

RAISING THE BAR

SUSTAINABILITY REPORT

CHIEF STRATEGY OFFICER'S STATEMENT

ADVANCING SUSTAINABILITY WITH PURPOSE AND ACCOUNTABILITY

Dear Valued Stakeholders,

At Wasco, sustainability is more than an operational imperative—it guides our strategic decisions, operational priorities, and how we deliver lasting value. As we reflect on 2024, I am pleased to present our Sustainability Report ("SR"), which captures the commitment, transparency, progress, and tangible impact delivered by our dedicated teams across Wasco.

PROGRESSING TOWARD NET ZERO AMID INCREASED ACTIVITIES

Throughout 2024, we continued to advance steadily toward our goal of achieving net-zero Scope 1 and 2 emissions by 2026. While heightened operational activities—particularly at our Qatar facility—led to an increase in total emissions this year, amounting to 44,780 tCO₂e of Scope 1 and 2 emissions, we responded proactively by strengthening our emissions management strategies and preparing for renewable energy expansion.

In 2025, we plan to install new solar infrastructure at key sites, including Kuantan, Shah Alam, Kota Kinabalu, and Batam.

Our renewable energy reliance remained steady at 27%, supported by ongoing solar power generation exceeding 1,120 MWh and our continued subscription to Tenaga Nasional's Green Electricity Tariff.

RAISING THE BAR IN ESG

In 2024, we significantly raised the bar in our ESG commitments, reinforcing our accountability and credibility across key sustainability areas. With the launch of the National Sustainability Reporting Framework ("NSRF"), we conducted a gap analysis of our SR against the NSRF requirements. Where possible, we have begun incorporating these requirements in our current SR.

GOVERNANCE

Through rigorous internal reviews, audits and independent third-party assurances, we strengthened the accuracy and transparency of our critical ESG metrics, including renewable energy usage, greenhouse gas emissions (Scope 1 and 2), water management, energy consumption, and occupational safety.

Our Board Sustainability Committee provided diligent oversight throughout the year, reviewing our ESG strategies and ensuring their alignment with IFRS S2 climate-related disclosure standards, further enhancing our overall sustainability accountability.

SUSTAINABLE TRANSITION FINANCE FRAMEWORK

In a pioneering move, Wasco introduced ASEAN's first Sustainable Transition Finance Framework, strategically integrating our financial and sustainability objectives. Under this innovative framework, we secured a USD25.0 million sustainability-linked loan, with an initial drawdown of USD10.0 million specifically supporting sustainability-driven infrastructure improvements at our Batam yard. This groundbreaking initiative reinforces our accountability, positioning Wasco as a regional frontrunner in sustainable finance.

CIRCULARITY MOVEMENT

We accelerated our circular economy efforts in 2024, achieving significant waste reduction through impactful recycling initiatives. Notably, we transformed polyethylene and polypropylene waste from our coating processes into reusable resin, slashing purging material costs by 81.0%. Additionally, our active participation in community recycling programmes saw us transforming plastic bottle waste into textiles and collecting over 205 kg of electronic waste, underscoring our commitment to responsible resource use and waste reduction.

COMMUNITY ENGAGEMENT AND SAFETY EXCELLENCE

We continued fostering strong community engagement, investing approximately RM0.8 million in impactful initiatives that benefited nearly to 12,000 individuals across Southeast Asia and East Africa. These activities received the active support of our employees, who collectively contributed approximately 11,800 volunteer man-hours.

Safety remained paramount as we achieved an exceptional Lost Time Incident Rate of 0.05, significantly outperforming industry benchmarks for the year.



DIVERSITY AND INCLUSION

Female representation in our senior leadership remained steady at 14%, with an aspirational target of 30%. To support this goal, we have ongoing initiatives to further advance diversity and inclusion across our organisation, including key events planned in 2025.

REFORESTATION PROJECT

In 2024, we closely monitored the growth and health of Wasco Forest – our first reforestation project – and conducted an extensive soil carbon stock study to accurately quantify carbon sequestration. We are pleased to report that the 160,000 trees planted in 2022 are thriving. Building on these insights, we are preparing the next phase of our reforestation programme on newly designated land awarded to us by the Pahang Forestry Department for this initiative. Our target is to plant 110,000 trees in 2025, advancing toward our ultimate goal of replanting 1 million trees.

These focused actions contribute meaningfully towards global sustainability goals, especially SDG 12 (Responsible Consumption and Production), SDG 13 (Climate Action), and SDG 15 (Life on Land).

INDUSTRY RECOGNITION AND ESG ACHIEVEMENTS

Our continuous ESG advancements received external validation through two prestigious silver awards at The Edge Malaysia ESG Awards 2024: Best in Energy Sector and Most Improved ESG Performance Over the Past Three Years (RM800 Million - RM5 Billion Market Capitalisation Category). Additionally, our FTSE ESG rating improved from 4.0 to 4.1, reaffirming our commitment to globally recognised sustainability standards while strengthening stakeholder confidence, investor trust, and our corporate reputation.

LOOKING AHEAD: FROM STRATEGY TO STEWARDSHIP

As we look ahead to 2025 and beyond, we are determined to continue deepening our sustainability efforts. We will further enhance our transparency through expanding our Scope 3 emissions disclosures, providing greater insight into our overall environmental footprint. We will also embed more circular economy practices into our operations to promote resource efficiency and responsible consumption. In addition, we will continue to strengthen our sustainable procurement engagements, fostering ethical sourcing and responsible partnerships across our value chain. We will concurrently undertake our first comprehensive double materiality assessment to strategically align our sustainability priorities with long-term business resilience. This initiative will ensure that our approach effectively addresses both stakeholder expectations and core business imperatives.

We also intend to expand our decarbonisation partnerships beyond our core infrastructure services. With the successful pilot initiative with Hydra Energy in 2024, we will continue to evaluate the potential to scale this model, a key step in expanding our role in the low-carbon mobility ecosystem.

Diversity and inclusion remain integral to our mission. We are strengthening our focus on gender equality and inclusive leadership with the formalisation of the Wasco Women Action Network, which will serve to drive visibility, advancement, and advocacy for women across Wasco. Related to this is our commitment to human rights, which we will continue to reinforce through enhanced risk mapping, supplier due diligence, and targeted awareness programmes, ensuring our global footprint upholds the highest ethical standards at all times.

Last but not least, to elevate transparency and investor confidence, we will incorporate climate-change scenario analyses into our climate-related disclosures, thereby aligning ourselves with emerging global expectations under IFRS S2. As we embed these commitments into our strategic roadmap, we reaffirm our dedication to leading with purpose, accountability and long-term vision.

At Wasco, sustainability is not a one-time ambition, but a continuous journey of listening, learning, and leading with purpose. Through strategic clarity and collective resolve, we will continue to create a meaningful impact within our business and beyond.

Thank you for your continued trust and partnership.

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Chief Strategy Officer Wasco Berhad

ABOUT THIS REPORT

Wasco Berhad and its subsidiaries ("Wasco") recognises its responsibility to all stakeholders and is committed to reporting its environmental, social and governance performance regularly and transparently.

This SR communicates material sustainability information and performance across Wasco's business operations as a whole.

This report covers the reporting period for the financial year 1 January to 31 December 2024. It provides an insight into how Wasco manages its material sustainability risks, issues and opportunities to create economic, environmental and social value.

The SR is published annually as part of the Integrated Annual Report, with this Report published in April 2025. Our last SR was published in April 2024.

Policy documents mentioned in this report are available on our website at www.wascoenergy.com.

SUSTAINABILITY FRAMEWORK AND STANDARDS

This SR has been prepared in accordance with the Bursa Malaysia Securities Berhad (Bursa Securities) Main Market Listing Requirements, as well as the Sustainability Reporting Guide and Toolkits (3rd Edition).

Other frameworks, standards and guidelines referenced in the preparation of this report include:



Notes:

- 1. National Sustainability Reporting Framework
 - The National Sustainability Reporting Framework ("NSRF") serves as a crucial guide to align the nation's sustainability efforts—particularly in reporting—with globally recognised standards established by the International Sustainability Standards Board ("ISSB"), namely IFRS S1 General Requirements for Sustainability-Related Disclosures, and IFRS S2 Climate-Related Disclosures.
- 2. International Sustainability Standard Board's IFRS S2 Standard
 - In October 2023, the Financial Stability Board announced the disbandment of the Task Force on Climate-Related Financial Disclosures ("TCFD"), following the release of the ISSB's inaugural disclosure standards in June 2023. The ISSB's climate disclosure standard, IFRS S2 Climate-Related Disclosures, fully incorporates the TCFD's four core pillars and 11 recommended disclosures, with effect from 1 January 2024.

REPORTING SCOPE AND BOUNDARIES

The scope of the SR for FY2024 covers all of Wasco's operations.

Wasco reports on an 'operational control' basis, focusing on assets, offices and activities where Wasco is the operator and has management control over policies and practices. While we recognise that the operating environments of our Business Units ("BUs") differ across markets, we have sought to harmonise core reporting areas where possible, while also highlighting notable achievements specific to individual BUs.

This SR excludes our Joint Venture ("JV") companies.

REPORTING PRINCIPLES

This report presents the sustainability performance of Wasco's strategic businesses. In determining its content, the following GRI Standards Reporting Principles have been applied to ensure clarity, relevance, and high-quality disclosure.

- Accuracy: Reporting information that is correct and sufficiently detailed to allow an assessment of the organisation's impacts
- Balance: Reporting information in an unbiased way to provide a fair representation of the organisation's negative and positive impacts
- Clarity: Presenting information in a way that is accessible and easy to understand
- Comparability: Selecting, compiling, and reporting information consistently to enable analysis of the organisation's impacts over time and in comparison to other organisations
- Completeness: Providing sufficient information to support a comprehensive assessment of the organisation's impacts during the reporting period
- Sustainability Context: Reporting information about its impacts in the wider context of sustainable development
- Timeliness: Disclosing information on a regular schedule and ensuring its availability in time for decision-making
- Verifiability: Gathering, recording, compiling, and analysing information in such a manner that allows for the information to be examined and its quality verified

Wasco 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 expectations also shaped the materiality assessment. This assessment helped the Board realign Wasco's sustainability strategy while ensuring the transparent coverage of critical topics.

FORWARD-LOOKING STATEMENTS

Certain statements in this SR may constitute forward-looking statements concerning our financial and non-financial position, future priorities, strategies, and growth opportunities. They are formed based on reasonable assumptions and are not intended to guarantee future results. Actual results could differ materially from those expressed or implied due to various events, risks, uncertainties, and other factors.

SUSTAINABILITY DATA AND DISCLOSURE

Wasco's management and dedicated internal teams reviewed the completeness and accuracy of the data and information presented. The senior leadership team provided oversight throughout the preparation, compilation, and drafting of this statement, complementing the efforts of internal resources and data collection processes to ensure accuracy and reliability.

STATEMENT OF ASSURANCE

External independent limited assurance was conducted for the following indicators:

- Renewable Energy Reliance
- Lost Time Incident ("LTI")
- Total Man-hours



For more information on the subject matter and scope of assurance, please refer to the Statement of Assurance on pages 106 to 110.

To strengthen the credibility of this SR, selected sections have undergone internal review by Wasco's internal auditors and received approval from Wasco's Audit Committee.

Group Internal Audit provided independent limited assurance for the following indicators:

- Energy Management
- Emissions
- Water Management



For more information on the subject matter and scope of assurance, please refer to the Statement of Assurance on pages 106 to 110.

SUSTAINABILITY REPORT FEEDBACK

Feedback from our stakeholders is vital for us to continually improve our reporting and sustainability practices. We welcome any comments or suggestions regarding this Report or our overall sustainability performance.

Please address all feedback to Group Sustainability at sustainability @wascoenergy.com.

SUSTAINABILITY ACROSS OUR OPERATIONS

Wasco delivers sustainable value to all stakeholders safely, securely and in an environmentally and socially responsible manner by:

- Minimising environmental footprint across the full lifecycle of developments; and
- Creating social and economic benefits for communities connected to our operations, in alignment with Wasco's shared values.

Wasco integrates sustainability across the business at three levels:

Our Operations

Operating safely, efficiently, and profitably with a focus on long-term value creation.



Our Customers

Fulfilling commitments and meeting expectations through reliable, responsible service delivery.



Our Communities

Creating shared value and making positive contributions wherever we operate.





One of the tree samplings at Wasco Forest's tree-replanting site.

Our Sustainability Framework acts as a roadmap for incorporating sustainability principles and practices across Wasco. It establishes the foundation and provides the organisational structure needed to embed sustainability into our strategies and day-to-day operations.

To maintain a uniform approach in applying sustainability best practices, we have embedded key sustainability considerations into our mission, vision, and core values, as detailed in the framework below:

SUSTAINABILITY GOVERNANCE Mission, Vision and Core Values

Strategy Setting









Materiality Assessment Management Approach Metrics and Targets

Operational Integration

Reporting and Disclosure Assurance Education and Awareness

Sustainability Policy

At Wasco, 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, avoid excessive working hours, given the right to a minimum wage and can realise their full potential.
- Implement actions within our own business and other stakeholders to accelerate the transition to net-zero emissions to reduce the impact of climate change.
- 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, opposing all forms of child labour and forced labour.
- Support employment of underprivileged groups and youth.
- 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.

Sustainability considerations are embedded in our corporate strategy to ensure long-term value creation and sustainable business growth. We regularly review our sustainability approach and priorities to meet evolving stakeholder expectations and enhance our value creation efforts.

Our Sustainability Framework reflects our commitment to integrating sustainability into the core of our business. This aligns with the growing call for corporate organisations to take a more active role in advancing sustainability and to look beyond short-term profitability.

Guided by our purpose, the Sustainability Framework was developed by taking into consideration the varying maturity levels across Wasco. The process involved assessing existing sustainability programmes, aligning with changing in regulatory requirements, and setting measurable targets and goals to track our impact.

The following factors were taken into consideration:

- Material matters identified through a robust materiality assessment involving our Board of Directors, Senior Leadership Team, and key stakeholders.
- 2. Ongoing engagement with BUs on pertinent sustainability issues.
- 3. Internal assessments and benchmarking against industry peers.
- Monitoring and evaluation of key performance indicators.

Additionally, our Framework aligns with the global sustainable development agenda, particularly the UN SDGs, supporting a shared vision for a better and more inclusive future that leaves no one behind.





Good Health and Well-Being

Gender Equality

Decent Work and Economic Growth

Climate Action

Our United Nations Sustainable Development Alignment

The United Nations Sustainable Development Goals ("SDGs") are a set of 17 global goals adopted by the UN General Assembly in 2015, aimed at ending poverty, protecting the planet, and ensuring prosperity for all by 2030. Wasco is aligned with the SDGs and remains committed to supporting their framework to enhance Wasco's sustainable initiatives.

We actively encourage our business partners and stakeholders to collaborate with us in advancing these goals. While our operations align with nine of the 17 goals, we have identified four priority SDGs where our sustainability strategy is best positioned to create the most significant impact.

Goals

Our Commitment

Progress and Achievements



- Provide a safe and healthy workplace for all employees and contractors by adhering to internationally recognised HSE Management Systems, namely ISO 45001:2018 (Occupational Health & Safety) and ISO 14001:2015 (Environmental Management).
- · Achieve Zero LTI.

- All sites across the organisation have either achieved or are in the process of obtaining ISO 45001:2018 (Occupational Health & Safety) and ISO 14001:2015 (Environmental Management) certifications.
- Ongoing implementation of the i-Start programme

 an internal safety culture transformation initiative
 launched in May 2021, facilitated by DuPont
 Sustainable Solutions.
- Monitoring both leading and lagging safety KPIs to drive continuous improvement.
- Performing periodic inspections, audits, and safety observations to identify gaps and prevent incidents.
- Introduced the CARE Card initiative to digitalise safety observation analysis and generate actionable insights on emerging safety risks.



- Establish policies that promote gender equality across recruitment, compensation, training, promotion, and work-life balance.
- Prevent and eliminate all forms of sexual harassment, violence, discrimination, and other harmful practices against women in the workplace.
- 14% of Senior Leadership Team are women.
- Our commitment to equal opportunity and nondiscrimination is clearly articulated in the Principles of Business Conduct and Human Rights Policy.



- Cultivate a high-performing entrepreneurial culture that encourages curiosity and drives every employee to deliver their best.
- Develop leaders at all levels and foster a learning and coaching mindset across the organisation.
- Conduct quarterly performance reviews to support continuous improvement and coaching.
- Strengthen talent development through regular training programmes and a digital learning platform.
- Maintain high Senior Management retention as a marker of leadership stability.
- Annual performance appraisals for compensation and promotion.

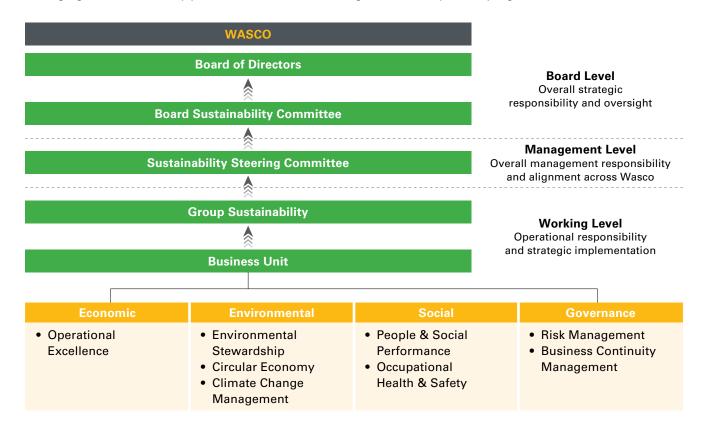


- Reduce emissions by improving energy efficiency, transitioning to renewable sources such as solar power, and offsetting residual emissions through in-house programmes such as tree planting.
- Tracking, analysing, and reporting greenhouse gas emissions ("GHG") using an internally developed digital dashboard.
- Completed the planting of 160,000 trees, with ongoing maintenance under our reforestation programme to support climate mitigation efforts.
- Subscribed to Tenaga Nasional's Green Electricity Tariff, which provides 500,000 kWh/month of renewable energy.
- Consumed 1,120 MWh of solar-generated renewable energy across various operational sites.

Sustainability Governance & Accountability

Sustainability Governance

To effectively implement sustainability strategies and initiatives across our organisation, we focused on building close collaborations between Management and BUs. We will continue to regularly review and enhance, where necessary, the roles and responsibilities of the relevant Wasco functions to ensure a holistic approach towards managing our sustainability performance and maintaining the credibility of our programmes and activities.



Roles & Responsibilities



Board Level

Wasco's Board holds ultimate responsibility for Wasco's sustainability agenda, overseeing the integration of sustainability matters into the corporate strategy with the aim of balancing stakeholder interests while ensuring that we grow responsibly and create long-term value.

Board Sustainability Committee ("BSC")

The BSC (formerly known as Governance, Compliance and Risk Committee) was established in 2023 to strengthen Board oversight on sustainability issues across Wasco. This initiative underscores our top-down approach and reinforces our commitment to making sustainability a Wasco-wide priority. The BSC also oversees climate-related matters, including risks and opportunities.

The BSC comprises a Non-Independent Non-Executive Director and two Independent Non-Executive Directors, with the Committee being chaired by an Independent Non-Executive Director.

The BSC met four times in the year under review to discuss various matters, including:

- Reviewing Wasco's sustainability performance and activities.
- Recommending enhancements to the SR.
- Discussing the Transition Finance Framework.
- Evaluating the requirements and adoption of IFRS S1 and S2.

Management Level

The overall management responsibility and oversight of sustainability-related matters lies with our Managing Director/Group CEO. The Managing Director/Group CEO is supported by the Group Chief Strategy Officer, who oversees GS, along with other Senior Management members responsible for their respective areas.

To ensure accountability, sustainability-related KPIs are integrated into the annual remuneration-linked KPIs of our Managing Director/Group CEO as well as BUs' Senior Leadership Teams. The CEOs of all BUs are also authorised to sign off on sustainability-related governance matters as part of our internal control assurance process.

Sustainability Steering Committee ("SSC")

Chaired by the Managing Director/Group Chief Executive Officer, the SSC consists of representatives from GS and selected Heads or nominees from key corporate functions. The SSC is responsible for supporting the management of sustainability matters and ensuring collaboration to streamline Wasco's approach, and promoting the sharing of best practices across the organisation.

Working Level

The Working Level, under the Head of Sustainability's direction and with support from Business Unit Heads, operationalises sustainability strategies by setting timelines, managing implementation, and tracking target achievement. These Business Unit Heads act as conduits for cross-functional collaboration, ensuring initiatives are adopted at the operational level

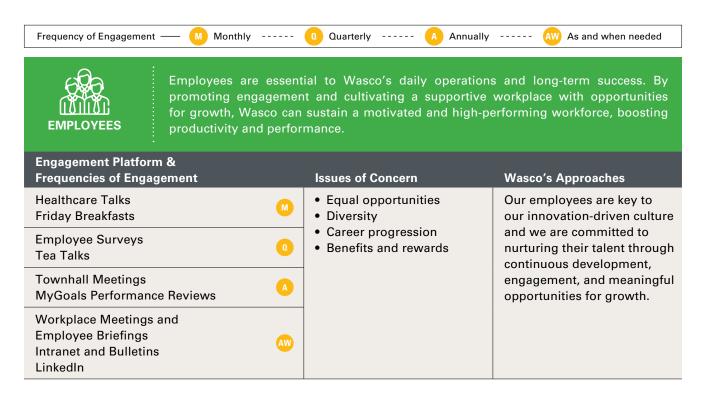
Group Sustainability

GS leads the development of the overarching strategy and framework to drive sustainability initiatives and programmes across Wasco in a structured and cohesive manner. Their responsibilities include monitoring and managing business sustainability practices and targets, keeping abreast of the evolving sustainability landscape, and ensuring the assessment and measurement of Wasco's sustainability risks and opportunities. The team also provides advisory support and capacity building for the sustainability teams across all BUs and regularly receives sustainability progress updates.

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STAKEHOLDER ENGAGEMENT

Long-term business success depends on understanding and addressing stakeholders' expectations. Wasco engages with various stakeholder groups, including employees, customers, shareholders and investors, regulators and authorities, vendors, suppliers and the media. We actively seek opportunities to engage with these groups, listen to their perspectives, and communicate transparently about our business. The table below outlines Wasco's approach to stakeholder engagement.







As an innovative solutions provider in the energy industry, Wasco mainly collaborates with other industry players. These stakeholders play a crucial role in shaping Wasco's revenue and market presence. Strengthening these relationships allows Wasco to better understand and meet evolving expectations.

Engagement Platform & Frequencies of Engagement		Issues of Concern	Wasco's Approaches
Quality Certification Audits	AW	Business growth Risks and challenges	We reinvent technology, pioneer new approaches,
Regulatory Site Visits and Audits	AW	Customer privacy	and develop end-to-end
Social Media	AW	Targets, quality and delivery	solutions for greater efficiency and capabilities.
Official Website	AW		
Marketing Events	AW		
Customer Satisfaction Surveys	AW		



The government and regulatory bodies establish the legal frameworks that shape the industry and guide Wasco's operations. Actively engaging with these stakeholders is crucial for ensuring compliance, obtaining necessary approvals, and fostering a supportive business environment.

REGULATORS : Supportive Business	environment.	
Engagement Platform & Frequencies of Engagement	Issues of Concern	Wasco's Approaches
Emails/Letters	Compliance Reducing the impact of	We have established strong sustainability governance
Dialogues with the Authorities	operations	to effectively manage risks,
Workshops and Training Organised by the Relevant Regulatory Authorities	w l	ensure compliance, and uphold integrity across all aspects of our operations.

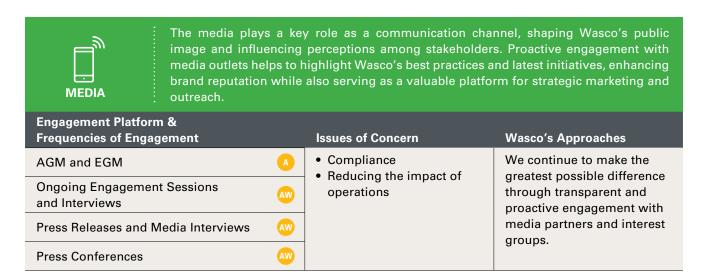


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Engagement Platform & Frequencies of Engagement		Issues of Concern	Wasco's Approaches
Negotiations with Vendors/Suppliers	AW	Fair procurement Sustainable supply chain	We maintain two-way relationships with suppliers
Scope 3 Emissions - Capacity Building & Awareness	AW	management • Long-term relationship	who adhere to our Supplier Code of Conduct.
Supplier Periodical Performance Evaluation	AW		
New Vendor Evaluation and Registration	AW		



Local communities form the social foundation that supports Wasco's operations. Building strong, respectful relationships with these communities fosters trust and reinforces Wasco's social license to operate, ensuring long-term sustainability and mutual benefit.

Engagement Platform & Frequencies of Engagement		Issues of Concern	Wasco's Approaches
Corporate Websites & Social Media Community Outreach & Development Programmes Strategic Partnerships Charitable contributions	M Q AW	Local communities	We continue to create a positive impact by actively engaging local communities on social issues, offering employment opportunities for young graduates through internships, and supporting social impact initiatives with
			volunteer programmes.







MANAGING OUR MATERIAL MATTERS

Materiality assessments are integral to our sustainability journey, as they enable us to evaluate the sustainability issues that affect our business and our stakeholders. We conduct a materiality assessment once every two years to ensure that our focus remains relevant and aligned with evolving sustainability trends, industry developments and regulatory shifts. It also allows us to identify opportunities and mitigate risks associated with each material matter.

In 2023, we re-evaluated our material sustainability issues following the consolidation of BUs under Wasco. This reassessment ensures that our material matters reflect current priorities and continue to inform our business strategy and long-term value creation for stakeholders. Importantly, we undertake this review even in the absence of significant internal or external changes, reaffirming our commitment to industry best practices.

The following infographic outlines the key steps in our materiality assessment process.

PHASE 1	PHASE 2	PHASE 3	PHASE 4	PHASE 5
Review Material Matters	Stakeholder Engagement	Sustainability Impact Assessment	Calibration of Stakeholder Engagement and Impact Assessment	Review and Approvals
Existing material matters were reviewed against the SASB Standards' Common Material Matters relevant to our industry, as well as Wasco's business strategies and operations, to ensure their continued relevance to our business and stakeholders.	Stakeholder inputs, gathered through engagements conducted in FY2023, were reviewed and assessed to incorporate their perspectives into the materiality assessment.	A sustainability impact assessment was conducted to assess and prioritise the identified material matters based on their significance to our business and broader sustainability goals.	The results of both the stakeholder engagement and the sustainability impact assessment were then consolidated into a materiality matrix. This matrix enabled us to clearly identify and rank the top material matters most critical to our business and stakeholders.	After completing the materiality assessment exercise, the final materiality matrix was presented to Wasco's Management Team and the Board for review and approval, ensuring alignment at the highest level of decision-making.

Stakeholder Groups Participating in the Survey



Shareholders & Investors

Employees



Media



Vendors & Suppliers





Regulators & Authorities

The survey invited stakeholder representatives to rate the importance of 18 sustainability topics.

Respondents evaluated each area using a 5-point Likert scale ranging from 'very unimportant' (1) to 'very important' (5), with (3) representing the neutral midpoint. The survey yielded 298 responses from both internal and external stakeholders.

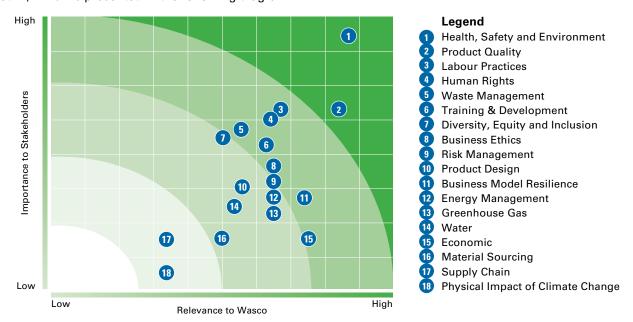
As expected, there was a natural skew in representation, with the highest number of responses from employees, and fewer from Regulators & Authorities and the Media.

To address this imbalance, we calculated the average score for each topic within individual stakeholder groups, and subsequently derived an overall average rating across all eight stakeholder groups.

Members of our Senior Leadership Team and Board also participated in the survey, with their responses representing Wasco's perspective.

Materiality Matrix

To interpret the results, we considered scores above 3 as indicating medium to high importance. Stakeholder scores ranged from 4.06 to 4.74, while Wasco's scores ranged from 3.69 to 4.77, indicating that all identified issues were considered material to some degree. Based on this, we adopted a "material to very material" scale for our matrix, which is presented in the following diagram.



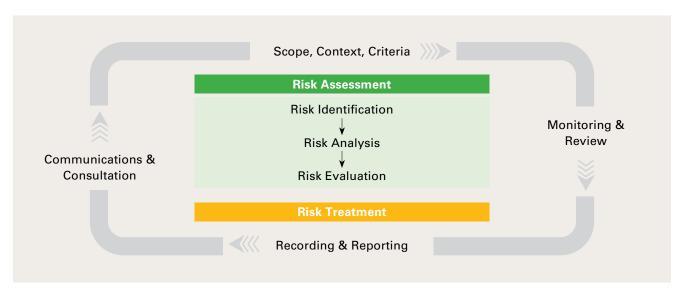
Health, Safety and Environment remained the top material matter for both Wasco and our stakeholders. In addition, stakeholders highlighted other key priorities, including Product Quality, Labour Practices, Human Rights, Waste Management, Training & Development, and Diversity, Equity, and Inclusion—all of which will require Wasco's focused attention.

Building on our current progress, we will evolve our materiality assessment in 2025 by fully integrating double materiality principles, strengthening our proactive and adaptive sustainability approach. Our next steps include deepening stakeholder engagement, refining our sustainability priorities in response to emerging trends, and strengthening our reporting frameworks to enhance transparency and accountability. By doing so, we aim to drive long-term resilience and sustainable growth across our operations.

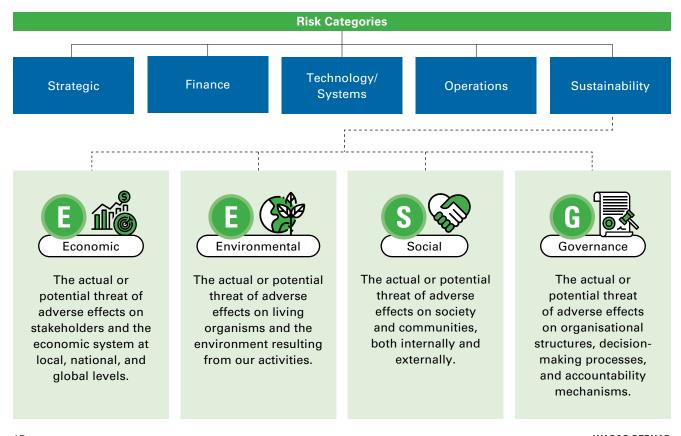
SUSTAINABILITY RISKS MANAGEMENT

At Wasco, we acknowledge the growing impact of sustainability-related risks on our operations, supply chains, and stakeholders. Our Risk Management Strategy is crafted to proactively identify, assess, and mitigate these risks, safeguarding business resilience and fostering long-term sustainability.

The strategy follows a structured five-step risk management process, aligned with ISO 31000:2018 as depicted below:



At present, sustainability represents one of five risk categories at Wasco. Within this category, there are four areas of focus: Economic, Environmental, Social, and Governance.



Sustainability-related risks and opportunities are identified, assessed, and managed using Wasco's Risk Management Framework, in alignment with how all other risks are addressed. The Board and Senior Management actively consider, review, and monitor these risks and opportunities as part of our strategic planning, investment decisions, and regular financial and operational performance reviews throughout the year.

Key Risks	Key Opportunities
Environmental : Climate change, resource scarcity, and stricter regulations can disrupt operations and increase costs.	Environmental: Investing in renewable energy, sustainable sourcing, and circular economy practices can reduce costs, mitigate risks, and strengthen brand value.
Social: Workplace safety concerns changing consumer expectations, and lack of diversity can harm reputation and employee engagement.	Social : Strong labour practices, ethical sourcing, and inclusive branding can improve employee retention and customer loyalty.
Governance: Evolving regulations require adaptive approaches. ESG non-compliance, unethical conduct, and cybersecurity threats can lead to legal and financial consequences.	Governance: Transparent reporting, ethical business conduct, and data-driven decision-making can attract investors, enhance governance credibility, and ensure regulatory compliance.
Financial: Rising compliance costs, investor divestment, and supply chain disruptions can impact profitability.	Financial: Access to green financing, efficiency improvements, and long-term value creation through sustainability initiatives can boost financial performance.
Market: Changing consumer demand for low-carbon products can lead to stranded assets and increased business risks.	Market: Sustainability-driven innovation and transition initiatives open new market and job opportunities in the green economy.
Technology : High upfront costs of low-carbon technologies pose transition challenges for carbonintensive operations.	Stakeholder: Collaborating with business partners and leveraging Wasco's sustainability leadership enhances project execution and emission reduction efforts.

By proactively addressing sustainability risks and capitalisng on emerging opportunities, we can enhance our resilience, drive innovation, and strengthen stakeholder trust, ultimately securing long-term success. Hence, by integrating sustainability into our business strategies, we can navigate uncertainties, enhance our competitiveness, and contribute to a more sustainable future.

TARGETS AND PERFORMANCE/PERFORMANCE SCORECARD

At Wasco, sustainability performance is actively monitored across all projects and contracts, with regular reporting to the Sustainability Committee. This ensures the consistent integration of socio-economic considerations and the creation of sustainable value within our business operations. The potential negative impacts of key material matters are mitigated at both the business level and throughout the supply chain, value chain, and broader business ecosystem. The table below highlights our sustainability targets and corresponding performance outcomes:

Material Matters Environment	Targets	Performance 2024
GHG Emissions/ Energy Management	Transitioning away from diesel-powered stationary combustion is expected to result in a 5% reduction in emission intensity.	Emission intensity from stationary combustion increased by 122% due to business expansion in Qatar. Challenge in Qatar is due to a takeor-pay energy requirement to access
	 a) Achieve 30% reliance on renewable energy by 2024 from 2023 baseline. b) Achieve 40% reliance on renewable energy by 2035 from 2023 baseline. 	energy from the grid. 27% reliance on renewable energy.
Water & Waste Water Management	Reduce overall Group water consumption by increasing the proportion of water sourced from recycled and harvested sources, targeting 5% usage from these sustainable sources.	Total water consumption was 231,729 m³, with 5% sourced from recycled and harvested sources in 2024, up from 3% in 2023.
Waste & Hazardous Material Management	Zero instances of non-compliance with local regulations across all countries where we operate.	No incident reported.
Social		
Lost Time Incident Rate ("LTIR")	Maintain zero LTIR and rate and zero fatalities annually.	LTIR rate recorded at 0.05; no fatalities reported.
Diversity, Equity, and Inclusion	At least 15% of leadership positions held by women.	14% female representation in leadership roles.
Training & Development	10 hours of training per employee per year.	19.68 hours of training per employee.
Community Relations	One impact project per site (total of 8 sites).	Total impact projects: 55 Number of beneficiaries: 11,936 people Total man-hours invested: 11,779 hours Total investment: RM777,578
Governance		
Business Ethics	Compliance with governance areas, including Risk Management, Internal Audit, Finance, Legal, and Corporate Governance.	No significant fines or breaches.

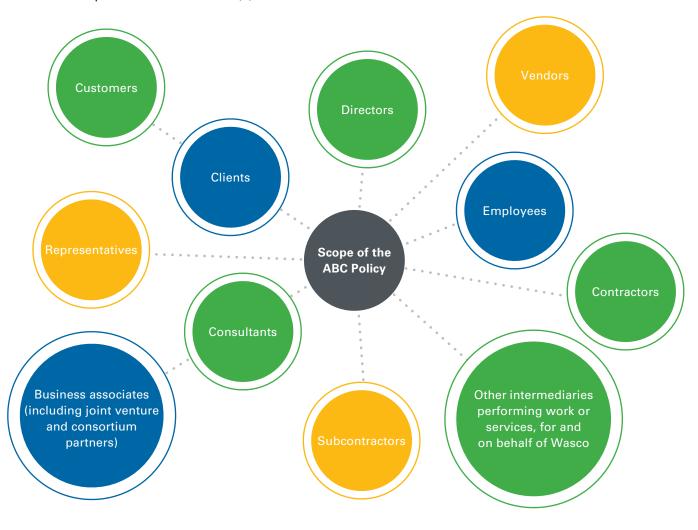


GOVERNANCE (INTEGRITY, COMPLIANCE, ASSURANCE AND REPORTING CONCERNS)

Wasco's commitment in ensuring that integrity and compliance are observed in the day-to- day business operations, are pillars to a sustainable foundation of our culture and a business priority. We set high expectations to all our employees as outlined in our Principles of Business Conduct. These vital values of integrity and compliance are the fundamentals to good governance.

Anti-Bribery and Corruption

Wasco's Anti-Bribery and Corruption Policy ("ABC Policy") and Anti-Bribery and Corruption Management System ("ABMS") together with its 24 Standard Operating Procedures ("24 SOPs") established on 1 June 2020 and 1 December 2020 respectively are testimony of the Company's initiatives and commitment towards an organisation that are integrity and compliant oriented. These fundamentals have been deeply rooted into the business perspective and in its corporate culture. Wasco adopted a zero-tolerance approach against all forms of bribery and corruption, such as fraud and illegal kickbacks. Wasco's ABC Policy sets the tone and standards on anti-bribery and corruption across the Group while the ABMS together with its 24 SOPs communicate its comprehensive approaches and processes in deterring, mitigating and addressing corruption risks including bribery, fraud and corrupt acts. Wasco's ABMS and its 24 SOPS are aligned to SIRIM ISO 37001:2016 standards and are the best practices as prescribed under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) ("MACC Act"). Wasco's ABC Policy fulfils the provisions of the Guidelines on Adequate Procedures pursuant to Section 17A (5) of the MACC Act.



The ABC Policy applies to the Board of Directors and employees within Wasco. Majority of the employee completed the necessary initial training on anti-bribery and corruption as well as yearly awareness or refresher trainings pertaining to the same.

The Board of Directors oversees our compliance with ABC Policy and the ABMS together with its 24 SOPS via the Governance, Compliance and Risk Committee and the Integrity Committee accordingly. Every employee is responsible for preventing and reporting instances of corruption, bribery, suspicious activity or wrongdoing which may lead to bribery and corruption using our established whistleblowing channels.

Wasco recorded zero case related to bribery and corruption and received no (RM0) penalties due to ethical conduct breaches such as corruption during the year under review.

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 the BUs risk register.

This keen understanding helps the Company design effective mitigation strategies and strategically deploy resources to combat potential bribery, corruption and fraud, especially for high-risk operations.

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. Wasco communicates its anti-corruption policy clearly to these intermediaries.

Communicating our Company's position on anti-bribery and corruption to all stakeholders:

- Employees are given an introduction to our antibribery and corruption policy upon joining the Company.
- Each employee must sign the ABC Personnel Declaration and return to the Human Resources Department.
- Employees are reminded of our Company's opposition to corruption during regular engagement sessions and training via iLearn
- The anti-corruption policy is also communicated to suppliers, contractors, subcontractors, agents, joint venture companies and third parties.

Wasco also screens new and existing business partners for corruption and bribery, which is part of due diligence in Wasco's compliance requirements.

Business books and records reflect all business dealings accurately and transparently. Wasco introduced monitoring and enforcement procedures to ensure compliance with anti-corruption laws in Malaysia. Wasco did not make any political contributions in 2024 (RM0).

No major disciplinary cases were reported for corrupt practices that resulted in employees' dismissal. There were no instances of corruption-related violations with our business associates. 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.

Anti-Money Laundering

The Anti-Money Laundering Policy was established on 28 November 2024. This indicates another milestone of Wasco's commitment in adhering to high ethical standards of business conduct in order to combat money laundering and terrorism financing within Wasco.

This policy complements and to be read in conjunction with the ABC Policy and the Whistleblowing Policy amongst other relevant policies.

Whistleblowing

Wasco's whistleblowing policy applies to all employees and external parties who have business relationships with the Group. Our Whistleblowing Policy is aligned with the ISO 37001:2016 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 and report to the Managing Director/Group Chief Executive Officer, Gian Carlo Maccagno or to the Chairman of Audit Committee, Datin Wan Daneena Liza Binti Wan Abdul Rahman, confidentially. Senior officers have been trained to handle these reports, corruption, harassment, bribery, financial irregularity and other offences.



ECONOMIC

As a globally leading integrated energy group, Wasco recognises its critical role in powering both global and local economies. We take this responsibility seriously, knowing that the economic performance of businesses like ours significantly influences the well-being of communities and the broader economy.

As a key player in the global energy infrastructure, we are committed to breaking down barriers to clean, affordable energy, making it accessible to everyone, everywhere. Through our diverse business activities, we not only fuel industries and economies, but also generate meaningful, long-term positive impact.

Through our business activities, we drive economic growth and generate positive impacts. This influence is seen in various ways:

- creating job opportunities that enhance livelihoods
- contributing taxes that support infrastructure and public services
- providing products and services that benefit communities.

We fully recognise the wide-ranging economic benefits of our actions and their significant impact on stakeholders and sectors within our community. By highlighting these outcomes, we aim to showcase the diverse value created by our initiatives:

- 1. Value Delivered to Shareholders: Delivering strong financial returns and growth opportunities for investors.
- Value through Products and Services to the Nation: Contributing to national economic development through essential goods and services.
- Competitive Compensation for Employees:
 Offering attractive salaries and benefits that
 support employee well-being and retention.
- Fulfillment of Obligations to Suppliers and Financiers: Cultivating reliable partnerships and fulfilling financial commitments to key stakeholders.
- 5. **Investment Benefits for Local Communities**: Driving community growth and development through strategic investments.
- Meeting Customer Needs: Exceeding customer expectations to foster long-term satisfaction and loyalty.

In 2024, we generated a direct economic value of RM3.2 billion in revenue (with RM2.9 billion in adjusted revenue). Our economic impact also extends to our role as a global employer. At the end of 2024, we employed approximately 5,854 employees and offered fair and competitive wages and benefits. Wasco recorded a Profit after Tax, Minority Interest ("PATMI") of RM153.0 million for the financial year ended 31 December 2024 (FY2024), an 41.2% increase from the RM108.4 million reported in the previous financial year ended 31 December 2023 (FY2023). The growth in PATMI is attributed to higher operating revenue by 11.9% to RM2.9 billion from RM2.6 billion in FY2023.

At Wasco, we comply with tax regulations in the countries where we operate. We believe that this is our responsibility to our stakeholders in upholding good tax practices.

At Wasco, we provide our stakeholders with a comprehensive outlook on our business, fostering confidence in our long-term investment potential. This transparency encourages stakeholders to grow with us. For a detailed overview of our business outlook, please refer to the Chairman and Managing Director/ Group Chief Executive Officer's Joint Statement and CFO Statement sections of our Integrated Annual Report 2024.

Economic Va	lue Generated
Operating Revenue RM2.9 billion	Other Income RM105.5 million
(Total Revenue RM3.2 billion)	

, ,			
Economic Value Distributed			
Minority Shareholders RM20.4 million	Shareholders RM15.5 million		
Community Investment RM0.8 million	Employees RM555.4 million		
PATMI RM153.0 million	Taxes RM54.7 million		
Business and Operations RM2.5 billion			

SUSTAINABILITY REPORT 2024 20

Supporting Sustainable Economic Growth and Development through Our Operations

Wasco is a prominent provider of energy solutions with a global footprint spanning 14 countries. Wasco's core strengths are anchored in two distinct divisions:

- The Energy Services Division, which specialises in advanced pipe coating, corrosion protection, engineering, and EPC project delivery; and
- The Bioenergy Services Division, which focuses on biomass energy generation, serving a wide range of sectors including plantations, petrochemicals, oleochemicals, and large industrial players.

Wasco recognises the crucial importance of investing in the protection and restoration of natural ecosystems, particularly forests, which play a vital role in sequestering carbon. In line with our environmental responsibilities, Wasco remains firmly committed to supporting the energy transition within the oil and gas sector.

As a leading integrated energy group, Wasco provides comprehensive technical services to the oil and gas industry worldwide. Increasingly, we leverage on our expertise to contribute to the advancement of emerging sectors such as carbon capture and storage pipelines, offshore wind, data centres, and renewable energy.



Pipeline Services

Wasco is the world's largest independent pipe coating company, delivering comprehensive onshore and offshore services to the energy industry. Our global operations are strategically located to efficiently meet industry demands. As a testament to our capabilities, we have coated over 22,000 km of pipelines across 25 countries.



Engineering and Fabrication Services

Wascoprovides comprehensive solutions in engineering, procurement, and construction ("EPC"), including modular fabrication services tailored for the global energy industry. Our fabrication facilities are strategically located in Southeast Asia and the Middle East & Africa to meet regional and international demand.

We have invested in world-class infrastructure, including a fully concreted waterfront fabrication base within the Southeast Asia Free Trade Zone. Spanning over 36.7 hectares, this facility is equipped with a dedicated jetty capable of handling modules of up to 10,000 metric tonnes.



Bioenergy Services

Wasco operates in the renewable energy sector, specialising in the engineering, procurement, construction, and commissioning ("EPCC") of steam energy systems and auxiliary facilities, as well as the supply of power-generating turbines.

Leveraging our in-house engineering capabilities, we design and deliver customised energy systems tailored to specific operational needs. Our solutions cover a wide range of steam energy systems, adaptable to various fuel types, capacities, pressures, and temperatures to ensure optimal energy efficiency and performance.

Sustainability-Linked Loan

Wasco has established a Sustainable & Transition Finance Framework, the first of its kind in ASEAN, and successfully executed its inaugural Sustainability-Linked Loan ("SLL"), of USD25.0 million under this Framework. Wasco has drawn down USD10.0 million as at 31 December 2024 to finance capital expenditures for our yard expansion in Batam, Indonesia.

Participating in Industry Organisations

Wasco actively collaborates with leading industry players and organisations to advance standards, share best practices, and engage stakeholders, in building a more sustainable economy. Wasco maintains active participation with esteemed bodies such as the Malaysian Oil & Gas Services Council ("MOGSC"), Malaysia Gas Association ("MGA") and Malaysia Petroleum Resources Corporation ("MPRC"). In addition, we are an active member of the Energy Industries Council ("EIC"), one of the world's largest energy trade associations for companies that supply goods and services to the global energy sector.

Responsible Procurement

Our commitment to responsible sourcing extends throughout our supply chain, which encompasses the procurement of both goods and services. We aim to continually enhance the social and ethical performance of our supply network by partnering with suppliers who share our values. We expect all suppliers to comply with applicable laws and adhere to the standards outlined in our Supplier Code of Conduct.

We recognise the opportunity to positively impact communities through responsible sourcing decisions. Our procurement strategy is guided by a balanced approach that ensures the sustainability of our supply chain while supporting broader social and environmental objectives. Our responsible procurement plan is structured around four key focus areas:

- · Upholding the ethical treatment of workers
- Supporting local businesses
- · Encouraging inclusive participation
- Enhancing supply chain risk management

To uphold these principles, we conduct both quantitative and qualitative annual assessments of all suppliers listed on our Approved Vendor List ("AVL"). Suppliers are categorised into Major and Minor Vendors, and their performance is systematically reviewed to identify risks and drive improvements.

Suppliers that do not meet our standards are formally notified and required to implement corrective actions. Failure to comply or improve may result in suspension or removal from the AVL. We also update our Supplier Audit Matrix annually to reflect the outcomes of these assessments and ensure ongoing alignment with our procurement goals.

Expanding Scope 3 Emissions Tracking

In line with our environmental commitments and efforts to track Scope 3 GHG emissions, Wasco launched a pilot programme with selected vendors. The initiative aimed to raise awareness and build capacity on emissions management within our supply chain.

During the programme, vendors received briefings on Scope 1 and 2 emissions tracking methodologies and were guided on managing their own direct and indirect GHG emissions. Together, we developed emission factors specific to the products and services supplied to Wasco, establishing a foundation for more accurate Scope 3 assessments.

Looking ahead, we aim to:

- Enhance the accuracy and consistency of our vendors' emissions data;
- Encourage our vendors' emissions reduction initiatives; and
- Expand the engagement programme to include more vendors.



Wasco's partnership with Emirates Environmental Group's "Clean UAE" campaign.



ENVIRONMENTAL

Given the urgent global imperative to address climate change, it is crucial to take proactive measures to mitigate its effects and prevent irreversible damage to both the environment and humanity. The widespread consequences of climate change—such as extreme weather, resource shortages, and shifting regulations—pose significant risks to supply chains and can drive up operational costs. These challenges threaten Wasco's ability to create long-term value for our business and stakeholders, impacting our performance, reputation, supply chain resilience, and overall sustainability. As such, integrating climate considerations into our decision-making processes is not just a necessity, but a fundamental priority.

Failing to address climate change exposes us to a host of potential risks, including stranded assets, short-sighted business strategies, operational disruptions, and reputational harm. Additionally, the growing trend of financial institutions incorporating climate-related criteria into their lending and investment decisions may limit our access to capital, leading to higher financing costs. The rise of carbon pricing mechanisms, with calls for a global carbon price, further highlights the importance of adapting our business models to avoid significant financial repercussions. Proactively addressing climate change is therefore essential—not only for mitigating environmental risks, but also for safeguarding our financial resilience, strengthening our competitive edge, and ensuring long-term success.

Wasco'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.



Wasco is committed to providing high-quality services that protect and improve the environment.

60%

of our Environmental Management System is ISO14001 certified as of 2024.

Our Approach

Environmental Assessment Conduct a comprehensive assessment of environmental issues directly related to our operations. This evaluation will identify key areas where our activities impact the environment, such as resource consumption, emissions, water consumption and waste generation.

Data-Driven Tracking and Monitoring Establish robust tracking and monitoring routines to collect relevant data. This information will serve as the foundation for developing measurable targets. By tracking our environmental performance consistently, we can make timely and informed decisions and measure our progress effectively.

Strategic Planning for Impact Reduction

Develop data-driven strategies and action plans aimed at minimising our environmental footprint. These strategies address critical aspects like energy efficiency, emission reduction, waste reduction and sustainable sourcing. By aligning our efforts with empirical data, we can achieve maximum impact in our sustainability initiatives.

Transparent Reporting to Leadership Regularly report our progress to Senior Management and the Board. These reports highlight the implementation of our strategies, their effectiveness, and any adjustments made based on data insights. Transparency ensures accountability and encourages continuous improvement.

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.

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

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

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

Promote waste minimisation, energy efficiency and GHG emissions within our day-to-day operations.

The climate-related financial disclosures aim to describe how climate change scenarios may impact our operations, outlining our strategy to mitigate potential impacts and strengthen long-term resilience.

The report outlines our climate-related financial disclosures in line with recommended practices, covering governance structures, strategy and risk management, resilience assessment, as well as metrics and targets.



Governance

There is a strong commitment from Wasco's leadership towards advancing sustainability and climate resilience. To ensure effective oversight and response, climate-related roles and responsibilities have been clearly defined.

Further to that, we are in the midst of establishing structured processes and controls, and have begun reporting on the progress of climate matters on a regular basis to ensure effective climate oversight across the organisation.

SUSTAINABILITY REPORT 2024 24

Climate-related roles and responsibilities

We leveraged our current sustainability governance framework outlined in the Sustainability Governance & Accountability section of this Report to provide effective oversight of climate matters and ensure a consistent response across Wasco. While the ultimate responsibility for climate issues rests with the Board of Directors, there are climate-specific roles cascaded to Board, Management and Working Levels, as well as the BUs, as shown in the table.

Board Level Board Holds overall strategic responsibility and oversight. · Provides oversight on the integration of sustainability into corporate strategy to balance stakeholder interests and create long-term value. Reviews the progress of Wasco's Net-Zero Carbon Roadmap rollout. Approves budgets for climate-related costs in a strategic and responsible manner, ensuring alignment with sustainability goals, stakeholder expectations, and longterm value creation. · Reviews key initiatives and action plans under the hyphenated Carbon Roadmap, evaluating their potential to generate business opportunities. Board Provides strategic direction and reviews decisions pertaining to sustainability. Sustainability Reviews climate-related risks and opportunities as part of the quarterly meeting Committee (BSC) agenda. Assesses general awareness of climate changeas well as the implications of International Financial Reporting Standards ("IFRS") S1 & S2 standards. Oversees the formulation of climate-related strategies in alignment with relevant regulations and standards.

Management Level

Wasco Sustainability Steering Committee (SSC)

- Chaired by the MD/GCEO.
- Formulates Wasco's sustainability strategy and monitors the achievement of objectives and action plans.
- Serves as a collaborative platform to align sustainability approaches across Wasco and facilitate knowledge sharing between BUs.
- Oversees the management of sustainability matters—including climate action and environmental management—on a monthly basis across Wasco.
- Monitors progress of climate-related financial disclosure.
- Tracks sustainability-related risks and opportunities, sets performance goals, and reports progress to stakeholders.
- Responsible for proposing key sustainability and climate-related initiatives such as GHG emissions reduction measures or Net Zero strategy implementation, for Board consideration and approval before implementation.

Oversee major capital expenditures, acquisitions, and divestments through the lens

Working Level Group Consolidates, reports, and manages Wasco GHG emission inventory. Sustainability Coordinates cross-departmental climate-related enhancements and initiatives. (GS) Leads the rollout of the Net Zero Carbon Roadmap. Implements the climate-related financial disclosure framework and performs gap analysis to ensure alignment with relevant standards. • Establishes the GHG emissions baseline and supports target-setting efforts. **Business Units** Provide regular reports to Wasco on climate-related initiatives as well as their (BUs) progress against targets. Support the implementation and monitoring of the Net-Zero Carbon Roadmap and carbon emissions reduction efforts. · Monitor environmental policies, regulatory landscapes, and sustainability systems in their respective jurisdiction to support sustainable operations. Integrate climate considerations into annual budget planning and performance objective setting.

25 WASCO BERHAD

of climate-related risks and opportunities.

Progressively, we will regularly review, and where necessary, update roles and responsibilities to support the ongoing integration of climate risks and opportunities into our business strategies and financial planning. To further strengthen Wasco's climate governance, we are committed to continuously enhancing the monitoring and reporting mechanisms aligned with the implementation of the climate-related financial disclosures framework. These efforts will be systematically embedded within our broader sustainability governance structure. Moving forward, the BUs will play a key role in monitoring and overseeing the risk assessment of climate change-related matters, ensuring alignment across the organisation.

Strategy

Wasco is committed to producing in a manner that safeguards people, the environment, and the communities in which we operate - an approach that includes mitigating the risks associated with climate change. We recognise the severe short- and long-term business risks that climate change presents and are dedicated to addressing them by enhancing the efficiency of our operations. Our climate change strategy involves close collaboration with employees and supply chain partners to implement energy-saving processes and conduct comprehensive climate change risk assessments.

Wasco's GHG inventory is tracked monthly through an internally developed dashboard. This tool provides insights into key metrics such as emission intensity, primary GHG emission sources, and other indicators that guide our GHG reduction strategies. Through the SSC, our management team formulates approaches to reduce our environmental footprint. Senior Management, together with the respective Heads of BUs, reviews GHG data monthly to ensure the effective implementation of reduction initiatives. The Board also receives quarterly updates on Wasco's climate performance and progress.

To support our business planning, we categorise climate-related risks across distinct time horizons, which help in identifying and addressing risks more effectively.



Short-Term (2020-2026)

In the short-term (2020-2026), our primary focus will be on continuing efforts to reduce GHG emissions, ensuring high-quality climate reporting, and conducting a comprehensive climate risk assessment. These efforts will serve as the foundation for informed decision-making, strategy development, and setting clear climate-related targets.

Wasco is also committed to gradually adopting the IFRS S1 & S2 standards by initially incorporating the four content pillars and 11 recommendations of the TCFD reporting framework into our climate disclosures. This phased approach will enable us to build robust strategic plans and more effectively assess the potential business implications of climate-related risks and opportunities.

We remain sure and steadfast in our ambition to achieve Net Zero emissions for Scope 1 and 2 by 2026. In line with this, management will prioritise establishing clear climate strategies, roles, and responsibilities to support our medium- and long-term goals.

SUSTAINABILITY REPORT 2024 26

Medium-Term (2027-2030)

In the medium-term, from 2027 to 2030, Wasco aims to continue advancing our climate strategy in alignment with national targets and in line with a 1.5°C pathway. Our focus will be on enhancing business resilience to climate risks while mitigating transition risks. A key part of this strategy will involve fully adopting the IFRS S1 & S2 standards, ensuring that climate-related risks, operations, and considerations are seamlessly integrated into our business strategy and financial reporting. These efforts will direct our ongoing investments in low-carbon solutions throughout our operations and supply chain.

We are also committed to strengthening leadership and management accountability in climate governance, with a clear focus on addressing climate risks, opportunities, strategies, and targets. In tandem with this, we plan to implement an internal carbon pricing mechanism in preparation for the introduction of carbon taxes by the government. Where feasible, we aim to begin implementing some of these initiatives ahead of schedule.

Furthermore, we will carefully consider capital expenditures and operational planning, including the development of new technologies that have the potential to reduce our customers' GHG emissions.

Long-Term (2031-2050)

In the long-term (2031-2050), we will continue enhancing our existing GHG emissions reduction strategies as we anticipate the development of more commercially available green technologies and systemic solutions in line with Malaysia's Net Zero commitment. Our strategy will include partnering with suppliers and collaborating on cross-industry efforts to jointly address our shared GHG emissions across the value chain.

We aspire to remain a climate leader, to be a first mover in the industry with adoption of climate resilience strategies in business and being a preferred brand offering climate-friendly products and services to our customers.

Climate-related risks and opportunities will continue to be identified, assessed, and managed using Wasco's Risk Management Framework in the same way as all other risks. The Board and Senior Management will consider, review and monitor climate-related risks and opportunities as part of our strategic planning, investment decisions, and ongoing financial and operational performance reviews throughout the year.

While climate change poses physical and transition risks, it also presents opportunities. Physical risks are driven by climate change and can either be acute (event-driven) or chronic (long-term shifts in climate patterns). These risks could have financial implications, such as direct damage to assets and indirect impacts from supply chain disruptions. On the other hand transition risks arise during an organisation's transition to a low-carbon economy. They consist of policy and legal risks, technology risks, market risks, and reputational risks.

The risks and opportunities, along with examples of their potential impacts, are outlined below:

Risk Category Transition Risks	Risks Relevant to Wasco	Potential Impacts to Wasco (Non-Exhaustive)
Policy & Legal: Implementation of governmental policies designed to tackle climate change	 Increased pricing of GHG emissions (due to carbon pricing mechanisms) Mandates and regulations impacting existing products and services 	 Loss of customers due to increased prices of products and services impacted by carbon tax liabilities Higher compliance requirements and associated costs

Risk Category Transition Risks	Risks Relevant to Wasco	Potential Impacts to Wasco (Non-Exhaustive)
Technology: Write-offs for investments in obsolete technologies or the need for investments in new, more sustainable technologies	Transition to lower-emission technologies	 Increased investments in climate-resilient and low-carbon infrastructure Higher spending on workforce upskilling Higher spending on research and development and innovation
Market & Economic: Market shifts in supply and demand for certain commodities, products, and services	Changing customer behaviour and/or investor expectations	 Untapped opportunities arising from new stakeholder demands Higher risk of losing access to capital markets due to lower market valuation and failure to meet finance providers' climate-focused expectations
Reputational Risks: Damage to brand value or reputation	Increased stakeholder concern or negative stakeholder feedback	 Negative impact on overall reputation (e.g. due to failure to meet climate-related goals, or lack of climate action), resulting in loss of customers as well as lower employee attraction and retention

Risk Category	Risks Relevant to Wasco	Potential Impacts to Wasco (Non-Exhaustive)
Physical Risks		
Acute Physical Risks: Exposure to increasingly frequent and severe extreme weather events	Increased severity of extreme weather events	 Higher spending on repairs and maintenance of infrastructure/offices damaged from weather events Increased frequency and severity
Chronic Physical Risks: Exposure to longer-term, incremental shifts in climate patterns	 Changes in precipitation patterns and extreme variability in weather patterns Rising mean temperatures Rising sea levels 	of network and customer service disruptions Devaluation and/or early retirement of assets in high-risk locations (e.g. flood-prone or water-scarce areas) Reduced quality of services due to lower productivity Higher insurance premiums and/or reduced availability of insurance for assets in high-risk locations

Opportunity Category	Opportunity Relevant to Wasco	Potential Impacts to Wasco (Non-Exhaustive)
Resource Efficiency: Use of more resource- efficient processes and equipment to optimise consumption of energy, water, waste, and materials	 Use of more efficient production and distribution processes 	 Lower utility bills, potential carbon prices, and costs from purchased goods and services due to reduced consumption of resources Increased value of fixed assets (e.g. highly rated energy-efficient plants)

SUSTAINABILITY REPORT 2024 28

Opportunity Category	Opportunity Relevant to Wasco	Potential Impacts to Wasco (Non-Exhaustive)
Energy Source: Use of green or renewable sources of energy, and exploration of carbon trading platforms	 Use of lower-emission sources of energy Participation in carbon markets 	 Avoided penalties, legal action, and reputational risks due to non- compliance with climate regulations Increased reputation from proactive response to shifts in consumer and investor demands
Products & Services: Development of low-emission goods and services, as well as climate adaptation and mitigation solutions	 Transition to low-emission products and services Increased collaboration with external organisations to provide low-emission and climate-resilient solutions 	 Additional source of revenue from new low-carbon products and services Increased quality of products and services due to upskilled employees in enhancing low emission-related offerings More resilient supply chains due to the shift from linear supply chains towards circular business models
Market: Exploration of new markets and avenues for lower financing costs with low-carbon products and services	 Access to new markets across more climate-conscious consumers Improved reputation from proactive response to align with shifting consumer and investor demands Use of public and private sector incentives to fund emission reduction projects 	 Engagement with a wider customer base across new markets Increased access to sustainable, green, and/or climate financing to fund research, development, and innovation of low-carbon products and services Better competitive position, resulting in a larger number of customers as well as higher employee attraction and retention Increased access to capital markets due to higher market valuation with improved sustainability and climate performance
Resilience: Increase in adaptive capacity to respond to climate change	 Participation in renewable energy ("RE") programmes and adoption of energy efficiency measures Achievement of sustainability certifications and energy labels for energy-efficient products and services Improved community and consumer resilience 	 Additional source of revenue from certain RE programmes Increased value of fixed assets due to better energy performance (e.g. high-risk energy-efficient buildings) Lower risk of service downtime due to reduced health and safety impacts on the workforce and enhanced reliability of supply chains, particularly for data centre operations

These strategies encompass initiatives to reduce our carbon footprint, increase energy efficiency, transition towards renewable energy sources and enhance resilience to climate-related risks. We actively engage with stakeholders to collaborate on fulfilling our commitment to achieving net-zero carbon emissions, fostering partnerships that drive collective action towards a sustainable future.

Low-Carbon Strategies

- Implement low-carbon strategies, energysaving programmes and utilisation of green energy
- Invest in renewables and embrace the circular economy
- Improve energy efficiency and further reduce operational GHG emissions
- Remove carbon using nature-based solutions like reforestation initiatives

Performance-Oriented Results

- Set long-term stretched targets to drive swift and agile climate change adaptation and mitigation
- Achieve company-wide strategic alignment of goals
- Use quantitative metrics and performanceoriented results to measure progress and promote data-driven decision-making.

Comprehensive Management Framework

- Adopt ISSB's climate disclosure standard (IFRS S1 & S2)
- Integrate climate-related risk management into Wasco's overall risk management framework
- Identify climate-related risks and opportunities and perform scenario analyses to mitigate risks

Climate Change Strategy

Our strategies to adapt to climate change and build resilience for a sustainable future.

Climate Advocacy and Education

- Participate in global and national sustainability initiatives, and engage in sustainability assessments conducted rating agencies like FTSE Russell
- Facilitate climate education and awareness through seminars and company-wide awareness programmes

Wasco is an active member of the Malaysian Oil & Gas Services Council ("MOGSC"), Malaysia Gas Association ("MGA"), Malaysia Petroleum Resources Corporation, and the Federation of Malaysian Manufacturers. Through these memberships, we remain committed to addressing climate-related challenges, particularly their impact on the energy sector.

Our role and involvement include:

- Identifying key environmental issues related to climate change, water, waste; and
- Collaborating on solutions that drive sustainable improvements within Wasco and its supply chain.

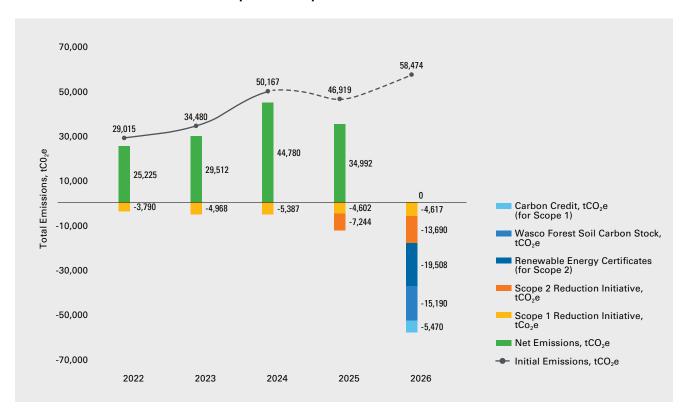
Wasco plays an integral role in driving change management by facilitating knowledge-sharing, policy discussions, and regulatory advancements. Through our participation, we:

- Support the development of public policy and regulations that promote sustainability within the energy sector; and
- Explore emerging opportunities, such as Carbon Capture, Utilisation, and Storage ("CCUS"), hydrogen technology, and renewable energy solutions, to contribute to a cleaner, more sustainable future.

By leveraging our industry presence and expertise, we continue to advocate for environmental responsibility, innovation, and sustainable growth in the energy sector.

Wasco Net-Zero Carbon Emissions Pathways

Wasco's Commitment to Net Zero Scope 1 and 2 by 2026



This Net Zero Scope 1 and 2 commitment graph illustrates our emission reduction pathway from 2022 to 2026. The chart highlights initial emissions, net emissions, and the impact of key decarbonisation initiatives, including Scope 1 and 2 reduction strategies, renewable energy adoption, and the use of carbon credits. By 2026, we aim to achieve net zero emissions through a combination of clean energy transitions, and verified offset mechanisms.

At Wasco, we fully recognise the urgency of the climate crisis and are committed to contributing meaningfully toward global climate goals. That's why we have set an ambitious target to achieve net zero carbon emissions for Scope 1 and 2 by 2026. For us, waiting until 2050 is not an option—immediate and decisive action is essential.

As an organisation that operates in the energy and bioenergy sector, we understand our role in driving sustainability. Our commitment to net zero is not just a corporate target, but a pledge to future generations, a commitment to climate leadership, and a step toward a cleaner, low-carbon future.

Our Path to Net Zero

We are committed to achieving net zero emissions for Scope 1 and 2 by 2026 by integrating sustainability into our operations. As a leading provider of pipeline solutions, we are focused on reducing our direct and energy-related emissions through energy-efficiency optimisation, transitioning to renewable energy, and implementing low-carbon technologies. Achieving this target requires strategic collaboration, innovation, and decisive action across our facilities and operations.

Key Actions to Achieve Net Zero

Assessing Grid Connectivity Feasibility:

- Conducting a technical and infrastructure assessment to determine the feasibility of connecting WCME Qatar to the national grid.
- Engaging with local energy providers and regulatory bodies to understand grid availability, connection requirements, and potential renewable energy options.

• Transitioning to Renewable Energy:

- We are actively shifting from fossil fuelbased power sources to grid electricity, with a strong emphasis on integrating renewable energy into our operations.
- This includes expanding solar energy adoption across key facilities, such as:
 - WCM Kuantan
 - PTWEI Batam
 - WPS Kota Kinabalu
 - Wasco Thermal Shah Alam
 - WPE Teluk Panglima Garang (with plans for further solar capacity expansion)

• Optimising Energy Efficiency:

 We plan to actively implement diesel-toelectric equipment conversions where feasible, replacing diesel-powered

- machinery with electrified or energy-efficient alternatives to minimise fuel consumption and emissions. This initiative has already been implemented during Quarter 4 2024 at PTWEI Batam, and we are considering adopting a similar approach at WCME Qatar while transitioning to grid power.
- Additionally, we are enhancing fuel management and consumption tracking to optimise diesel usage during the transition phase.
- We are also integrating energy-saving technologies and best practices across our operations.

Enhancing Carbon Sequestration Through Wasco Forest Soil Carbon Stock:

- Reforestation through Wasco Forest plays a crucial role in Carbon Sequestration: Protecting and expanding forested areas within Wasco-managed sites to increase soil carbon storage capacity.
- Soil Carbon Assessment & Monitoring: Conducting regular soil carbon stock assessments to quantify and track our carbon sequestration progress.

Taking Collective Climate Action

Sustainability is a shared responsibility. By working together with industry partners, clients, and stakeholders, we can drive meaningful change and contribute to a net zero future. We encourage other businesses to take action and join the journey toward sustainability.

Wasco remains committed to leading by example, ensuring that our business growth aligns with environmental responsibility.

We will continue enhancing our climate strategy as part of our climate resilience development. Among the measures we plan to take include:

- Assessing climate risks based on factors such as useful life of assets and infrastructure, expected time
 of occurrence of climate impacts, internal strategies, as well as alignment with external commitments
 and regulatory frameworks.
- Conduct climate scenario analyses to evaluate potential impacts under two projected climate conditions and across different time horizons. These analyses help us assess the resilience of Wasco's climate strategies against diverse climate scenarios and underlying assumptions.
- Conducting IFRS S1 & S2 quantitative analyses and using the relevant outcomes to formulate action
 plans. The action plans will be used to address climate matters that are aligned with Wasco's Net Zero
 Carbon Roadmap and will be integrated into our corporate strategy and financial planning.

SUSTAINABILITY REPORT 2024 32

Risk Management

Within Wasco, climate risk evaluation is seamlessly woven into its strategic planning and business processes, aligning with the risk management process. For more details on the risk management process, please refer to our Sustainability Risk Management section from pages 58 to 59. Wasco is committed to incorporating climate risk considerations into our decision-making processes, strengthening adaptability, and ensuring the long-term sustainability of our business and the communities we serve. These considerations include:

Time Horizon and Effects	Climate-related risks and their associated impacts may emerge as a result of evolving drivers behind both physical and transition risks. These shifts can manifest over the short, medium, and long term, influencing business operations, market dynamics, and Wasco's overall sustainability.
Geography and Activity Differences	The effects of climate change and associated risks will vary across regions, depending on geographical and operational factors. These variations can significantly influence business operations, market dynamics, and strategic priorities.
Complex Relationships and Systemic Effects	Climate change risks are intricately linked with socioeconomic structures, financial systems, and global supply chains. These complex interdependencies can amplify the overall impact, creating cascading effects that reverberate across industries and economies.

As part of our climate risk assessment, we undertook the following steps to assess the materiality of Wasco's climate risks and opportunities for the shortlisted BUs which represent Wasco's key business segments.

Macro Factors: Country-and Industry-Level View

In assessing climate-related risks and opportunities, we take into account country- and industry-specific perspectives relevant to the shortlisted BUs. Key factors for consideration include:

- The likelihood of natural disasters occurring or recurring in the region;
- Existing or upcoming climate-related regulations and policies; and
- Market dynamics and shifts in customer behaviour.

Micro Factors: Operation-Level View

We evaluated how each shortlisted BUs responds to climate risks and its exposure to climate-related opportunities. The assessment of vulnerability to climate risks was based on:

- The availability of control measures to manage and mitigate the impact of climate risks;
- Access to alternative resources or infrastructure to reduce dependency; and
- The level of preparedness, response, and recovery capabilities in managing natural disasters.

On the other hand, our exposure to climate opportunities was assessed based on:

- The potential for new revenue streams or cost savings;
- Opportunities for job creation, as well as upskilling and reskilling of the workforce; and
- The capital investment required to capitalise on these opportunities.

Moving forward, we will implement strategic measures to enhance the integration of climate-related risks into Wasco's risk management framework. This includes refining policy, procedures, risk appetite, risk tolerance, and overall risk management strategies. As part of this effort, we will adjust our risk appetite and tolerance levels to incorporate climate considerations and embed climate-related factors into Wasco's existing risk assessment processes, such as the materiality assessment of climate risks and impact pathways.

We may enhance our current risk taxonomy and risk profile by incorporating relevant physical and transition climate risks. When necessary, we will evaluate emerging climate risks and opportunities based on business segments and geography. Additionally, we are dedicated to standardising our global climate risk assessment process to maintain consistency and transparency.

We will actively communicate the process to all BUs, equipping them with a standardised approach to assess climate risks and opportunities. This will allow us to proactively manage climate risks and capitalise on potential opportunities. Future enhancements will include developing monitoring mechanisms to integrate climate risk into overall risk management practices, ensuring regular review by the Board.

Metrics and Targets

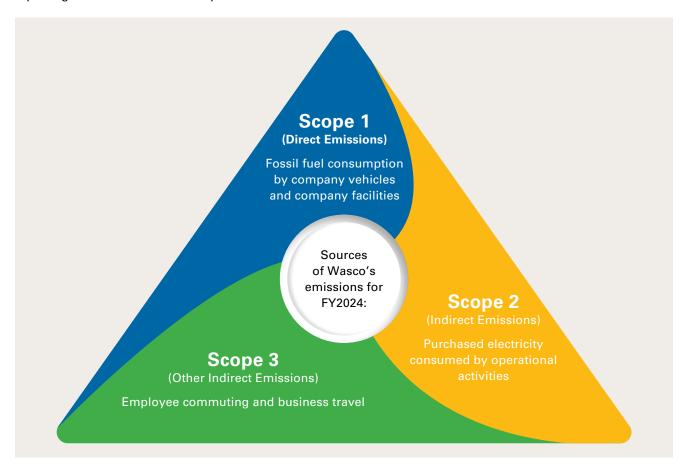
Metrics and targets are how an organisation measures and monitors its climate-related risks and opportunities. Organisations disclose metrics and targets to enable stakeholders to better assess an organisation's potential risk-adjusted returns, ability to meet financial obligations, general exposure to climate-related issues, and progress in managing or adapting to those issues.

These metrics, along with regular reporting, enable Wasco to effectively assess and manage climate-related risks and opportunities, ensuring alignment with its sustainability goals and long-term strategic objectives.

Wasco is committed to progressively minimising our operational emissions to align with the global goal of limiting temperature rise to 1.5°C. To support this commitment, we have established climate-related metrics to effectively measure and monitor key parameters, guiding our collective action plan in addressing climate-related challenges.

Scope 1, 2, and 3 Greenhouse Gas Emissions

Wasco is dedicated to maintaining transparency and accountability in its climate performance. As part of this commitment, Wasco regularly discloses its Scope 1, 2, and 3 emissions to ensure clear and comprehensive reporting on its environmental impact.



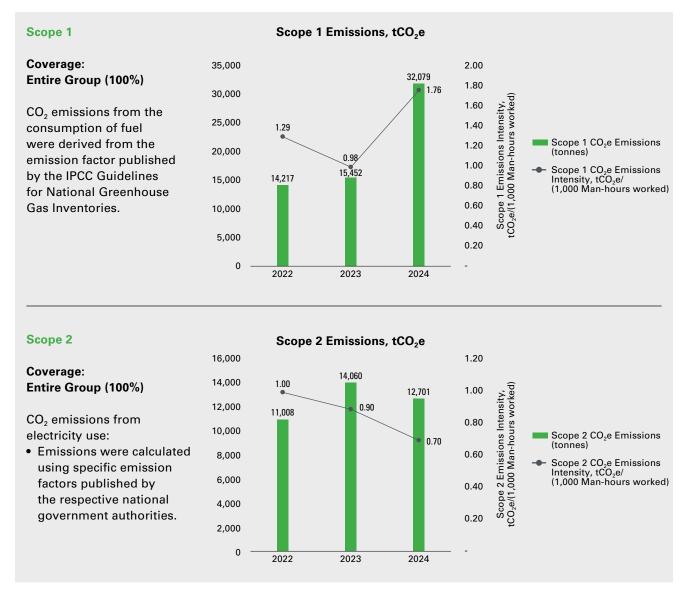
All emissions have been calculated using the methodologies outlined in the Greenhouse Gas ("GHG") Protocol. The emission factors are derived from the Intergovernmental Panel on Climate Change's ("IPCC") Sixth Assessment Report ("AR6") and with consultation with Malaysian Green Technology and Climate Change Centre ("MGTC") for Scope 1 and 2 emissions. For Scope 3 emissions, calculations are based on data from the United Kingdom's Department for Environment, Food & Rural Affairs ("DEFRA") 2023. This updated methodology allows for a more detailed and comprehensive breakdown of GHG emissions.

Organisational Targets for Managing Climate-Related Risks and Opportunities, and Performance Evaluation Against these Targets

Within Wasco, sustainability considerations are integrated across our business and guided by clearly defined targets. In relation to climate, we have set a target for our emissions. To track our near-to long-term sustainability performance, we have included an overall climate goal of achieving net-zero emissions by 2050. This long-term target is also supplemented by our interim targets, as outlined below:

Wasco's Environmental Performance Targets Greenhouse Gas Emission Reduction Emission intensity from stationary combustion by 5%. Scope 1 Coverage: entire Group (100%) Stationary combustion Company-owned vehicles · Refrigerant leakage • Fire suppression Welding Scope 1 & 2 a) Achieve net-zero carbon emissions for Scope 1 and 2 by 2026. b) Net Zero emissions by 2050. Wasco is undertaking a series of proactive initiatives and developed plans for the Strategy achievement of this environmental performance target. Ongoing initiatives include: Subscribed to TNB's Green Electricity Tariff (GET) Programme; Launched a pilot tree-planting programme at Wasco Forest; • Phasing out diesel-fueled air compressors and power generators across all operations; Deployed mobile tower lighting powered by solar and battery instead of diesel: • Utilising natural gas for all industrial burners; Reducing reliance on liquefied petroleum gas; Introduced the "Benefit of Walking" Campaign to encourage walking over vehicle use: Periodic maintenance of plant equipment to optimise fuel efficiency; Adopted Euro 6 standard vehicles, to enhance energy efficiency and reduce Transitioned to arc welding for improved energy use; Rolled out an Energy-Saving Awareness Campaign; • Enabled hibernation features on all computers; • Installed timers/and sensors for lighting, air conditioners, hydraulic power packs, and blowers; Replaced malfunctioning bulbs with energy-efficient LED lights; and Installed solar power systems at production facilities. Upcoming initiatives include: Installation of solar panels at our Kuantan facility; Transitioning of Qatar operations to grid energy; Complete phasing out of combustion-based energy sources; and Launch of Phase 2 of Wasco's tree-planting programme, to cultivate a diverse range of CO₂-sequestering plants across 670 hectares, totalling an estimated 1 million trees.

Consolidation method in carbon footprint calculation	Operational
Organisational boundary in carbon footprint calculation	Accounts for 100% of GHG emissions from operations over which it has authority to implement operational policies and practices.
Independent verification of operational GHG data	Our process of calculating and measuring GHG is guided and independently verified by the MGTC.



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. Wasco's key strategic priority is to accelerate the global energy transition agenda.

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 aim to manage our portfolio with resilience, ensuring it adapts to the rapid energy transition and increasing expectations of our stakeholders.

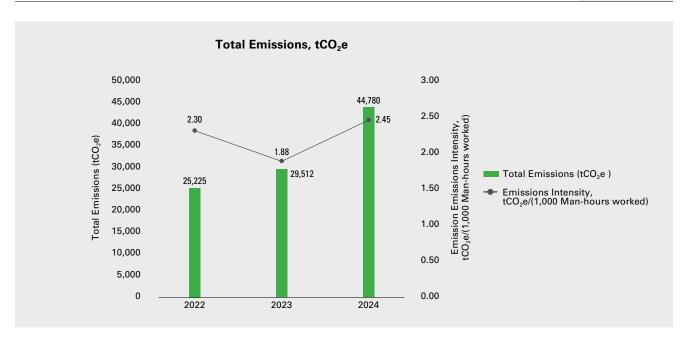
We are continuously improving how we identify, assess, manage and govern climate-related risks and opportunities for our business.

SUSTAINABILITY REPORT 2024

Emissions Intensity

Total GHG emissions do not necessarily reflect efficiency as they do not consider changes in output. Wasco expresses its emissions intensity as the tonnes of carbon dioxide equivalent produced by 1,000 man-hours.

Year	2022	2023	2024
Total Emissions (tCO ₂ e)	25,225	29,512	44,780
Total Man-hours	10,985,154	15,704,670	18,274,778
Emissions Intensity, tCO ₂ e/Man-hours (1,000)	2.30	1.88	2.45



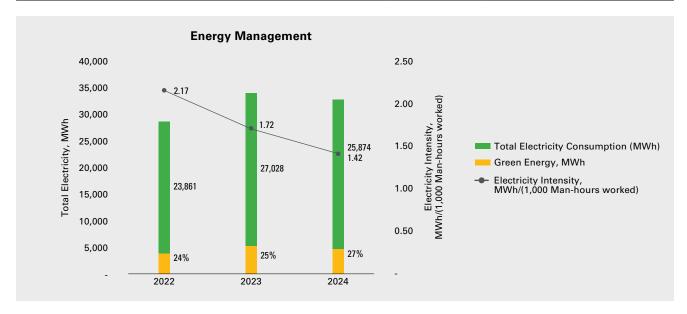
Wasco's Environmental Performance Targets Achieve Increased Reliance on Renewable Energy Scope 2 Coverage: entire Group (100%): Purchased electricity a) Achieve 30% reliance on renewable energy by 2024 from 2023 baseline. b) Achieve 40% reliance on renewable energy by 2035 from 2023 baseline. Strategy Wasco is committed to addressing energy use and efficiency by: Adhering to relevant legislation and regulations concerning energy. • 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 into business activities.

Energy Management

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

Year	2022	2023	2024
Green Energy, MWh	5,640	6,664	6,935
Total Electricity Consumption (MWh)	23,861	27,028	25,874
Electricity Intensity, MWh/(1,000 Man-hours worked)	2.17	1.72	1.42
% of Energy Mix	24	25	27



In 2024, we invested RM1,162,858 in our subscription to Tenaga Nasional's Green Electricity Tariff (GET) programme for Wasco Coatings Malaysia Sdn. Bhd. in Kuantan, Pahang.

We are committed to addressing the issue of climate change and improving efficiency through adopting new and green technology in developments and implementing fuel efficiency measures.

For 2025, we have several solar installations planned for various locations within Wasco.



Solar panels installed at Wasco Process Engineering's building in Telok Panglima Garang.

SUSTAINABILITY REPORT 2024

Forests Alone Cannot Handle Carbon: Balancing Nature's Role in Climate Change

During the past year, we continued maintenance activities for the 160,000 trees planted in Wasco Forest Phase One. Third-party consultants were engaged to track and monitor the growth of Wasco Forest. We also engaged the Forest Research Institute Malaysia to conduct a soil organic carbon assessment to determine the soil carbon pool at the site. We are pleased to share that our forest is healthy and growing well. This sentiment is shared by the Pahang Forestry Department, which has granted an additional 670 hectares of land in Maran for us to continue our reforestation efforts. In Phase Two of Wasco's tree-planting programme, we will continue cultivating a diverse range of carbon-sequestering plants across 670 hectares, with the goal of eventually planting approximately 1 million trees.

FACTS: Nature has garnered remarkable ability to remove carbon dioxide ("CO2") from the atmosphere and sequester it within the biosphere. This natural process occurs through photosynthesis, involving soils, grasslands, trees, and mangroves. However, nature is not only a carbon sink; it also contributes to carbon dioxide emissions due to deforestation, land degradation, ecosystem disruption, agricultural practices. Fortunately, strategic changes in land practices carbon storage. achieving net-zero



Wasco's volunteers joined forces with local communities at the Pulau Buluh Clean-Up in Batam, Indonesia.

Pollution Prevention and Control

Wasco 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;
- Reducing or eliminating pollution at its source;
- Modifying production, maintenance, and facility processes through material substitution, conservation, recycling, and reuse wherever applicable.

Preserving Biodiversity

We strive to operate responsibly and protect biodiversity where we work worldwide. As part of our commitment to the SDGs, 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 risk assessments 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 us to formulate risk mitigation approaches. For example, biodiversity risks are continuously monitored at our new site in Tanzania.

Waste

Wasco 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 Wasco Waste Management Procedure sets out the following expectations:

- Promote efficient use of resources to reduce pollution impacts.
- Minimise waste generation at the source wherever feasible.
- Explore alternative disposal methods by adopting cleaner and more sustainable technologies.
- Ensure full compliance with all legal requirements related to waste handling and disposal.

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

Sewage and Greywater	 Sewage and greywater are collected in designated tanks that are properly plumbed and connected to ablution and lunchroom facilities. Tanks are emptied regularly by an authorised contractor.
Scrap Metal	 Scrap metal, including copper, is collected in a scrap metal skip. Scrap metal is collected or replaced by a contractor as appropriate.
General Waste	 Scrap timber and large general waste items are collected in a general waste skip. Smaller or lighter general waste items, waste paper and food waste are collected in local, lined bins. Waste is fully contained and tied within suitable garbage bags upon emptying before being placed in the general waste skip to prevent it from being blown by the wind. The general waste skip is emptied by a contractor as required.
Recyclable Containers	 Aluminium cans and plastic bottles are deposited in a designated recycling bin for donation.
Waste Paint	 Waste paint is allowed to fully harden in its original container and is then disposed of according to the Safety Data Sheet requirements, either as general waste or through an authorised contractor.

Oily Rags	 Oily rags are stored in a designated oily rag receptacle. Clients' maintenance operations must implement a process for the proper disposal of oily rags.
Hydrotest Water	 Hydrotest water is collected for proper disposal. The greywater system can handle untreated test water volumes of up to 100 litres. Operations ensure that the greywater system can manage the volume at the time of disposal. If the site cannot accommodate the additional volume, third parties may be engaged for disposal.
Waste Condensate	 An authorised contractor collects condensate waste using suitable containers for safe transport and disposal. The client is responsible for providing a designated, bundled storage area for waste containers pending collection.
Waste Amine	 An authorised contractor collects amine waste using suitable containers for safe transport and disposal. The client is responsible for providing a designated, bunded storage area for waste containers pending collection.
Soil/Spoil	 A civil contractor removes soil and spoils from the site, transporting them for disposal at an authorised facility.
Waste Concrete	A civil contractor removes waste concrete from the site, transporting them for disposal at an authorised facility.
Contaminate Soil	 Contaminated soil, when identified, is removed and stockpiled for disposal at a suitably licensed facility.

Noise Boundary Monitoring

Noise generated during the construction, operation, and decommissioning phases of large infrastructure projects can potentially affect nearby noise-sensitive receptors. In adherence to the Environmental Quality Act 1974, the Group conducts boundary noise monitoring at multiple points along the perimeter of its operations, in line with the approval conditions outlined in EIAs. In 2024, the average noise level remained within the permissible limit of 65 decibels (dBA), as stipulated by the Department of Environment.

Conserving Water Resources

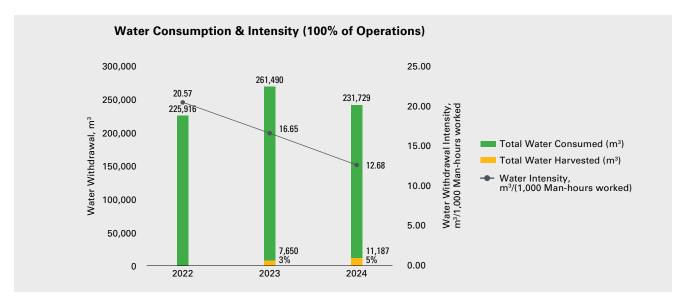
We actively manage our freshwater usage and the potential impacts of our operations on surrounding water resources. To reduce consumption and improve efficiency, we prioritise the use of alternatives such as recycled water. A range of internal processes help us assess and manage water-related risks, focusing on conservation, reuse, and recycling. Each site follows our HSE Management Plan, which includes a Water Management Procedure. This procedure sets out appropriate control and monitoring measures in line with 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 were no violations of water quality standards during this reporting period.

Water Consumption and Intensity (100% of Operations)

Wasco expresses its water intensity as total water consumed measured in cubic metres by 1,000 man-hours.

Year	2022	2023	2024
Total Water Consumed (m³)	225,916	261,490	231,729
Total Water Harvested (m³)	-	7,650	11,187
Total Man-hours	10,985,154	15,704,670	18,274,778
Water Intensity, m ³ / Man-hours (1,000)	20.57	16.65	12.68



Circular Economy

Wasco is capitalising on its commitment to sustainability with a new initiative that recycles discarded polyethylene ("PE") and polypropylene ("PP") from its three layer anti-corrosion coating process. As part of its drive toward net zero carbon emissions by 2026, this effort reflects Wasco's focus on reducing waste and boosting resource efficiency across its operations.

The initiative reprocesses used PE and PP into resin, which is then employed for purging die heads during material changeovers—a crucial maintenance step that keeps machinery clean and ready for production. By using recycled resin, Wasco conserves virgin material for coating applications, yielding both environmental and financial benefits.

The programme has already delivered significant savings, with recycled PE/PP now constituting 7% of the total material purchased. The switch from virgin to recycled materials has resulted in an 81% reduction in purging costs, reflecting the initiative's impact on both sustainability and operational efficiency.

Aligned with Wasco's broader sustainability strategy, this initiative supports Wasco vision to deliver reliable, competitive energy solutions while advancing its net zero goals. By closing the loop on these materials, Wasco not only cuts its environmental footprint but also strengthens its competitive edge in a sustainability-driven market.









SOCIAL

Wasco's community investment principles are closely aligned with the goal of enhancing the well-being and development of local communities. By strategically aligning our business objectives with community investment, Wasco can achieve more favourable outcomes for both itself and the communities it serves. Our community investment efforts are guided by a clear purpose—to drive meaningful and lasting positive transformation.

Social Impact Projects

Wasco is dedicated to delivering long-term benefits to the communities in which we operate. Our commitment is driven by three core pillars: environment, healthcare, and humanity. Through ongoing collaboration with reputable local non-governmental organisations such as E-waste Recycling Through Heroes (ERTH), Tzu Chi, and Free the Sea, we aim to foster meaningful change and make a lasting impact. These partnerships reflect our deep commitment to contributing to the well-being of those in need. In FY2024, we successfully executed a series of Social Impact Projects across our global operations, reinforcing our dedication to community outreach and positive social transformation.

Wasco made a total investment of RM777,578 in community initiatives, directly benefiting 11,936 individuals. Our employees contributed a combined total of 11,779 volunteer man-hours, underscoring our unwavering commitment to creating a meaningful and lasting impact in the communities we serve.



We are proud to highlight the following impactful projects:



SUSTAINABILITY REPORT 2024 44

Donation in kind - Christmas

Project, Shah Alam

Healthcare

Project Nutrisi Sihat Wasco – Vaccination programme

Wasco, through its subsidiary in Kuantan, Shah Alam, Telok Panglima Garang, and Kota Kinabalu, launched the "Projek Nutrisi Sihat Wasco" programme to promote public health. In collaboration with Poliklinik Shaik and Medisinar, they provided flu and HPV vaccinations to 266 individuals.





This initiative aligned with Wasco's sustainability goals and helped prevent flu-related complications. The flu vaccine reduced the risk of severe illness, while the HPV vaccine protected against infections that could cause cancers, including cervical, genital, throat, and anus cancers, as well as genital warts.

Wasco's volunteers dedicated over 180 hours to the event, underscoring our commitment to Social Impact Projects. The event concluded with a tea, offering volunteers and children a chance to connect.



Health Checkup at Bukit Gong, Chini





In collaboration with the dedicated medical team of Ivorymedic Clinic, Kuantan, Wasco embarked on a mission to bring healthcare directly to the vibrant Orang Asli community in Bukit Gong, Chini, Pahang, who often faced challenges in accessing medical services due to their rural location. We provided comprehensive health check-ups, including blood pressure, diabetes, and BMI assessments. The response was truly inspiring, with participants ranging from young children to seniors over 60 years old.

In addition to the check-ups, our team also conducted health awareness sessions, emphasising the importance of regular health check-ups and healthy living practices with the aim of educating the community on managing their health proactively. Understanding the essential needs of the community, we also distributed groceries and medicines to ensure they had adequate resources to maintain their health and well-being.

Blood Donation Campaigns









In collaboration with Palang Merah Indonesia, Queen Elizabeth Hospital, and Tengku Ampuan Rahimah Hospital and local clinics, Wasco organised several blood donation campaigns in Batam, Kota Kinabalu, Kuantan, Qatar, Singapore, Shah Alam, and Teluk Panglima Garang, embodying the spirit of giving and compassion.

Each drop of blood donated was a testament to our collective effort, not only saving lives but also fostering a deep sense of communal solidarity. The resounding success of the campaign, with 930 volunteers and 466 pints of blood collected, exemplified the profound impact of collective action in fostering wellbeing and resilience within our communities.

Humanity

Maendeleo Programme



Through our operations in Tanzania, Wasco collaborated with the East African Crude Oil Pipeline Project team, construction contractor Basenet, and local carpenters Andrew and Zabron to complete three impactful community projects in Ilalo, Selemi, and Wella II villages.

These projects were part of the Maendeleo Programme, which aims to improve the socio-economic development of Igusule ward. The projects included revitalising the Ilalo village office, building two new classrooms in Selemi, and providing school supplies such as 108 desks, office cabinets, and chairs. All three projects were officially handed over to the village councils, accompanied by vibrant celebrations featuring traditional dances, songs, and feasts.

Project Nutrisi Sihat Wasco - Food Distribution







Wasco spread joy and compassion throughout the community with our "Project Nutrisi Sihat 2024" programme. More than just an initiative, this project embodied our commitment to creating a positive impact through kindness and generosity, extending warmth and goodwill to the communities within our network of operations.

Our team worked together to prepare, package and distribute food to the communities in Kuantan, Kota Kinabalu, Shah Alam, and Teluk Panglima Garang. These efforts, benefiting nearly 2,085 individuals, not only brought our team together but also provided an opportunity for us to connect with and support those in need.

At Wasco, philanthropy is at the core of our mission. Through these initiatives, we strive to exemplify our dedication to social responsibility and to make a meaningful difference in the lives of those around us.

School Infrastructure Upgrades



Wasco has become a catalyst for positive change in Batam's local communities. A flagship programme was recently kickstarted, focused on the upgrading of school infrastructure, to create safe and enriching learning environments for the children in the area.

This comprehensive initiative includes key improvements such as constructing an art studio stage, concreting schoolyards, building new restrooms, renovating existing facilities, repairing classroom ceilings, and providing essential furniture for schools.







Four schools — SDN007, SDN006, SMPN38, and SDN011 — situated within a 5KM radius of Wasco's base in Batam, with a combined student population of 4,000, will benefit from this transformative initiative.

Environment

Recycling PET Plastic Bottles, Batam





Wasco joined forces with local communities during the Pulau Buluh Clean-Up in Batam, Indonesia. Organised by Free the Sea, a non-profit focused on transforming ocean-bound plastic waste into valuable resources, the event was part of a broader effort to promote sustainability in the Riau Islands.

Eleven Wasco volunteers joined 260 participants from schools, businesses, and community groups, collecting 1,472.7 kg of waste—including 683.6 kg of clothing, 657.1 kg of general plastic, and 132 kg of PET plastic. Beyond improving living conditions for nearly 3,000 residents, this initiative demonstrated the power of collective action in driving meaningful and lasting environmental change.



Clean UAE





Wasco proudly partnered with the Emirates Environmental Group in their impactful annual campaign, "Clean UAE," held on 7 December 2024.

This nationwide initiative served as a powerful platform for WEIL employees to actively support environmental stewardship by helping preserve natural habitats, advocating for recycling, and promoting the use of recyclable materials across local industries.



Circular Economy



Wasco HQ recycling campaign.



Collaboration with Tzu-Chi Kepong.



Plastic bottle collection drive in Dubai.



Recycling in Shah Alam.

For 2024, the central theme of our social impact project is the Circular Economy. In addition to various projects supporting our three core impact pillars of environment, healthcare, and humanity, all sites conducted projects supporting circularity. These projects focused on repurposing everyday waste materials such as plastic bottles, paper, and cardboard. For example, plastic materials collected were transformed into threads and textiles, which were then used to create products like clothing and blankets. By giving new life to these materials, the project not only reduced waste but also helped lower environmental impact and carbon footprint, contributing to a more sustainable and resource-efficient future.

Additionally, Wasco made incredible progress in e-waste recycling. We collected 205 kg of e-waste, including laptops, monitors, printers, phones, office phones, home appliances, small consumer electronic devices, and small electronic peripherals and components. Beyond the numbers, this drive embodied Wasco's collective commitment to sustainability and responsible recycling.



E-waste Campaign in Kuala Lumpur.

A Place for People

Employees are the driving force behind our company's success. We are committed to providing comprehensive compensation, benefits, tools, and development opportunities that support employee success and long-term career growth. Our labour standards are aligned with the International Labour Organization's goal of promoting decent and fair work for all.

Clear and robust employment standards are outlined in our Principles of Business Conduct, which are communicated to all employees in English—the primary business language—and translated into other languages, such as Bahasa Malaysia, where necessary to ensure full understanding.

As part of our risk assessment and due diligence procedures, we regularly review the labour practices of both existing and potential business and supply chain partners. All relevant parties are periodically briefed on our Principles of Business Conduct to ensure alignment with our values and expectations.

Importantly, no instances of non-compliance with labour standards were identified during this reporting period, reflecting our ongoing commitment to fair and ethical labour practices.

Competitive Benefits

At Wasco, we value our employees' well-being and job satisfaction by providing a comprehensive range of benefits designed to support their personal and professional development.

Our competitive benefits packages include comprehensive health and wellness resources, aligned with applicable local labour laws and regulations, along with additional benefits provided at our discretion to further enhance employee support. Wasco also offers leaves of absence, including personal, maternity, and paternity leave, in full compliance with the relevant legal requirements of each jurisdiction in which we operate.

Through these initiatives, we reaffirm our commitment to our employees' success while nurturing a culture of care, support, and excellence across our organisation.



Flexi-Work Arrangement

• Staggered working hours



Leave

- Annual leave
- Medical leave
- Marriage leave
- Paternity leave
- Maternity leave
- Examination leave
- Special leave
- Replacement leave
- Compassionate leave



Medical

- Insurance coverage
- Medical coverage
- Dental care
- Optical care
- Health screening



Other Benefits

 Employer and employee statutory contributions (e.g. EPF, SOCSO, EIS, etc.)

50

- Professional membership fee reimbursement
- Parking subsidy
- · Public transport subsidy

SUSTAINABILITY REPORT 2024

Learning and Development: Empowering Growth and Innovation

In the past year, Wasco has reaffirmed its commitment to fostering a culture of continuous learning and professional growth. Recognising that our employees are the cornerstone of our success, we have prioritised learning and development ("L&D") initiatives to drive engagement, adaptability, and long-term competitiveness in an ever-evolving landscape.

Our L&D strategy is closely aligned with Wasco's innovation, operational excellence, and customercentricity objectives. By equipping our teams with future-ready skills and leadership capabilities, we are directly supporting Wasco's strategic priorities. Hence, we offer a vast range of learning programmes and interventions to fulfil the diverse learning needs identified by our employees and their supervisors.

We firmly believe that investing in our people is investing in our future. By nurturing a resilient, skilled, and motivated workforce, we are poised to navigate challenges and seize opportunities in the years ahead. Our L&D initiatives will continue to evolve, ensuring alignment with both employee aspirations and the dynamic needs of our industry.

Fostering Young Talent

At Wasco, we understand that investing in young talent is essential to shaping a sustainable and innovative future. Our dedication to fostering the next generation of professionals is demonstrated through our comprehensive talent development programmes, valuable internship opportunities, and mentorship initiatives. These offerings are designed to equip young individuals with the skills, knowledge, and hands-on experiences they need to succeed and excel in the industry.

Employee Engagement

Employee engagement plays a vital role in boosting our employees' motivation and morale. Wasco prioritises open communication through regular dialogues physically and virtually to update employees on group developments. Close-knit engagement activities at the departmental level help strengthen team cohesion and address human resource matters in a more focused and supportive environment.

Wasco also leverages a variety of engagement platforms, including workplace meetings, employee briefings, intranet updates, bulletins, and LinkedIn, to promote open and transparent communication across the organisation. Key topics such as equal opportunities, diversity, career progression and rewards are regularly addressed through these channel.

Furthermore, Wasco enhances employee engagement through a range of initiatives, including:

- Townhall meetings
- Employee surveys
- Tea talks
- Initiative for mental health awareness
- Friday breakfast
- Wasco Fun Day & Wasco Family Day
- · Festival celebration and activities
- Sporting and recreational events



Puma Night Run 2024.

By actively investing in its people and their development, Wasco continues to nurture a culture of innovation and excellence, where employees are not only valued but also empowered to thrive.

Occupational Health and Safety

In a world where health, safety and environmental (HSE) stewardship has become more critical than ever, Wasco stands as a beacon of excellence, setting new standards in HSE performance. Our journey towards achieving Target Zero (Nobody gets hurt, No damage to property, and No harm to the environment) is not just about compliance, but a testament to our commitment to fostering a culture of safety, sustainability, and continuous improvement.

With more than 30 years of experience in coating pipes, Wasco's commitment to safety excellence is ingrained in its culture, setting it apart as an industry leader with an engaged and proactive workforce having a renewed sense of vulnerability to risk. In 2024, Wasco achieved notable HSE success, including the accomplishment of 39 million LTI-free man-hours, underpinned by strong management commitment and support, as well as the organisation's robust capabilities in safety management. These key elements provided the foundation for driving a culture of safety excellence.

Wasco's HSE Policy applies to all contractors, employees, and stakeholders operating within its premises. We are dedicated to fostering a culture of continuous improvement, risk mitigation, and regulatory compliance. Wasco remains fully committed to adhering to the Occupational Health and Safety Act (OHSA) 2024, the Environmental Quality Act (EQA) 1974, and all other relevant laws, regulations, orders, industry standards, and best practices to which it subscribes wherever we operate.

We are pleased to report zero fatalities in 2024—a testament to the strength of our health and safety practices. However, we did record one LTI, resulting in a Lost Time Incident Frequency of 0.05, significantly below the industry average of 0.24. Our Total Recordable Incident Frequency stood at 1.15, compared to the industry benchmark of 0.94, as published in the IOGP Safety Performance 2023 report by the International Association of Oil & Gas Producers.

All incidents—including near misses—are reported promptly. Comprehensive investigations are conducted to determine root causes, and corrective as well as preventive actions are implemented to prevent recurrence. Lessons learnt from each incident are shared across the organisation to foster continuous improvement.

The success achieved in 2024 has had a significant impact on Wasco's HSE management practices and performance. Employees have embraced safety as a core value instead of just being regarded as a priority. We remain committed to continuous improvement, proactive risk management and fostering a strong safety culture to protect the health and well-being of our workforce earning the respect of clients. This shift in mind-set towards safety has elevated Wasco's reputation as a trusted industry leader committed to maintaining a safe and secure working environment.

Our journey toward safety excellence is anchored in a culture that prioritises care, accountability, and continuous improvement. Key focus areas in 2024 included:

Renewed Sense of Vulnerability

Risk Management Focus

Enhanced observations and incident investigations

Visible, Influential, and Inspiring Leadership

HSE Competencies



To ensure continuous improvement and proactive HSE risk management, Wasco utilises two key initiatives:

Wasco CARE Plus Programme

This programme tracks 15 leading indicators, which are monitored monthly to identify early warning signs of potential issues. The data collected allows Wasco to detect trends in performance, empowering management to allocate the necessary resources and implement timely interventions to address concerns.

Wasco CARE Card System

Embracing digital technology, Wasco introduced the Wasco CARE Card system, an online platform designed for reporting Unsafe Conditions or Unsafe Acts (UCUAs). This system streamlines the process of reporting safety concerns and provides an efficient mechanism for follow-up and corrective actions. The transition from manual to digital reporting has made it easier for workers, subcontractors, visitors, and clients to share safety feedback, further strengthening Wasco's commitment to safety across its operations.

Looking ahead to FY2025, we will reinforce our safety initiatives, strengthen preventive measures, and enhance employee engagement to achieve our ultimate goal: ZERO injuries across all operations.

Emergency Response Team

Wasco'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. Wasco's due diligence includes a health and safety risk assessment for existing and potential new operations or projects. Wasco benchmarks performance monitoring results and trends against its targets and industry standards.

Our Current Safety Culture

Wasco embarked on a transformative journey to cultivate a robust safety culture, recognising its pivotal role in achieving Target Zero. Leveraging the expertise of DuPont Sustainable Solutions, a comprehensive safety culture transformation programme was initiated across Wasco in May 2021. Through this ongoing programme, two safety perception surveys were conducted to gauge our safety culture, providing invaluable insights into areas of strength and opportunities for improvement.

Promotion of Operational Discipline

Operational discipline is promoted through a multifaceted approach that includes daily pre-start briefings for all employees, providing a comprehensive understanding of job-specific HSE requirements. Mentoring, on-the-job training, and re-coaching are utilised to ensure that employees meet expectations and address behaviours that are below standards. This proactive approach fosters a culture of accountability and continuous improvement, driving Wasco towards its goal of safety excellence.

HSE Certification

Our ISO 45001:2018 certification covers 67% of Wasco's operations, ensuring compliance with Occupational Health and Safety Management System standards.

Safety Governance

Wasco's Group HSE Committee plays a vital role in enhancing workplace safety, improving working conditions, and providing a platform for employees and management to address health and safety challenges collaboratively.

This participatory initiative is led by MD/GCEO Gian Carlo Maccagno, and consists of a chairman and key management representatives. The committee is responsible for reviewing safety concerns, assessing performance and risks, and ensuring continuous improvement in HSE practices. Additionally, it provides regular reports on Wasco's safety performance to the Board, reinforcing Wasco's commitment to a safe and healthy work environment for all.

Safety Performance

Coverage 100%

Fatalities Coverage	2022	2023	2024
Employees	0	0	0
Contractors	0	0	0

	2022	2023	2024
Lost-Time Incident* Rate	0.00	0.20	0.05

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

Human Rights Commitment

At Wasco, we are dedicated to conducting our business with integrity, respect, and a strong sense of responsibility. Our approach to human rights is grounded in global best practices and reflects our core values across all areas of operation. We are committed to:



In 2024, we enhanced our human rights practices by formalising Wasco's Human Rights Policy. This policy was reviewed by the Sustainability Steering Committee and approved by the Board, before its distribution to employees.

Wasco aligns its business conduct with the United Nations Guiding Principles on Business and Human Rights. To ensure effective implementation, the day-to-day responsibilities for monitoring and ensuring human rights compliance are embedded within relevant departments across the organisation. This integrated approach enables proactive oversight and reinforces our commitment to ethical and responsible business practices.

We respect human rights by:

- Proactively assessing our human rights impacts on an ongoing basis as part of Wasco'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; and
- Implementing human rights screening, training, and monitoring of internal operations and supply chain partners.

Wasco adheres to all applicable employment and human rights regulations in the countries where we operate. Suppliers are expected to do the same and abide by Wasco's Principles of Business Conduct and Human Rights Policy at a minimum. To ensure supplier compliance, our procurement process includes a requirement for vendors to sign our Corporate Social Responsibility (Labour) Declaration.

Wasco ensures compliance to all relevant labour laws and our internal Principles of Business Conduct cover human rights issues, including non-discrimination, freedom of association and collective bargaining, and the 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 or any forms of modern slavery, including bonded labour and human trafficking. All employees willingly accept the offers extended by Wasco.
Child Labour	We strictly adhere to international child labour laws and observe the minimum legal working age in every country where we operate.
Discrimination	We prohibit all forms of discrimination based on race, creed, sex, social status, religion, nationality, age, sexual orientation, gender identity, physical or mental disability, or any other grounds.
Harassment and Inhumane Treatment	Harassment in any form - whether physical, mental, sexual, or power harassment - is strictly not tolerated.
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, communities, and environments affected by our operations.

Non-Discrimination

Wasco 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 through:

Fair hiring and employment practices, ensuring adequate living wages, opportunities for promotions, rewards, and access to training.

We uphold our commitment to 'equal pay for equal work' and ensure full compliance with all local laws. There were no reported cases of discrimination related to equality and diversity in 2024.

Equality in Recruitment

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

We are committed to equal opportunity and non-discrimination throughout the hiring process, assessing candidates solely based on their qualifications and suitability for the role. Wasco ensures that our hiring practices are inclusive, welcoming candidates from underprivileged groups, deprived backgrounds, and people with disabilities. While we strive to create an inclusive workplace, at the end of FY2024, we had no employees with disabilities. We are actively exploring partnerships with organisations and initiatives to enhance accessibility and provide more opportunities for individuals with disabilities in the future. Our goal is to ensure that Wasco remains an organisation where everyone has the opportunity to thrive.

In 2024, Wasco recorded an overall voluntary turnover rate of 9.3%. Females represented 11% of our total workforce, and female representation at the Senior Leadership Team level remained steady at 14%.





Speak up

Wasco complies with all relevant laws by continuously monitoring internal processes, such as hiring and promotion. We actively encourage employees to speak up if they believe that any actions have violated the Principles of Business Conduct or labour laws. We take all reports seriously, investigate each rigorously, we hold both our internal teams and external partners such as suppliers accountable to the highest ethical standards.

Wasco 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. 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

Wasco assessed potential adverse human rights impacts and identified salient human rights issues. Engaging with stakeholders helped to pinpoint potential human rights impacts affecting operations.

Rights to:	Freedom of association and engagement	Just and favourable conditions of work
	An adequate standard of living	Health
	Social security and social insurance	

Wasco 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 adhere to the International Labour Organisation's guidelines.

Employees' wages are in full compliance with all applicable Malaysian laws, such as working hours, minimum living wages, overtime compensation, and legally mandated benefits. In compliance with Malaysian law, we pay workers for overtime at rates above the stated regular hourly rates. Docking wages as a disciplinary measure is not permitted. We also aim to mitigate excessive working hours by limiting them wherever possible.

Product Responsibility

As a provider of cutting-edge technical services and licensed technologies, Wasco possesses the capabilities to deliver reliable and competitive products, premium solutions, and unrivalled services.

Premium Solutions, Flawless Deliveries

Wasco's quality management system ("QMS") employs a process approach, enabling us to plan processes and interactions efficiently. We are committed to enhancing customer satisfaction by delivering products and services that meet all relevant statutory and regulatory requirements.

Our QMS aligns with the latest ISO 9001:2015 and ISO 45001:2018 standards. Additionally, our laboratories are certified under ISO/IEC 17025, which sets the general requirements for the competence of testing and calibration laboratories published by the ISO.

We ensure all company and project-level QMS processes operate effectively to improve customer satisfaction, as outlined in Wasco's Quality Policy.

The installation of an Improved Pipe Tracking System has enhanced our quality delivery by allowing us to track individual pipeline movement and status throughout the coating process. The system ensures accurate tracking of the pipes' current position, including repairs and rejections, which improves traceability. The use of the powerful Welds Tracking System further boosts efficiency by effectively managing our welders' status, reducing wasted resources and improving overall performance.

Wasco also encourages anonymous customer feedback and monitors the results regularly. Maintaining close customer engagement at various project stages helps us understand their needs and exceed their expectations.

ESG PERFORMANCE DATA

Environmental Performance

Parameter	Units	2022	2023	2024
Energy				
Electricity				
Total Electricity Consumption	MWh	23,861	27,028	25,874
Rooftop Solar PV Consumption	MWh	640	664	1,120
Green Electricity Purchased via Green Electricity Tariff	MWh	5,000	6,000	5,815
Fuel				
Diesel Consumption	Liter	3,604,783	4,225,355	10,083,554
LPG Consumption	m³	143,192	308,875	93,504
Petrol/Gasoline Consumption	Liter	95,112	107,513	147,049
Natural Gas	mmBTU	27,348	17,144	17,765
Air Emissions				
NOX Emission	kg	85	99	146
SOX Emission	kg	Not Available	0	0
Volatile Organic Compounds (VOC) Emission	kg	Not Available	0	0
Water & Wastewater				
Water Consumption				
Municipal potable water	m³	225,916	253,811	220,226
Harvested rainwater	m³	0	7,650	11,187
Surface water from rivers, lakes, natural ponds	m³	0	0	0
Groundwater from wells, boreholes	m³	0	29	316
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 consumption	m³	225,916	261,490	231,729
Wastewater/Effluent Discharge				
Discharge to Off-site Water Treatment Plant	m³	10,744	1,310	9,548
Discharge to Ocean	m³	0	0	0
Discharge as Surface Water	m³	0	0	71,584
Discharge to Subsurface/Well	m³	0	0	0
Others	m³	0	0	0
Total wastewater/effluent discharge	m³	10,744	1,310	81,132
Percentage of WSC sites located in water stressed area	%	6%	5%	7%
Water consumed in water stressed area	m³	13,859	6,848	31,258
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

Parameter	Units	2022	2023	2024
Waste				
Waste Generation				
Total waste	tonnes	3,041	5,373	13,344
Hazardous	tonnes	1,070	549	2,061
Non-recycled	tonnes	1,876	3,132	7,612
Recycled	tonnes	951	1,692	3,671
Environmental Management & Compliance				
Environmental Fines/Penalties	RM	0	0	0
Greenhouse Gas and Climate Change				
Scope 1	tCO ₂ e	14,217	15,452	32,079
Scope 2	tCO₂e	11,008	14,060	12,701
Internal carbon price	RM/tCO ₂ e	Not Used		
Flaring emission from LPG storage tank	tCO₂e	0	0	0
Methane Emission	tonnes	0	1	36
Emission Intensity	tCO ₂ e/1,000 man-hours worked	2.30	1.88	2.45

Social Performance

Parameter	Units	2022	2023	2024
Health and Safety				
Percentage of sites with ISO 45001:2018 certification	%	63%	69%	67%
Percentage of sites with ISO 14001:2015 Environmental Management System certification	%	56%	54%	60%
H&S Training				
Number of staff trained on safety	No. of staff	1,702	5,352	4,092
Lost Time Incident Rate (LTIR), including contractors	per 1,000 hours worked	0	0.2	0.05
Number of work-related fatalities for staff	No. of staff	0	0	0
Number of work-related fatalities for contractor	No. of contractor	0	0	0
Communities				
Total Amount of donations or community investments	RM	32,253	875,433	777,578
Labour Standards				
Total number of staff	No. of staff	3,865	5,752	5,854
Total number of contractors	No. of contractor	1,722	4,660	4,713
Full time staff voluntary turnover rates	%	1.73%	11.00%	9.29%
Percentage of employees that are contractors or temporary staff	%	31%	81%	81%
Amount of time spent on employee development training to enhance knowledge or individual skills	hours per employee	5.00	14.00	19.68
Percentage of staff with a disability	%	0%	0%	0%
Percentage of women in the workforce (include contractors)	%	8%	8%	11%

Governance

Parameter	Units	2022	2023	2024
Anti-Bribery and Anti-Corruption				
Total amount of political contributions made	RM	0	0	0
Number of staff disciplined or dismissed due to non-compliance related to Anti-Bribery/Anti-Corruption	No. of Staff	0	0	0
Cost of fines, penalties or settlements in relation to corruption	RM	0	0	0
ESG Provisions				
Provisions for fines and settlements specified for ESG issues	RM	0	0	0

BURSA MALAYSIA SUSTAINABILITY REPORTING DATA

Indicator	Measurement Unit	2023	2024
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Leadership Team	Percentage	100	100
Managers	Percentage	100	97
Executives	Percentage	100	96
Non-Executives	Percentage	100	95
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0	0
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	875,433	777,578
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7,759	11,936
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Leadership Team Under 30	Percentage	0	0
Leadership Team Between 30-50	Percentage	38	39
Leadership Team Above 50	Percentage	62	61
Manager Under 30	Percentage	1	2
Manager Between 30-50	Percentage	76	75
Manager Above 50	Percentage	24	23
Executive Under 30	Percentage	23	27
Executive Between 30-50	Percentage	67	64
Executive Above 50	Percentage	10	9
Non-Executive Under 30	Percentage	26	26
Non-Executive Between 30-50	Percentage	68	67
Non-Executive Above 50	Percentage	6	7
Gender Group by Employee Category			
Leadership Team Male	Percentage	85	86
Leadership Team Female	Percentage	15	14
Manager Male	Percentage	77	77
Manager Female	Percentage	23	23
Executive Male	Percentage	78	77
Executive Female	Percentage	22	23
Non-Executive Male	Percentage	97	94
Non-Executive Female	Percentage	3	6
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	78*	75

Internal assurance External assurance No assurance (*)Restated

Indicator	Measurement Unit	2023	2024
Female	Percentage	22*	25
Under 30	Percentage	0	0
Between 30-50	Percentage	22	13
Above 50	Percentage	78	87
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	27,028*	25,874
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.20*	0.05
Bursa C5(c) Number of employees trained on health and safety standards	Number	5,352	4,092
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Leadership Team	Hours	No Data Provided	398
Manager	Hours	No Data Provided	5,444
Executive	Hours	No Data Provided	17,550
Non-Executive	Hours	No Data Provided	89,036
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	81	81
Bursa C6(c) Total number of employee turnover by employee category			
Leadership Team	Number	6	7
Manager	Number	37	25
Executive	Number	177	171
Non-Executive	Number	321	368
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	62	60
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	261*	232
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	5,373*	13,344
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	1,692*	3,671
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	3,681*	9,673
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	15,452*	32,079
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	14,060*	12,701
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	8,055

Internal assurance External assurance No assurance (*)Restated

STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Report, selected aspects of this Sustainability Report have been subjected to an internal review by Wasco's internal auditors and approved by the Audit Committee of Wasco.

Subject Matter

The subject matter covered by the internal review focused on the common material sustainability matters of the selected aspects as below and included the following common indicators:

- a. Energy Management
 - i. Total energy consumption in MWh.
- b. Emissions
 - i. GHG emissions (Scope 1 & 2) from operations in tCO₂e.
 - ii. NOx and SOx emissions in kg.
- c. Water Management
 - i. Total volume of water consumed in m³.
 - ii. Total volume of water recycled and reused in m3.

Scope

The boundary of the internal audit review are operations of Wasco, of which comprised five (5) legal entities (both local and overseas) as stated below:

- PT Wasco Engineering International ("PT WEI")
- Wasco Coatings Middle East QFC LLC ("WCME")
- Wasco Process Engineering Sdn. Bhd. ("WPE")
- Wasco AgroTech Sdn. Bhd. ("WAT")
- Wasco Coatings Malaysia Sdn. Bhd. ("WCM")

Note:

- i. Review for WPE and WAT focused on Renewable Energy ("RE") solar panel only.
- ii. Validation of data for PT WEI and WCME were conducted based on desktop review.







INDEPENDENT ASSURANCE OPINION STATEMENT

To the Directors of Wasco Berhad

Holds Statement No.: SRA 822929

The British Standards Institution **(BSI)** has conducted a limited assurance engagement on the sustainability information (described in the "Scope") in the Sustainability Report of Wasco Berhad Integrated Annual Report 2024.

Scope

The scope of engagement agreed upon with Wasco Berhad includes the following:

The data reviewed in support of this assurance statement is provided in Appendix 1 for reference. The assurance covers the information of the following subject matters in the Wasco Berhad Sustainability Report for 2024.

- 1. Assurance on LTI
 - a) Total number of employees (direct & indirect)
 - b) Total number of work attendance (manhours for direct & indirect employees)
 - c) Total number of accident/incident and Lost Time Incident calculation
- 2. Renewable Energy Reliance
 - a) Total purchased electricity & Green Electricity Tariff (GET)
 - b) Total Rooftop Solar PV Consumption
- 3. Number of work-related fatalities
 - a) Number of fatal accident/incidents

Criteria

The selected information was reported in accordance with guide requirements as following:

- Bursa Malaysia Sustainability Reporting Guide

The selected information was verified in accordance with standard requirements as following:

- International Standard on Assurance Engagements (ISAE) 3000 (Revised)

Opinion Statement

We have conducted a limited assurance engagement on the sustainability information described in the "Scope" above.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the accompanying Sustainability Information is not prepared, in all material respects, in accordance with ISAE 3000 (Revised).

Methodology

Our assurance engagements were carried out in accordance with ISAE3000 (Revised). Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a top-level review of issues raised by external parties that could be relevant Wasco Berhad policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers and staffs on Wasco Berhad approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- document review of relevant systems, policies, and procedures where available.
- review of supporting evidence for claims made in the reports.
- visit of the headquarter office to confirm the data collection processes, record management and practices.

Responsibility

Wasco Berhad is responsible for the preparation and fair presentation of the sustainability information and report in accordance with the agreed criteria. BSI is responsible for providing an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Independence, Quality Control and Competence

BSI is independent to Wasco Berhad and has no financial interest in the operation of Wasco Berhad other than for the assurance of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of Wasco Berhad only for the purposes of verifying its statements relating to the Scope above.

This independent assurance opinion statement is prepared on the basis of review by BSI of information presented to it by Wasco Berhad. In making this independent assurance opinion statement, BSI has assumed that all information provided to it by Wasco Berhad is true, accurate and complete. BSI accepts no liability to any third party who places reliance on this statement.

BSI applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021-1:2015 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

BSI is a leading global standards and assessment body founded in 1901. The BSI assurance team has extensive experience in conducting verification over environmental, social and governance (ESG), and management systems and processes.

Issue Date: 6 March 2025

For and on behalf of BSI:

Hafriazhar Mohd Mokhtar, Lead Assurer

Evelyn Chye, Managing Director BSI Malaysia

BSI Malaysia Suite 29.01, Level 29, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia.

Appendix 1:

Assurance Category	Verified Info	Quantity	Unit
Lost Time Incident (LTI)	Total number of employees (direct & indirect)	5854	Headcount
	Total number of work attendance (manhours for		Hours
	direct & indirect employees)		
	Total number of accident/incident and Lost Time	1	Nos
	Incident calculation		
	Number of work-related fatalities	0	Nos
	Number of fatal accident/incidents	0	Nos
Renewable Energy	Total purchased electricity & Green Electricity	5,814,293	kWh
Reliance	Tariff (GET)		
	Total Rooftop Solar PV Consumption	1,120,460	MWh
	Total electricity consumption (include Solar &	25,874,124.24	kWh
	GET)		



WASCO BERHAD

Registration No.199901020946 (495846-A)

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