



# SUSTAINABILITY STATEMENT

## ABOUT THIS STATEMENT

The Group recognises its responsibility to all stakeholders and is committed to reporting its social and environmental performance regularly and transparently.

This Sustainability Statement provides an overview of the Group's sustainability approach and 12-month performance from 1 January to 31 December 2022. It provides insight into how the Group manages its material sustainability risks, issues and opportunities to create economic, environmental and social value.

## FRAMEWORK AND STANDARDS

This Sustainability Statement follows the Global Reporting Initiative (“GRI”) Standards: Core Option. It is also closely aligned with the recommendations of other sustainability disclosure guidelines, including Bursa Malaysia’s Sustainability Reporting Guide, FTSE4Good Bursa Malaysia ESG Index, the United Nations Sustainable Development Goals (UNSDGs) and the International Organization for Standardisation (ISO) 26000:2010 Guidance on Social Responsibility.

## SUSTAINABILITY GOVERNANCE

Wah Seong Corporation Berhad (“WSC”) has included Environmental, Social and Governance (ESG) factors as a strategic consideration in the decision-making process. Department heads are responsible for identifying, assessing and mitigating current and potential ESG risks.

The Board of Directors has the overall responsibility for sustainability and considers ESG matters in the Group’s strategy development. ESG matters that affect value creation are included in the balanced scorecard, which helps set objectives, drive behaviours, measure performance and determine remuneration.

The Deputy Managing Director heads the Group’s Sustainability Steering Committee with support from the Group Strategy Department and oversees the execution of WSC’s sustainability strategy in day-to-day operations. The Chief Strategy Officer also sits on the Sustainability Steering Committee. Sustainability is on the agenda for these quarterly meetings.

## REPORTING SCOPE AND BOUNDARIES

The scope of the Sustainability Statement for FY2022 covers the entire WSC organization and its subsidiaries.

WSC reports on an ‘operational control’ basis, focusing on subsidiaries, assets, offices and activities where WSC is the operator and has management control over policies and practices.

## REPORTING APPROACH

This statement summarises the sustainability performance of WSC Group. In defining the content, WSC:

- Applied the GRI reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness; and
- Considered accuracy, balance, clarity, comparability, reliability and timeliness.

WSC developed the content according to defined material topics following a review of the overall sustainability risks and opportunities determined by macroeconomic analysis, sustainability trends, and senior management input. Stakeholders’ views, concerns and key expectations also shaped the materiality assessment. This assessment helped the Group realign its sustainability strategy while ensuring the transparent coverage of critical topics.

Guided by the Malaysian Green Technology and Climate Change Corporation (MGTC), the GHG emission calculations and inventory framework include a boundary review, setting the baseline inventory and reviewing the GHG mitigation plan.

## SUSTAINABILITY DATA AND DISCLOSURE

WSC has not externally assured the contents of this statement. However, the management and dedicated internal resources reviewed the completeness and accuracy of the data and information. The senior leadership team oversaw the statement’s preparation, assembly, and drafting, complementing the significant data-collection resources to ensure accuracy.

## SUSTAINABILITY STATEMENT FEEDBACK

WSC welcomes your feedback on this statement and how to improve our sustainability performance. Please send your comments or questions to Teoh Chuen Seng, Senior Manager ESG at [chuenseng.teoh@wascoenergy.com](mailto:chuenseng.teoh@wascoenergy.com).

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY ACROSS OUR OPERATIONS

WSC delivers sustainable value for all stakeholders safely, securely and in a socially responsible manner by:

- Reducing the environmental footprint through the life cycle developments; and
- Bringing social and economic benefits for people associated with business operations in line with WSC's shared values.

WSC integrates sustainability throughout the business on three levels.



### SUSTAINABILITY POLICY

At WSC, sustainability is about delivering value for all our stakeholders in a responsible manner, balancing short and long-term interests that integrates economic, environment and social considerations into our business strategy. Wherever possible, we will implement and maintain accredited management systems for corporate sustainability to drive performance and improvement by focusing on our business processes, our culture, and our digital agenda – all underpinned by a strong governance structure.

To achieve these goals we will;

- Ensure that our safety values remain a top priority, ensuring that nobody gets hurt, no damage to property and no harm to the environment.
- Generate financial gains aligned to the needs of our stakeholders.
- Employ a diverse workforce and provide a work environment where everyone is treated fairly, with respect and can realise their full potential.
- Implement actions within our own business and other stakeholders to accelerate the transition to net-zero emissions.
- Manage our businesses efficiently through embracing digitalisation and innovation.
- Conduct our business in an ethical and transparent manner.
- Safeguard human rights within our sphere of influence.
- Contribute to the well-being of local communities wherever we operate.
- Periodically review our performance and implement appropriate actions for continuous improvement





In implementing this Policy, we will support and advance the United Nation's Sustainable Development Goals focusing our efforts on those that align with our aims in order to make the most impactful contribution.

We will engage with our employees, contractors, suppliers, customers, and business partners in sharing responsibility for meeting these goals.

## OUR UNSDG ALIGNMENT

The 17 UNSDGs are at the core of the 2030 Agenda for Sustainable Development. The goals intend to end poverty, protect the planet and ensure prosperity for all. WSC is aligned with the UNSDGs and committed to contributing to their framework to enhance sustainable initiatives. The Group also calls on all its partners across the business to collaborate on achieving these goals.

While our activities touch on nine of the seventeen goals, we have identified four UNSDGs that impact our sustainability strategy where we can make the most contributions in these areas.







Goals	Our Commitment	Progress and Achievements
	<ul style="list-style-type: none"> <li>Provide a safe and healthy workplace for our employees and contractors by embracing internationally recognised HSE Management Systems, namely ISO 45001:2018 for Health &amp; Safety and ISO 14001:2015 for the environment.</li> <li>Achieve Zero Lost-time Incidents (LTI).</li> </ul>	<ul style="list-style-type: none"> <li>All sites in the organisation either have been or are being certified with the ISO 45001:2018 for Health &amp; Safety and ISO 14001:2015 for the Environment.</li> <li>On-going implementation of i-Start initiative to enable a safety culture transformation.</li> <li>Tracking leading and lagging KPIs and taking action for continuous improvement.</li> <li>Performing periodic inspections, audits, and safety observations which addresses gaps and prevents incidents.</li> <li>Launched Digital Care Card initiative, digitalising analysis of safety observations and providing insights on potential safety issues.</li> </ul>
	<ul style="list-style-type: none"> <li>Establish policies to promote gender equality in recruitment, compensation, training, promotion and work-life balance.</li> <li>Eliminate sexual harassment, violence, discrimination and other harmful practices against women in the workplace.</li> </ul>	<ul style="list-style-type: none"> <li>22% of Board of Directors are female.*</li> <li>Clearly articulating statements on equal opportunity and non-discrimination in the Principles of Business Conduct and Human Rights Statement.</li> </ul> <p><i>* Status as of April 2023.</i></p>
	<ul style="list-style-type: none"> <li>Develop a high performing entrepreneurial culture (culture of curiosity) in the Company where all employees give their best.</li> <li>Develop leaders at all levels of the Company and create a learning and coaching mindset amongst all employees.</li> </ul>	<ul style="list-style-type: none"> <li>Talent development through periodic training and digital learning.</li> <li>High retention of Senior Management.</li> <li>Annual performance appraisals for compensation and promotion.</li> </ul>
	<ul style="list-style-type: none"> <li>Reduce emissions by improving energy efficiency, transitioning to renewable energy such as solar power and offsetting residual emissions through in-house programmes such as tree planting.</li> </ul>	<ul style="list-style-type: none"> <li>Tracking, analysis and reporting of Group greenhouse gas emissions (GHG) using digital dashboard developed internally.</li> <li>Completed planting 160,000 trees as part of a carbon sequestration programme.</li> <li>Subscribed to 500,000 kWh/month Green Energy Tariff by TNB.</li> </ul>



# SUSTAINABILITY STATEMENT

## STAKEHOLDER ENGAGEMENT

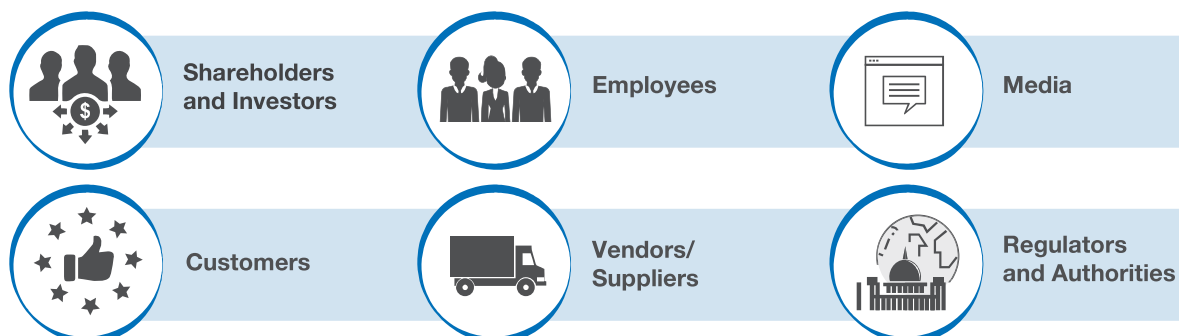
Long-term business success depends mainly on understanding and addressing stakeholders' expectations. WSC engages with various stakeholder groups, including employees, customers, shareholders and investors, regulators and authorities, vendors, suppliers and the media. We continually seek opportunities to speak with stakeholders, understand their viewpoints and talk transparently about the business. The table below summarises WSC's approach to stakeholder engagement.

Stakeholder	Engagement Platform	Areas of Interest	Our Commitment
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Workplace meetings and employee briefings</li> <li>• Intranet and bulletins</li> <li>• Townhall meetings</li> <li>• Employee surveys</li> <li>• MyGoals performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Equal opportunities</li> <li>• Diversity</li> <li>• Career progression</li> <li>• Benefits and rewards</li> </ul>	Our employees are key to our innovation-driven culture and we are committed to nurturing their talent.
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Quality Certification Audits</li> <li>• Regulatory Site Visits and Audits</li> <li>• Social Media</li> <li>• Official Website</li> <li>• Marketing Events</li> <li>• Customer Satisfaction Surveys</li> </ul>	<ul style="list-style-type: none"> <li>• Business growth</li> <li>• Risks and challenges</li> <li>• Customer privacy</li> <li>• Target, quality and delivery</li> </ul>	We reinvent technology, create new approaches and conceive end-to-end solutions for greater efficiency and capabilities.
<b>Shareholders &amp; Investors</b> 	<ul style="list-style-type: none"> <li>• Annual and Quarterly Reports</li> <li>• Annual and Quarterly Results Briefings</li> <li>• Annual General Meeting ("AGM")</li> <li>• Extraordinary General Meeting ("EGM")</li> <li>• Announcements on Bursa Malaysia</li> <li>• Investor relations section of the Company's website</li> <li>• Press release and coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term profitability</li> <li>• Sustainability matters</li> <li>• Company's performance</li> <li>• Compliance</li> </ul>	We are committed to delivering economic value to our capital providers through a robust financial performance.
<b>Regulators &amp; Authorities</b> 	<ul style="list-style-type: none"> <li>• Emails/letters</li> <li>• Dialogues with the authorities</li> <li>• Workshops and training organised by the relevant regulatory authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Compliance</li> <li>• Reducing the impact on operations</li> </ul>	We have established sustainability governance to manage risk, ensure compliance and always operate with integrity.
<b>Vendors/Suppliers</b> 	<ul style="list-style-type: none"> <li>• Negotiations with vendors/suppliers</li> <li>• Supplier periodical performance evaluation</li> <li>• New vendor evaluation and registration</li> </ul>	<ul style="list-style-type: none"> <li>• Fair procurement</li> <li>• Sustainable supply chain management</li> <li>• Long-term relationships</li> </ul>	We maintain two-way relationships with suppliers who follow our supplier code of conduct.
<b>Media</b> 	<ul style="list-style-type: none"> <li>• Ongoing engagement sessions and interviews</li> <li>• AGM and EGM</li> <li>• Press release and coverage</li> <li>• Press conference</li> </ul>	<ul style="list-style-type: none"> <li>• Company's performance and outlook</li> <li>• Business risks</li> <li>• Sustainability matters</li> </ul>	We continue to make the greatest possible difference through transparent and active engagement with media partners and interest groups.

## MATERIALITY

WSC commissioned an external consultant to conduct a materiality assessment. The Group appointed an impartial, external party to protect the anonymity of the respondents. This assessment is essential to the Group as it responds to the ESG issues, risks and opportunities seen in emerging global and local trends, fundamental stakeholder interest, industry best-practice and WSC's overall corporate context.

### Stakeholder Groups Participating in the Survey



The survey asked stakeholder representatives to rate the importance they placed on 18 areas of sustainability.

We asked respondents to indicate how important each criterion was on a scale of 'very unimportant' (1) to 'very important' (5). We employed a 5-point Likert Symmetric Scale so respondents could specify their level of agreement with (3) being neutral.

We discovered a natural skew in the results as each stakeholder group was not represented equally. Unsurprisingly, we received the most responses from our employees and the fewest from Regulators & Authorities and Media.

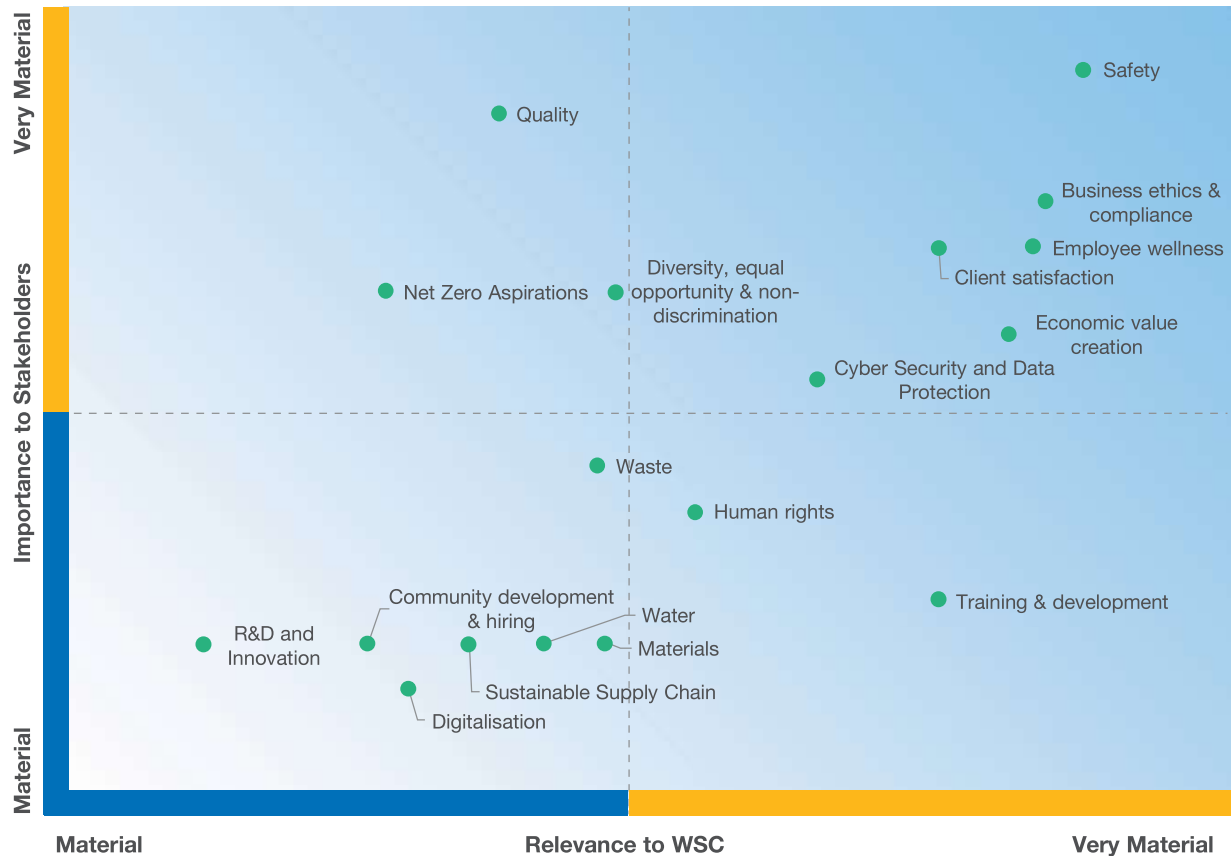
We calculated an average score for all areas within each stakeholder group to rectify the sample imbalance. An average rating from all eight stakeholder groups was then obtained.

We also asked eight members of our senior management team to complete the survey. Their views represented WSC.

# SUSTAINABILITY STATEMENT

## The Results

Scores over 3 were considered of medium importance. Stakeholder scores ranged from 3.92 to 5.00; WSC's Management between 4.02 and 4.71, indicating that all issues were material to some degree. A material to very material scale was adopted as even the lowest scores fell into the important category. The matrix is presented in the following diagram.



## ECONOMIC

At WSC, we take responsibility to power global and local economies seriously. We are a critical part of the world's energy infrastructure, and we believe in lowering barriers to clean, affordable energy for everyone, everywhere.

In 2022, our Group generated a direct economic value of RM2.69 Billion in revenue. Our economic impact also extends to our role as a global employer. At the end of 2022, we employed approximately 3,865 employees and offered fair and competitive wages and benefits. Developing a diverse global workforce helps bring innovative and sustainable solutions to the market, which is the future of the energy sector.

### SUPPORTING SUSTAINABLE ECONOMIC GROWTH AND DEVELOPMENT THROUGH OUR OPERATIONS

The Group operates globally, providing comprehensive technical services primarily to the energy industry worldwide. Our operations also contribute to the advancement of other industries such as marine construction and agro industry.

#### Pipeline Services

- WSC is a global operator providing a full range of coating services for both onshore and offshore pipelines. Our capabilities in pipe manufacturing, pipe coating and offshore corrosion control stems from a collective expertise of our extensive global facilities spanning Asia, West Africa, the Middle East, Europe and the United States.

#### Engineering and Fabrication Services

- WSC provides an all-encompassing solution covering engineering design, procurement, packaging, general fabrication, installation, commissioning as well as operation and maintenance (O&M) services of offshore and onshore modules.

#### Renewable Energy

- WSC is a leading process and power generation solution provider with a strong track record servicing various industries across the world.

#### Industrial Trading & Services

- WSC is a supplier and service provider to regional infrastructure and construction sectors. Our core activities are the distribution of building materials and industrial equipment in Malaysia primarily, while present also in fast growing regional economies such as Myanmar and Cambodia.

### PARTICIPATING IN INDUSTRY ORGANISATIONS

WSC proactively engages with other leading companies and organisations to help advance standards, share best practices, activate stakeholders, and create a sustainable economy. WSC continues to work with leading organisations, namely the Malaysian Oil & Gas Services Council (MOGSC), the largest national-level independent industry association promoted and driven by the services sector of the Malaysian Oil & Gas Industry.

### RESPONSIBLE PROCUREMENT

We strive to improve our supply chain's social and ethical footprint and work with suppliers that share our values. We expect our suppliers to comply with all applicable laws and demonstrate that they have the attributes set out in our Principles of Business Conduct.

We recognise the opportunity to positively impact communities by making balanced choices about sourcing the required goods and services for business operations. Our responsible procurement plan focuses on four key areas:

- Upholding ethical treatment of workers
- Supporting local businesses
- Encouraging participation
- Assessing supply chain risk management

We conduct quantitative and qualitative assessments of Suppliers Approved Vendor List. Our selection is based on Major and Minor Vendors categories. We examine their performance to mitigate risks and drive improvement during the review. We notify poor performing suppliers and provide corrective action or improvements. The vendor may be suspended or removed from the Approved Vendor List if they do not take the requested action or make the necessary improvements.



# SUSTAINABILITY STATEMENT

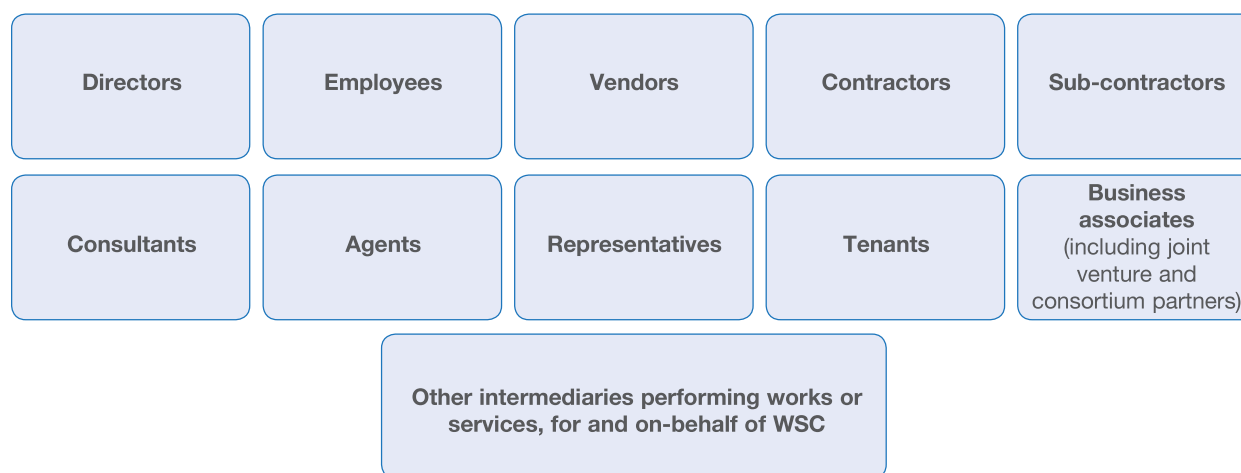
## INTEGRITY, COMPLIANCE, ASSURANCE AND REPORTING CONCERNS

Ensuring integrity and compliance is a foundational element of our culture and a business priority. We set high expectations outlined in our Principles of Business Conduct. One of the Company's values emphasises acting with integrity and remaining professional and accountable while operating openly and transparently.

### Anti-Bribery and Corruption

Integrity is a fundamental business philosophy and is deeply rooted in the corporate culture. WSC adopted a zero-tolerance approach against all forms of bribery and corruption, such as fraud and illegal kickbacks. WSC's Anti-Bribery and Corruption Policy ("ABC Policy") communicates its comprehensive anti-corruption stand. The ABC Policy evidences a proactive commitment to addressing and mitigating corruption risks, including bribery, fraud, and other corrupt acts. WSC introduced the Anti-Bribery and Corruption Policy as part of its Anti-Bribery Management System ("ABMS"), which aligns with the requirements set out in ISO 37001:2016. Endorsed by the Board of Directors, the ABC fulfils the provisions in the Guidelines on Adequate Procedures to Section 17A (5) of the Malaysian Anti-Corruption Commission Act 2009 ("MACCA").

### Coverage of ABC



All board members and employees have accepted the Company's ABC Policy. They have also completed anti-corruption education and training, including bribery. Employees found to have been involved in bribery are subject to disciplinary action that can lead to termination. Heads of departments and sections must ensure that all employees adhere to the ABC Policy.

The Board of Directors oversees our compliance with anti-corruption policies, including bribery. Every employee is responsible for preventing and reporting instances of corruption, bribery, suspicious activity or wrongdoing which may lead to bribery using our whistleblowing channels.

WSC received no penalties due to ethical conduct breaches such as corruption during the year.

A keen understanding of corruption risk exposure is the foundation of an effective anti-corruption compliance programme. Corruption risks, including bribery, are important elements in WSC's risk register. This keen understanding helps the Group design effective mitigation strategies and strategically deploy resources to combat potential bribery, corruption and fraud, especially for high-risk operations.



All contractors, subcontractors and third parties are subject to corruption and bribery risk assessments and must declare they are not involved in any misconduct or corrupt, unethical and illegal behaviour. WSC communicates its anti-corruption policy clearly to these intermediaries. The Group also screens new and existing business partners for corruption and bribery, which is part of due diligence in WSC's compliance requirements.

Business books and records reflect all business dealings accurately and transparently. WSC introduced monitoring and enforcement procedures to ensure compliance with anti-corruption laws in Malaysia. WSC did not make any political contributions in 2022.

No major disciplinary cases were reported for corrupt practices that resulted in employees' dismissal. We have received zero fines and penalties from the authorities during the recent years and reporting period, which demonstrates the effectiveness of our stringent anti-corruption policies and practices.

## WHISTLEBLOWING

WSC's whistleblowing policy applies to all employees and external parties who have business relationships with the Group. Our Whistleblowing Policy is aligned with the ISO37001:2016 Clause 8.9 Raising Concern. Individuals raising concerns or reporting possible violations of the Code of Conduct in good faith are:

- Protected from any forms of retaliation; and
- Treated with the utmost confidentiality.

Whistle-blowers are encouraged to raise their concerns with their immediate superior. If this is not possible or appropriate for any reason, they may write to WSC's Managing Director, Chan Cheu Leong or AC Chairman confidentially. Senior officers have been trained to handle these reports, corruption, bullying, harassment, bribery, financial irregularity and other offences.

# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL

WSC's commitment to practising environmental sustainability is a continuous process. We align our environmental policy and practices with environmental laws and legislations, including strategies to prevent pollution, minimise waste and conserve natural resources where we operate. We received no environmental fines and penalties during the year.

WSC is committed to providing high-quality services that protect and improve the environment. 56% of our Environmental Management System is ISO14001 certified as of 2022.

The team works closely with clients, contractors, the community, industry, and the State and Federal Governments to establish procedures so employees can positively contribute to innovative and cost-effective environmental outcomes.

### WSC's Environmental Commitment

Continually improve our awareness and management of environmental risks and avoid, reduce and control pollution from our operations

Promote the open exchange of environmental information with our customers, suppliers and the community to improve environmental awareness and to obtain feedback on or environmental performance

Identify and comply with environmental legislation, regulation and license standards for all our operations and environmentally relevant activities

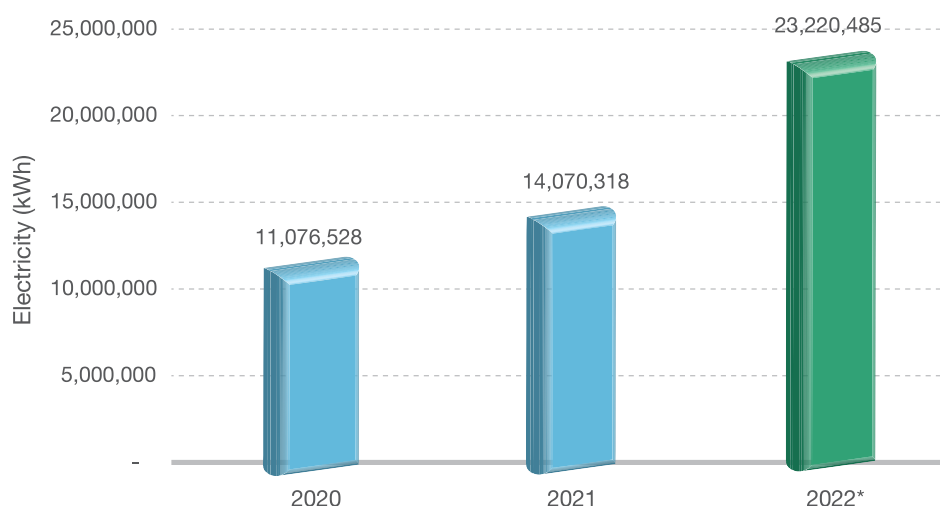
Promote waste minimisation, carbon reduction and energy management within our day-to-day operations

## ENERGY MANAGEMENT

WSC is committed to addressing energy use and efficiency by:

- Adhering to relevant legislation and regulations concerning energy
- Training, improving and promoting energy efficiency by implementing effective energy management programmes throughout the organisation
- Communicating with employees, government agencies and the community on energy management
- Identifying, implementing and developing measurable targets for energy conservation projects
- Conserving energy resources through best practices and integrating energy management in business activities

Our Group-wide energy consumption for the past three years is presented below.



Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.

## GHG EMISSIONS MANAGEMENT

Climate change remains one of the most significant challenges facing society. As a leading service provider, embedding the climate transition in our strategy is key to delivering our mission.

We unequivocally support the United Nations Framework Convention on Climate Change and the Paris Agreement and measures to progressively reduce global emissions, including the aim to limit the world's temperature increase to 1.5°C above pre-industrial levels.

**In an effort to reduce our emissions impact, we are currently updating our emissions reduction targets to be consistent with a 1.5°C pathway. We aim to achieve net-zero Scope 1 and Scope 2 emissions by 2026.**

Scope	Principal Means of Emissions Reduction	Initiatives identified and implemented	Expected emissions reduction by 5%
<b>Scope 1</b>  <b>Coverage: entire Group (100%)</b> <ul style="list-style-type: none"> <li>• Stationary combustion</li> <li>• Company-owned vehicles</li> <li>• Refrigerant leakage</li> <li>• Fire suppression</li> <li>• Welding</li> </ul>	Reducing waste, improving energy efficiency and using lower-carbon fuels	<ul style="list-style-type: none"> <li>• Using natural gas for all burners</li> <li>• Minimising the use of LPG</li> <li>• The “Benefit of Walking” Campaign encourages personnel to walk instead of using vehicles</li> <li>• Switching off vehicle engines when idle for more than 10 minutes</li> <li>• Optimising fuel use by periodically maintaining and servicing the plant and equipment</li> <li>• Discontinuing portable CO<sub>2</sub> fire extinguishers except for the IT server room, powder booth and internal paint booth</li> <li>• Using Euro 6 standard vehicles, which are energy efficient and limit harmful exhaust emissions</li> <li>• Phasing out use of diesel fuelled compressors and power generators in all operations</li> <li>• Using arc welding</li> </ul>	5% per year for five years
<b>Scope 2</b>  <b>Coverage: entire Group (100%)</b> - Purchased electricity	Increasing energy efficiency and using electricity from renewable sources	<ul style="list-style-type: none"> <li>• Energy Saving Awareness Campaign</li> <li>• Using hibernation features for all computers</li> <li>• Installing timers/sensors for lighting, air conditioners, hydraulic power packs and blowers</li> <li>• Replacing malfunctioning bulbs with LED lights</li> <li>• Installing solar power system</li> </ul>	30%



# SUSTAINABILITY STATEMENT

## Our Journey Towards Operational Net Zero Emissions



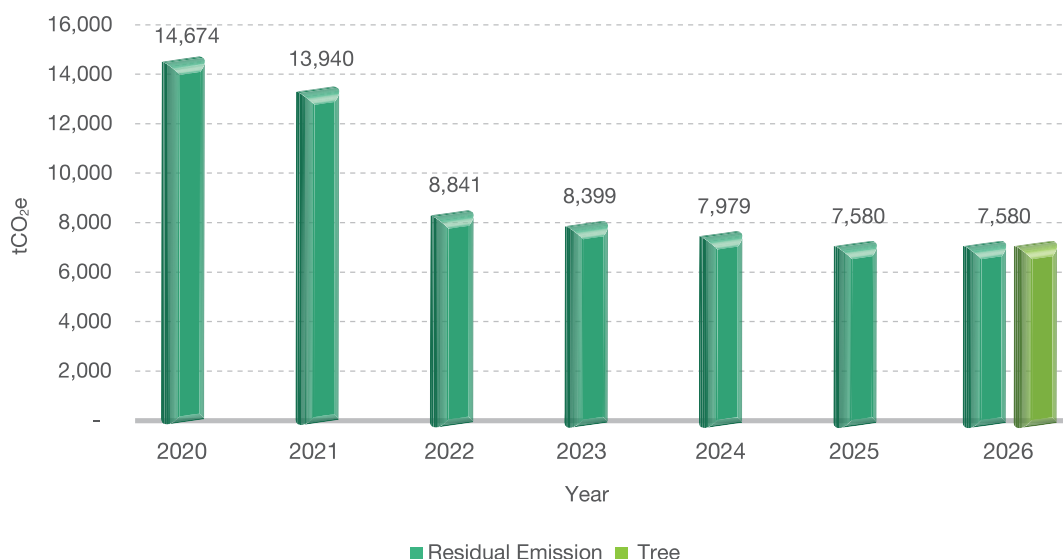
## FORESTS CAN'T HANDLE CARBON ON THEIR OWN

**Facts:** Nature has received significant attention for its ability to remove carbon dioxide from the atmosphere and store it in the biosphere, such as in soils, grasslands, trees and mangroves, via photosynthesis. It is also a source of carbon dioxide emissions through deforestation, land and ecosystem degradation and agricultural practices. However, the right changes to land management practices can reduce emissions and improve carbon storage.

**Solutions:** Net-zero emissions pledges to protect the climate are coming fast and furious. We rely heavily on planting trees as it is the most significant and cost-effective way to remove CO<sub>2</sub> from the atmosphere to tackle the climate crisis. Net-zero proposals count on finding ways for these trees to take up more carbon than they already absorb.

In 2022, WSC completed our first tree planting programme which commenced in 2021. According to our calculations using 2020 emissions as baseline, we must plant approximately 113,700 trees to absorb 7,580 CO<sub>2</sub>e tonnes of residual emissions to achieve operational net-zero emissions by 2026, based on the assumption of 15 trees absorbing one tonne of carbon dioxide.

## Getting to Operational Net Zero Emissions



## MANAGING CLIMATE CHANGE RISKS AND OPPORTUNITIES

WSC's commitment to producing in a way that helps protect people, the environment and the communities where it operates includes mitigating the risks of climate change. We recognise the devastating effects and associated short- and long-term business risks that climate change presents. WSC has a solid commitment to addressing these issues and avoiding the impact of climate change by improving the efficiency of operations. Our climate change strategy includes working with employees and supply chain partners on energy-saving processes and a complete climate change risk assessment.

Our management team, overseen by the Chief Strategy Officer, devises strategies to manage and minimise our environmental footprint. Progress reports and proposals on energy management, climate change and pollution reduction, supported by financial indicators and Return on Investment (ROI) calculations, are presented to the Sustainability Steering Committee.

In 2022, strategic topics included a deep dive on decarbonisation, emerging business models in the electricity transition and emerging climate-related risks. Climate change risk is reviewed explicitly by Senior Management.

Climate-related risks and opportunities are identified, assessed and managed using WSC's Risk Management Framework in the same way as all other risks. The Board and senior management consider, review and monitor climate-related risks and opportunities as part of our strategic planning process, investment decisions, and regular financial and operational performance reviews throughout the year.

Risk	Opportunities
Climate change related disclosures and regulations that could impact our regulatory reporting.	Effective management of climate change risks results in less wastages and contribute to overall cost savings for the Group.
Reallocation of capital to green investments by financial institutions impacts business funding.	Positive differentiation in the market for long-term value creation for the benefit of stakeholders.

WSC has integrated climate-related risk management into the company-wide risk scorecard. It is part of the foundation in formulating our business strategy, deciding on future R&D as well as technology investments. WSC's climate risk management process includes mitigation efforts to reduce greenhouse emissions from our operations, climate engineering and increasing knowledge of climate systems.

In 2022, we invested on:

- Mitigating climate change, including planting 130,000 trees in Maran, Pahang;
- Third party verification of our GHG Inventory; and
- Subscription to TNB's Green Electricity Tariff (GET) programme.

Inevitably, climate change impacts operating expenses (OPEX) and capital expenditure (CAPEX), which increases product prices. Climate change reduces efficiencies and increases OPEX. CAPEX is needed to retrofit existing assets to cope with new climatic conditions.

We are committed to addressing the issue of climate change and improving efficiency through adaptation by adopting new and green technology in developments and implementing fuel efficiency measures. Specifically, we have adopted a tracking system for emissions, energy use, water use and waste in our manufacturing.

WSC is an active member of the Malaysian Oil & Gas Services Council (MOGSC) and continues to address climate-related issues, specifically how it affects the Energy sector. Our role and involvement in this membership include:

- Identifying pressing environmental issues in climate change, water and waste; and
- Collaborating on solutions that drive improvement within WSC and its supply chains.

We contribute to driving change management through knowledge and information sharing, especially public policy and regulation. The Council also examines various opportunities, such as hydrogen technology.

We continue to ensure consistency between our climate change policy and the position we advocate at trade associations of which we are members. When opinions contradict, we respond by identifying gaps and initiating a process that alerts the Group to new areas of good business practice.

# SUSTAINABILITY STATEMENT

<b>Consolidation method in carbon footprint calculation</b>	Operational
<b>Organisational boundary in carbon footprint calculation</b>	Accounts for 100% of GHG emissions where WSC has the authority to implement operational policies
<b>Independent verification of operational GHG data</b>	Our process in calculating and measuring GHG is guided and verified by the MGTC.

<b>Scope 1</b>  <b>Coverage: entire Group (100%)</b>	CO <sub>2</sub> e emissions from the consumption of fuel were derived from the emission factor published by the IPCC Guidelines for National Greenhouse Gas Inventories.	<table><tr><th>Year</th><th>CO<sub>2</sub>e Emissions (tonnes)</th></tr><tr><td>2020</td><td>6,628</td></tr><tr><td>2021</td><td>4,880</td></tr><tr><td>2022*</td><td>14,216</td></tr></table>	Year	CO <sub>2</sub> e Emissions (tonnes)	2020	6,628	2021	4,880	2022*	14,216
Year	CO <sub>2</sub> e Emissions (tonnes)									
2020	6,628									
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<b>Scope 2</b>  <b>Coverage: entire Group (100%)</b>	CO <sub>2</sub> e emissions from electricity use: <ul style="list-style-type: none"><li>Emissions were derived from specific emission factor published by the relevant national government bodies.</li></ul>	<table><tr><th>Year</th><th>CO<sub>2</sub>e Emissions (tonnes)</th></tr><tr><td>2020</td><td>8,046</td></tr><tr><td>2021</td><td>8,719</td></tr><tr><td>2022*</td><td>11,008</td></tr></table>	Year	CO <sub>2</sub> e Emissions (tonnes)	2020	8,046	2021	8,719	2022*	11,008
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2021	8,719									
2022*	11,008									

*Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.*

We have considered the effects of decarbonisation on the value of our assets over the short, medium and long term and recognise the importance of considering climate-related impacts and opportunities across our business. WSC's key strategic priority is the transition to a low-emissions energy sector.

We actively monitor the latest global climate change science published by leading international organisations to help assess potential risks and opportunities for our portfolio. We seek to manage our portfolio to be resilient to adapt to a fast-moving energy transition and the increasing expectations of our stakeholders.

We are continuously improving how we identify, assess, manage and govern climate-related risks and opportunities for our business.

## Emissions Intensity

Total GHG emissions do not necessarily reflect efficiency as they do not consider changes in output. WSC expresses its emissions intensity as the tonnes of CO<sub>2</sub>e produced by 1,000 man-hours.

Year	2022*	2021	2020
<b>Total Emission (tCO<sub>2</sub>e)</b>	25,225	13,599	14,674
<b>Total Man-hours</b>	10,985,154	5,938,644	3,038,508
<b>tCO<sub>2</sub>e/Man-hours (1,000)</b>	2.30	2.29	4.83

*Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services only.*

## POLLUTION PREVENTION AND CONTROL

WSC is committed to addressing pollution by taking the following measures to reduce and avoid pollution impacts. They include:

- Identifying resources and the generation of all types of waste;
- Avoiding their impact and improving efficiency;
- Examining our water and energy performance;
- Reducing or eliminating pollution at its source; and
- Modifying production, maintenance and facility processes, materials substitution, conservation, recycling and reusing materials where applicable.

## PRESERVING BIODIVERSITY

We strive to operate responsibly and protect biodiversity where we work worldwide. As part of our commitment to the UNSDGs, we commit to net positive biodiversity impact by exploring our impacts on biodiversity, protected areas and areas of significant biological value at our operational sites. We are focused on minimising biodiversity impact and our environmental footprint, preserving natural habitats and protecting and restoring ecosystems through nature-based projects.

We conduct formal biodiversity risks assessment on existing operations and potential new operations and projects. Before commencing a project, we perform a detailed Environmental Impact Assessment (EIA) to study the potential impact of our operations on habitats and ecological functions. The EIA also helps the Company to formulate risk mitigation approaches. As example, biodiversity risks are continuously monitored at our new site in Tanzania.

## WASTE

WSC is responsible for conducting business without any detrimental effects on the environment. We comply with all applicable and prevailing laws and industry standards on waste management, adopting products, systems, and work practices that minimise or reduce the impact of waste whilst improving efficiency by increasing the potential for reuse and recycling of resources.

The Group's Waste Management Procedure sets out the following expectations:

- Efficient resource use to minimise the impact of pollution.
- Waste generation should be minimised at its source whenever possible.
- Finding alternative means for waste disposal by adopting cleaner and sustainable technology.
- Meeting all legal requirements on waste handling and disposal.



# SUSTAINABILITY STATEMENT

Our waste handling process for every type of waste disposed from our operations is presented below.

Sewage and Greywater	<ul style="list-style-type: none"> <li>Sewage and greywater are collected in designated tanks, supplied and plumbed, and attached to ablution and lunchroom facilities.</li> <li>Tanks are emptied regularly by an authorised contractor.</li> </ul>
Scrap metal	<ul style="list-style-type: none"> <li>Scrap metal, including copper, is collected in a scrap metal skip.</li> <li>Scrap metal is collected or replaced by a contractor as appropriate.</li> </ul>
General Waste	<ul style="list-style-type: none"> <li>Scrap timber and large general waste items are collected in a general waste skip.</li> <li>Smaller or lighter general waste items, waste paper and food waste are collected in local, lined bins. Waste is fully contained and tied with suitable garbage bags upon emptying before being placed in the general waste skip to prevent it from being blown by the wind.</li> <li>The general waste skip is emptied by a contractor as appropriate.</li> </ul>
Recyclable containers	<ul style="list-style-type: none"> <li>Aluminium cans and plastic bottles are deposited in a designated recycling bin for donation.</li> </ul>
Waste paint	<ul style="list-style-type: none"> <li>Waste paint is fully hardened in its original container and disposed of as per SDS requirements, such as general waste or by an authorised contractor.</li> </ul>
Oily rags	<ul style="list-style-type: none"> <li>Oily rags are stored in a designated oily rag receptacle.</li> <li>Maintenance operations have processes to dispose of oily rags.</li> </ul>
Hydrotest water	<ul style="list-style-type: none"> <li>Hydrotest water is collected.</li> <li>The greywater system can dispose of untreated test water of fewer than 100 litres. Operations confirm greywater can handle the volume at the time of disposal. Third parties may dispose of it if the site cannot handle the additional volume.</li> </ul>
Waste Condensate	<ul style="list-style-type: none"> <li>An authorised contractor collects condensate waste in suitable containers for transport and disposal.</li> <li>We provide a bundled storage area for waste containers awaiting collection.</li> </ul>
Waste Amine	<ul style="list-style-type: none"> <li>An authorised contractor collects amine waste in suitable containers for transport and disposal.</li> <li>We provide a suitable, bundled storage area for waste containers awaiting collection.</li> </ul>
Soil/spoil	<ul style="list-style-type: none"> <li>A civil contractor removes soil and spoil from the site, transporting them for disposal at an authorised facility.</li> </ul>
Waste concrete	<ul style="list-style-type: none"> <li>A civil contractor removes waste concrete from the site, transporting them for disposal at an authorised facility.</li> </ul>
Contaminate soil	<ul style="list-style-type: none"> <li>Contaminated soil, where it arises, is removed and stockpiled for disposal at a suitably licensed facility.</li> </ul>

## NOISE BOUNDARY MONITORING

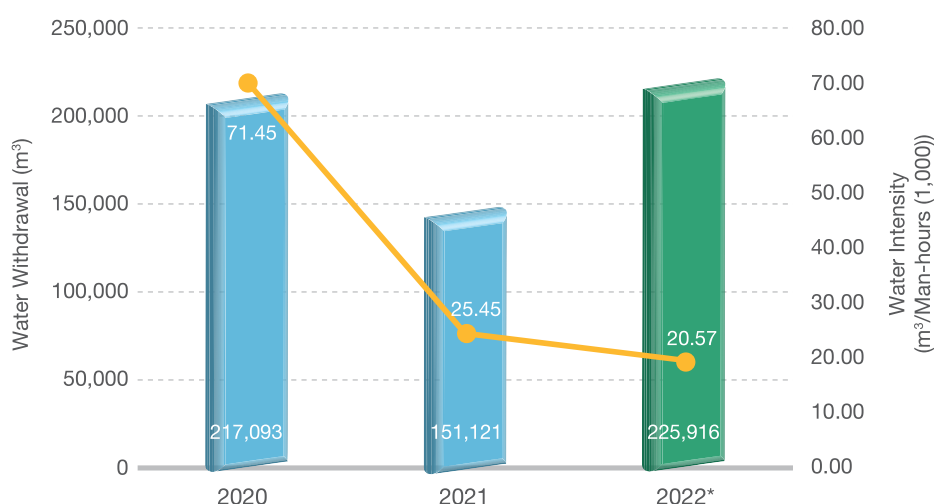
The noise produced during the construction, operations and decommissioning of large infrastructure projects can potentially impact nearby noise-sensitive receptors. The Group complies with the Environmental Quality Act 1974. We also conduct boundary noise monitoring at a few points along the perimeter of our operations to align with approval conditions of Environmental Impact Assessments (EIA). In 2022, all noise levels were within 65 dBA, the level stipulated by the Department of Environment.

## CONSERVING WATER RESOURCES

We carefully manage the use of fresh water in our operations and the impact of our projects on water resources in the surrounding areas. We aim to use alternatives such as recycled water to reduce water use and improve its efficiency. We have a range of processes that evaluate and help us manage risks associated with our water use. These processes focus on considering water conservation and efficiency in critical decisions and striving to conserve, reuse and recycle. The Group is also working on establishing appropriate metrics to report water use. WSC has one operation in water-stressed regions. We make every effort to manage this resource efficiently and minimise water use at all sites.

In each site we have our HSE Management Plan, which includes a Water Management Procedure. This procedure outlines appropriate water control and monitoring measures for water management in the localities that we operate in, with reference to relevant local regulations and applicable legal requirements. Some examples of site level water reduction measures include water recycling, rainwater harvesting and reusing process water used in plant operation where possible. There has been no incidence of violations of water quality standards during this reporting period.

**Water Withdrawal and Intensity (100% of Operations)**



*Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.*

# SUSTAINABILITY STATEMENT

## SOCIETY

WSC's community investment principles are aligned with the focus area of building the well-being and development of local communities. Closer alignment of the business strategy and community investment produces better outcomes for the company and local communities. Community investment focuses on a well-defined purpose of achieving transformation for the better.

### EDUCATIONAL ASSISTANCE

WSC is committed to providing long-term benefits by helping develop the community's reservoir of knowledge. WSC's Foundation, Yayasan Wah Seong, offers scholarships for full time first degree courses in Malaysian public universities. In 2022, Yayasan Wah Seong helped 5 scholars.

### A PLACE FOR PEOPLE

We provide comprehensive compensation, benefits, tools and benefits to foster success and career growth for all employees. We align our labour standards with the International Labour Organisation (ILO) goal of promoting decent work.

Stringent yet fair employment standards and practices are stipulated in the Principles of Business Conduct. Our stance is communicated to all employees in English as it is the most commonly used business language. This document is translated into other languages such as Bahasa Malaysia where necessary.

Periodically, WSC participates in workshops or industry/topic-specific collaboration projects that provide industry solutions that improve labour standards in Malaysia. As part of our risk assessment procedure, we regularly review the labour standards of existing and potential business and supply chain partners as part of due diligence. All parties are familiarised with our Principles of Business Conduct from time to time. There were no instances of non-compliance with labour standards during this reporting period.

### COMPETITIVE BENEFITS

Our competitive benefits packages provide comprehensive health and wellness resources consistent with the Employment Act 1955 and additional benefits at our discretion. WSC also provides leaves of absence for several quality-of-life needs, including personal, maternity and paternity leave.

We understand that the pandemic has brought many uncertainties and challenges to every individual. We kept our promise that there would be no layoffs or pay cuts resulting from the crisis.

### LEARNING AND DEVELOPMENT

The Group invests in its people by enhancing their competencies and skills to improve work performance and results; and motivate and reward employees.

WSC encourages its people to upskill their knowledge by investing in training and development. Employees can apply for training and supervisors also identify training and development where necessary to improve the employees' skill and competence in accordance to established training matrix.

The Group also offers graduate placement and internship programmes to build future generation of leaders and address youth unemployment.

### EMPLOYEE ENGAGEMENT

Employee engagement plays a vital role in boosting employees' motivation and morale. WSC engages in regular dialogue physically and virtually to update employees on group developments. Close group engagement activities at the departmental level strengthened team members' bonds and addressed human resource-related matters.

## OCCUPATIONAL HEALTH AND SAFETY

WSC prioritizes a safe and healthy workplace for employees, contractors and other stakeholders while protecting the environment.

WSC's health and safety policy applies to all contractors and other stakeholders present on its premises. The management is committed to continuous improvement and compliance with OHSA 1994, FMA 1967, EQA 1974 and other applicable acts, legislations, orders, rules, codes of practices and other requirements to which WSC subscribes.

We are pleased to report no Lost Time Incidents (LTIs) or health & safety incidents that have led to fatalities recorded in 2022. We are committed to continuous improvement to providing a safe working environment and maintaining people's health and well-being. For FY2023, we continue to strive for ZERO injuries and fatalities at our operations.

Our Total Recordable Incident Frequency (TRIF) in 2022 was 0.58. This is 32% below the industry average as reported by the International Association of Oil & Gas Producers (IOGP) in their "IOGP Safety Performance Indicators – 2021 data".

WSC's commitment to health and safety:

- ✓ Increased awareness of health and safety among employees
- ✓ Reduced number of work accidents and their severity
- ✓ Zero occupational illnesses
- ✓ Reduced stress
- ✓ Enhanced well-being

### 2022 Highlights

- 58,738,291 Incident Free Man-hours Worked since the last LTI.
- Continued implementation of i-Start program to enable a safety culture transformation.
- Launched digital safety observation initiative, the Care Card Advance Analytics project.

Stringent health and safety standards help prevent hazards and incidents for all employees. As much of our work involves high-risk construction, we strictly follow the Safe Work Method Statement (SWMS), which clearly states measures to control the risks associated with our nature of work.

All employees are responsible for reporting incidents, near-misses, safety breaches and hazards. In 2022, WSC trained 1,702 employees on health and safety standards, including general safety.

We recorded 18,993 safety training hours in 2022. Training included HSE induction, forklift operation, rigging and slinging training, working at height, electrical safety, hand safety, grinding safety and confined space entry.

WSC's approved Health and Safety Policy formalises the Group's health and safety philosophy and approach. Safety initiatives, internal monitoring and internal safety audit include creating a robust set of safety protocols and delivering carefully developed safety orientation and ongoing training. This training is extended to all employees, contractors and subcontractors. Every employee must attend a safety briefing before starting their workday at a minimum.

## EMERGENCY RESPONSE TEAM

WSC's Emergency Response Team is responsible for directing evacuation procedures with the aid of fire wardens, subcontractors, suppliers and emergency services.

## ASSESSING SAFETY RISKS AND COMPLIANCE

Health hazard, accident and injury prevention are integral parts of the sustainable strategy and business risk management processes. WSC's due diligence includes a health and safety risk assessment for existing and potential new operations or projects. The Group benchmarks performance monitoring results and trends against its targets and industry standards.



# SUSTAINABILITY STATEMENT

## HSE CERTIFICATION

63% of WSC operations is covered by ISO 45001.

## SAFETY GOVERNANCE

WSC's Health, Safety and Environment (HSE) officers are responsible for:

- Coordinating and ensuring HSE programmes are implemented effectively;
- Checking that the Company's facilities and infrastructure comply with applicable HSE standards;
- Ensuring employees and every individual present at its premises meet all HSE requirements; and
- Inspecting the port facilities and infrastructure daily to ensure compliance with the Occupational Safety and Health Act 1994, Act 514 (OSHA 1994) and its safety guidelines.

## SAFETY PERFORMANCE

### Coverage 100%

#### Fatalities

Coverage	2020	2021	2022*
Employees	0	0	0
Contractors	0	0	0

#### Lost-time Incident\* Rate

2020	2021	2022*
0	0	0

\* Lost Time Injury (LTI) is an injury sustained on the job by an employee that results in the loss of productive work time.

Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.

## HUMAN RIGHTS

 <p>Conduct business ethically and sustainably</p>	 <p>Respect human rights throughout operations the extended value chain</p>	 <p>Abide by international human rights instruments, including the Universal Declaration of Human Rights</p>
 <p>Adhere to all applicable employment and human rights laws where operations are based</p>	 <p>Align human rights commitment with core values throughout all operations</p>	

WSC's Human Rights Practice is aligned with the United Nations Guiding Principles on Business and Human Rights. The day-to-day responsibilities and functions for monitoring human rights compliance have been allocated to various departments.

We respect human rights by:

- Proactively assessing our human rights impacts on an ongoing basis as part of the Group's core business processes.
- Evaluating the effects of the business and setting targets to drive continuous improvement.
- Avoiding, preventing and mitigating human rights issues.
- Communicating expectations to all stakeholders, including business partners.
- Implementing human rights screening, training and monitoring of internal operations and supply chain partners.

WSC adheres to all applicable employment and human rights regulations where its operations are based. Suppliers must do the same and abide by the Group's Principles of Business Conduct and Human Rights Statement as a minimum. To ensure that suppliers abide by the Group's Principles of Business Conduct and Human Rights Statement, it is included in our procurement process for vendors to sign our Corporate Social Responsibility (Labor) declaration.

WSC ensures compliance to all relevant labour laws and our internal Principles of Business Conduct covers human rights issues, including non-discrimination, freedom of association and collective bargaining, prevention of child labour, forced and compulsory labour.

## Our Approach to the Human Rights Issues Affecting the Industry

Forced Labour	We do not tolerate forced labour and/or any forms of modern slavery, including bonded labour or human trafficking. Every employee willingly accepts the offer made by the Company.
Child labour	We strictly comply and adhere to international child labour laws and the minimum legal age to work in every country in which we operate.
Discrimination	We prohibit any form of discrimination based on race, creed, sex, social status, religion, nationality, age, sexual orientation, gender identity, physical and mental disability or any other grounds.
Harassment and inhumane treatment	Harassment is strictly not tolerated in any form, whether physical or mental, including sexual harassment or power harassment.
Working hours and wages	We monitor employee working hours, holidays and leaves of absence to comply with applicable laws and regulations.
Grievance	Transparency and respectful engagement are cornerstones of our sustainability performance, allowing our business to evolve successfully and respectfully. We consider a robust grievance mechanism essential to protecting the people, community and environments affected by our operations.

# SUSTAINABILITY STATEMENT

## NON-DISCRIMINATION

WSC is committed to a workforce free of harassment and unlawful discrimination.

We treat all employees equally and fairly regardless of:

- Race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity or nationality, disability, pregnancy, religion, political affiliation or marital status.

We protect all employees in:

- Hiring and employment practices through adequate living wages, promotions, rewards and access to training.

We uphold our stance of 'equal pay for equal work' and comply with all local laws. There were no reported discrimination cases related to equality and diversity in 2022.

## EQUALITY IN RECRUITMENT

WSC adheres to local labour laws during recruitment, with a preference for hiring locally. Hiring from local communities enhances our ability to understand local needs and strengthens our capabilities on the ground. However, diverse talent and expertise are vital for a Group with an ever-expanding international customer base. WSC sources these talents and expertise internationally when unavailable locally.

WSC practises equal opportunity and non-discrimination in its hiring process; candidates are only assessed on their qualifications and job suitability. WSC does not discriminate in any stage of the hiring process, including recruiting from underprivileged groups, deprived backgrounds or the disabled. However, no of employees were disabled at the end of FY2022.

In 2022, WSC recorded an overall voluntary turnover rate of 1.73% during the year. Females represented 8% of the total workforce. Female representation at the Executive and Senior Manager levels remained stable.

## SPEAK UP

WSC complies with laws by continuously monitoring and auditing internal processes, such as hiring and promotion. We actively encourage employees to speak up if they believe someone has violated the Principles of Business Conduct or labour laws. We take all reports seriously, investigate each rigorously and demand the same high standards from suppliers and other entities with which we conduct business.

WSC has a formal mechanism for individuals, employees and communities impacted by our business activities to raise their grievances, including human rights. An effective whistleblowing channel guarantees anonymity and is available to internal and external stakeholders. A remediation process helps address adverse human rights impacts that we have contributed to or caused. Our whistleblowing channel also allows employee representatives to engage with management. There were no instances of human rights violations during this reporting period.

## SALIENT HUMAN RIGHTS ISSUES

WSC assessed potential adverse human rights impacts and salient human rights issues. Engaging with stakeholders helped identify potential human rights impacts affecting operations.

Right to:

- Freedom of association and engagement
- Enjoy just and favourable conditions of work
- An adequate standard of living
- Health
- Social security and social insurance

WSC supports the amendments to the Workers' Minimum Standards of Housing and Amenities Act 1990. All contractors working on our projects must provide worker facilities that follow the International Labour Organisation (ILO) guidelines.

Employees' wages comply with all applicable laws such as working hours, minimum living wages, overtime hours and legally mandated benefits. In compliance with applicable law, we compensate workers for overtime at pay rates above the stated regular hourly rates. Docking wages as a disciplinary measure is not permitted.

## PRODUCT RESPONSIBILITY

Providing cutting-edge technical services and licensed technologies, WSC possesses the capabilities to deliver reliable and competitive products, premium solutions and unrivalled services.

### PREMIUM SOLUTIONS, FLAWLESS DELIVERIES

WSC's quality management system ("QMS") employs a process approach, enabling WSC to plan its processes and interactions adequately. WSC is committed to enhancing customer satisfaction and providing products and services that meet applicable statutory and regulatory requirements.

This QMS aligns with the most current ISO 9001:2015 and ISO 45001. Our laboratories are also certified with ISO/IEC 17025, the general requirement for the competence of testing and calibration laboratories published by the ISO.

We ensure all company and project-level QMS processes run effectively to improve customer satisfaction as mandated in the Company's Quality Policy.

An example in our Pipeline Business was installing an Improved Pipe Tracking System enhanced quality delivery by tracking individual pipeline movement and status throughout the coating system. The system maintains pipes' current position, including repair and rejection, and improves tracking traceability. Utilising the powerful Welds Tracking System boosts efficiency and reduces wasted resources through effectively managing welders' status.

WSC encourages anonymous customer feedback and monitors the results regularly. Maintaining close customer engagement during various project stages helps us understand and achieve their expectations.

## OUR DIGITAL TRANSFORMATION JOURNEY

WSC recognised that Digitalization is no longer a "good-to-have" function but a core competency for WSC to survive and thrive. In 2022, we continued delivering various workshops and discussions virtually and physically to raise awareness of digitalisation at management and operation levels. We delved deeply into the smart manufacturing context by embarking on an Industry 4.0 journey by understanding its generic definition, aligning it with business priorities and understanding the different levels of digital maturity before directly entering the project implementation phases.

WSC nurtures its in-house IT capabilities by investing heavily in its ERP system for several years. Developing different business applications in data reporting and process automation has supported our business divisions. In navigating the uncertain future of energy transition, we recognise the requirement for a new wave of digital transformation to equip our employees with the necessary skillsets, tools and platforms to embrace such dynamic changes. Our commitment to this goal is driven by our Digitalization pillar.

While digital technologies are the enablers for the next wave of transformation, Digitalization extends beyond the technology component; data-driven initiatives change how we think, work and collaborate. Digitalization value is unlocked when employees are empowered with digital and data, shifting their focus to a more people-centric model by providing higher-value and sustainable solutions to customers and partners.

Empowering stakeholders to do more with less can only be achieved by allowing employees and customers to work together with digital technologies in the same ecosystem. We have started the data and AI journey by converging digitalisation with safety, sustainability and other strategic pillars, strengthening their potential.

For FY2022, we continued our programme to empower HSE personnel with a digital platform, rolling out to newly established operation sites. This platform covers people, processes, and technology to address safety concerns raised in our plants and yards, promptly. We have also developed an Environmental Dashboard which provides valuable insights from the data gathered, enabling us to focus our efforts in combating climate change effectively. Technologically, we consider migrating to a greener Cloud data centre to support our sustainability agenda.

# SUSTAINABILITY STATEMENT

## ESG PERFORMANCE DATA

ENVIRONMENTAL PERFORMANCE				
Parameter	Units	2020	2021	2022*
Energy				
Electricity				
Total Electricity Consumption	MWh	11,077	14,070	23,861
Rooftop Solar PV Generation	MWh	0	0	640
Green Electricity Purchased via Green Electricity Tariff	MWh	0	0	5,000
Fuel				
Diesel Consumption	Liter	995,382	1,258,620	3,604,783
LPG Consumption	m³	20,843	39,980	143,192
Petrol/Gasoline Consumption	Liter	44,732	51,683	95,112
Air Emissions				
NOX Emission	kg	24	30	85
SOX Emission	kg	Not Available		
Volatile Organic Compounds (VOC) Emission	kg	Not Available		
Water & Wastewater				
Water Withdrawal				
Municipal potable water	m³	217,093	151,121	225,916
Harvested rainwater	m³	0	0	0
Surface water from rivers, lakes, natural ponds	m³	0	0	0
Groundwater from wells, boreholes	m³	0	0	0
Used quarry water collected in the quarry	m³	0	0	0
External wastewater	m³	0	0	0
Sea water, water extracted from the sea or the ocean	m³	0	0	0
Total water withdrawal	m³	217,093	151,121	225,916
Wastewater/Effluent Discharge				
Discharge to Off-site Water Treatment Plant	m³	4,535	4,316	10,744
Discharge to Ocean	m³	0	0	0
Discharge as Surface Water	m³	0	0	0
Discharge to Subsurface/Well	m³	0	0	0
Others	m³	0	0	0
Total wastewater/effluent discharge	m³	4,535	4,316	10,744
Percentage of WSC sites located in water stressed area	%	0%	0%	6%
Water consumed in water stressed area	m³	0	0	13,859
Cost associated with water-related risk	RM	0	0	0
Investment in water saving initiative	RM	0	0	0
Number of incidents related to non-compliance with water consumption related to local regulations	No. of Incidents	0	0	0

Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.

Parameter	Units	2020	2021	2022*
<b>Waste</b>				
<i>Waste Generation</i>				
Total waste	tonnes	338	2,009	3,041
Hazardous	tonnes	167	1,387	1,070
Non-recycled	tonnes	153	621	1,876
Recycled	tonnes	18	0	951
<b>Environmental Management &amp; Compliance</b>				
Environmental Fines/Penalties	RM	0	0	0
<b>Greenhouse Gas and Climate Change</b>				
Scope 1	tCO <sub>2</sub> e	6,628	4,880	14,217
Scope 2	tCO <sub>2</sub> e	8,046	8,719	11,008
Internal carbon price	RM/tCO <sub>2</sub> e	Not Used		
Flaring emission from LPG storage tank	tCO <sub>2</sub> e	0	0	0
Methane Emission	tonnes	0	0	0
Emission Intensity	tCO <sub>2</sub> e/1,000 manhours worked	4.83	2.29	2.30

## SOCIAL PERFORMANCE

Parameter	Units	2020	2021	2022*
<b>Health and Safety</b>				
Percentage of sites with ISO 45001:2018 certification	%	67%	67%	63%
Percentage of sites with ISO 14001:2015 Environmental Management System certification	%	50%	56%	56%
<i>HSE Training</i>				
Number of employees trained on safety	No. of employees per 1,000 hours worked	697	1,025	1,702
Lost Time Incident Rate (LTIR), including contractors		0	0	0
Number of work-related fatalities for employees	No. of employees	0	0	0
Number of work-related fatalities for contractor	No. of contractor	0	0	0
<b>Communities</b>				
Total Amount of donations or community investments	RM	160,191	166,500	32,253
<b>Labour Standards</b>				
Total number of employees	No. of employees	1,896	2,312	3,865
Total number of contractors	No. of contractor	585	866	1,722
Full time employees voluntary turnover rates	%	n/a	3.35%	1.73%
Percentage of employees that are contractors or temporary employees	%	24%	27%	31%
Amount of time spent on employee development training to enhance knowledge or individual skills	hours per employee	2	2	5
Percentage of employees with a disability	%	0%	0%	0%
Percentage of women in the workforce (incl. contractors)	%	7%	6%	8%

Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.



# SUSTAINABILITY STATEMENT

GOVERNANCE PERFORMANCE				
Parameter	Units	2020	2021	2022*
<b>Anti-Bribery and Anti-Corruption</b>				
Total amount of political contributions made	RM	0	0	0
Number of employees disciplined or dismissed due to non-compliance related to Anti-Bribery/Anti-Corruption	No. of employees	0	0	0
Cost of fines, penalties or settlements in relation to corruption	RM	0	0	0
<b>ESG Provisions</b>				
Provisions for fines and settlements specified for ESG issues	RM	0	0	0

*Note: Data for 2022 encompasses all entities in WSC. Data for 2020 and 2021 were scoped to WSC's Energy Solutions Services Division only.*