talent development and workforce capabilities ensure long-term performance, while climate impact and good business conduct align the Group with regulatory expectations and resilient operation practices.

**↓ Low Financial Impact - Medium Impact Materiality***Material Topic(s):*

- Community Investment
- Diversity and Inclusion

Although they carry lower financial implications, community investment and diversity and inclusion deliver high social value. These topics reflect Kenanga's broader role in supporting equitable growth, fostering inclusion and contributing to community wellbeing, areas which are increasingly important to employees, civil society and the public.

All these material matters inform the Group's evolving SRO landscape, strengthening our ability to navigate regulatory expectations, anticipate sustainability-driven market shifts and strategically allocating resources. The prioritisation of these SROs ensures that we focus on the most material drivers of long-term value creation while we remain aligned with the National Sustainability Reporting Framework and applicable global ESG standards. In 2026, we will perform a comprehensive double materiality assessment to strengthen our alignment with IFRS S1 and IFRS S2, with an emphasis on financially-material SROs. This will also set the foundation for refining our next sustainability strategy.