

# SUSTAINABILITY STATEMENT



## ABOUT THIS SUSTAINABILITY STATEMENT

The Board of Directors (the “Board”) of Dayang Enterprise Holdings Berhad (“Dayang” or the “Company”) presents this Sustainability Statement (“Statement”) which reports the sustainability performance, targets, achievements, milestones, and challenges of Dayang and its subsidiaries (“Dayang Group” or the “Group”).

Managing business sustainability, including in the areas of Environmental, Social, and Governance (“ESG” or “sustainability”), is fundamental to Dayang’s corporate success in the short and long term. The Group’s sustainability management also underscores the shared values between our stakeholders and the communities of our business. At Dayang, we bear a sustainability mindset, alongside corporate responsibility, in the way we manage and conduct our business, prioritising customer satisfaction, environmental stewardship, profitability, and long-term prosperity.

## Sustainability Scope and Reporting Period

The scope of this Statement encompasses all wholly-owned business segments of the Group, namely the Topside Maintenance Services and Marine Offshore Support Services. The sustainability performance of the Group’s subsidiary, Perdana Petroleum Berhad (“PPB”), which is also a public company listed on the Main Market of Bursa Malaysia Securities Berhad (“Bursa Securities”), is not consolidated in this Statement and they are reported in the PPB’s Annual Report and Sustainability Statement.

Data presented in this Statement covers the reporting period from 1 January 2023 to 31 December 2023 (“FY2023”), unless stated otherwise. This Statement has been prepared in adherence to the Main Market Listing Requirements (“MMLR”) of Bursa Securities and has taken into account the Sustainability Reporting Guide – 3rd Edition and its accompanying Toolkits published by Bursa Securities.

Furthermore, this Statement has considered and incorporated the recent amendments to the MMLR in relation to the enhanced sustainability disclosures and related sustainability data required. Where practical, we proactively adopt selected practices or disclosures ahead of their effective dates as part of our commitment to better practices.

## SUSTAINABILITY STATEMENT (CONT'D)

### Assurance

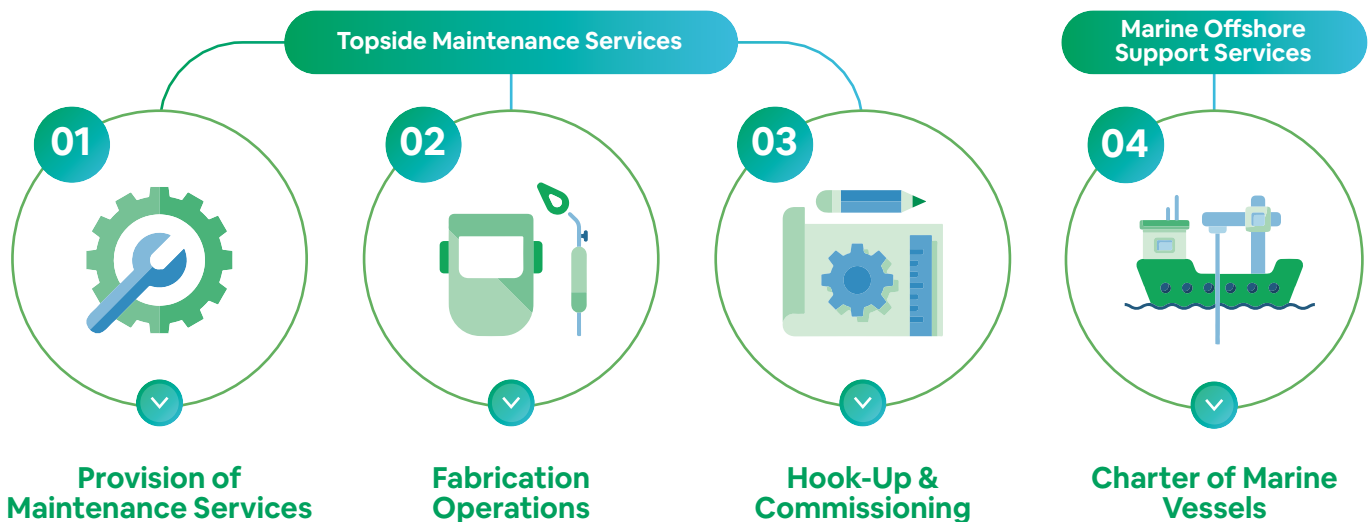
This Statement has not been subjected to internal reviews by the internal audit nor has it been subjected to external, independent assurance.

### Feedback

We value stakeholders' feedback on this Statement. Any feedback or enquiries regarding this Statement can be channelled to [zaim.husni@desb.net](mailto:zaim.husni@desb.net).

## OUR VALUE CHAIN

The four business operations of Dayang Group are operated via its two segments.



Dayang Enterprise Sdn Bhd (“DESB”) undertakes the overall provision of maintenance services, which focuses on the following areas:

- Maintenance of topside structures
- Maintenance of pipes and valves
- Electrical and instrumentation maintenance

Maintenance services are provided either on a routine or scheduled basis, or in the event of a breakdown or emergency, in which case maintenance works are carried out due to fault or failure.

Fabrication generally involves the value-added process of constructing structures from various raw materials, primarily metal. Dayang offers engineering and fabrication services to meet the needs of its customers, including onshore fabrication of products such as pipe and valve systems, skids, and other steel structures such as handrails and helideck extensions. Dayang has fabrication yards and warehouses located in Labuan, Kemaman, Miri, and Bintulu.

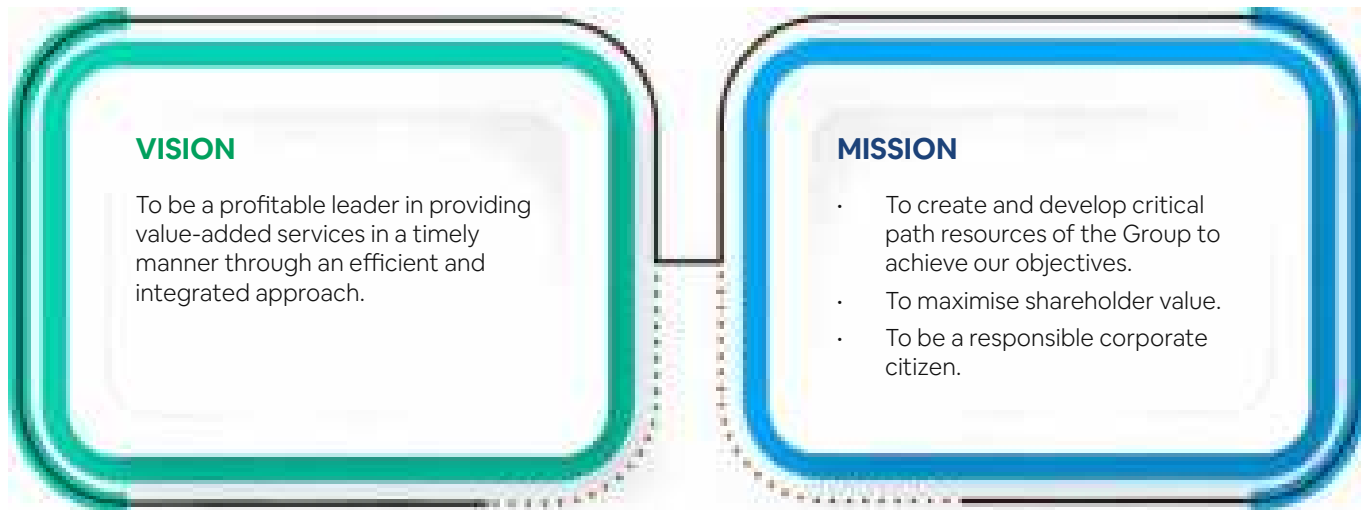
In addition, Dayang provides hook-up and commissioning for steel structures and electrical and instrumentation services as part of its supporting products and services to the oil and gas industry. The tasks related to hook up and commissioning of electrical and instrumentation include electrical engineering, system design, equipment and system procurement, wiring, panel installation, and testing and commissioning.

Dayang possesses eight marine vessels used for offshore accommodation for its personnel as well as work areas and equipment to facilitate the provision of its supporting products and services.

Its subsidiary PPB owns fifteen vessels consisting of eight Anchor Handling Tug Supply Vessel (“AHTS”), five accommodation work barges (“AWB”), and two workboats (“WB”), providing offshore marine support services for the upstream oil and gas industry.

## SUSTAINABILITY STATEMENT (CONT'D)

### OUR SUSTAINABILITY APPROACH



Dayang’s sustainability approach and strategies are aligned with the Group’s Vision and Mission, and they are guided by our values of excellence, integrity, and humility, amongst others. For Dayang, business sustainability also means sustainable value for our stakeholders, and these are also aligned with our business strategies.

This year, we have formalised the Group’s Sustainability Policy that documents and communicates our stance and commitments pertaining to key sustainability topics. The Sustainability Policy is available on our corporate website at [www.desb.net](http://www.desb.net).

Guided by the Sustainability Policy, we have also developed an ESG Management Framework to provide guidance to our employees regarding their responsibilities, processes for managing sustainability-related issues, indicators, and performance, as well as engaging with relevant stakeholders.

#### United Nations Sustainable Development Goals (“UN SDGs”)

As we continue to advance our sustainability initiatives, we look into the United Nations (“UN”) 2030 Agenda for Sustainable Development and consider how we are able to contribute to the UN’s 17 Sustainable Development Goals (“SDGs”).

The SDGs that are relevant to our business operations are summarised as follows:

SDGs	Goals	SDGs	Goals	SDGs	Goals
	Ensure healthy lives and promote well-being for all at all ages.		Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.		Achieve gender equality and empower all women and girls.
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.		Reduce inequality within and among countries.		Make cities and human settlements inclusive, safe, resilient and sustainable.
	Ensure sustainable consumption and production patterns.		Take urgent action to combat climate change and its impacts.		Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY GOVERNANCE STRUCTURE

The Group's oversight and management of business sustainability is supported by a governance structure established by the Board. The Board is tasked with ensuring that the company's strategic plan aligns with long-term value creation, encompassing the establishment of sustainability strategies, priorities, and targets. Furthermore, the Board oversees the overall performance of the Group's Material Sustainability Matters ("MSMs"), sustainability strategies, initiatives, and key performance indicators ("KPIs"), as relevant. The Board is also responsible for ensuring that both the Board and relevant Senior Management personnel are well-informed and abreast of sustainability issues relevant to the Group, including climate-related and human rights risks and opportunities. Regular engagement with stakeholders ensures that stakeholder's feedback and concerns regarding sustainability are considered and such input is also considered in the review of the Group's strategic direction.

This year, the Board has further formulated a Sustainability Policy and Sustainability Framework which sets out consistent policies and processes to systematically monitor and manage the Group's sustainability matters.

The Corporate Sustainability Committee ("CSC") plays a crucial role in supporting the Board by overseeing the Group's overall sustainability matters and their performance, ensuring that the approaches for each sustainability issue align with the Group's Vision, Mission, strategic direction as well as long-term value creation goals. The CSC is tasked with reviewing the Group's sustainability strategies, initiatives, and KPIs before presenting recommendations to the Board.

Besides, the CSC conducts reviews of the Group's MSMs and their management and performance, facilitating effective resource allocation strategies to manage the Group's high-priority sustainability matters, before reporting or making recommendations to the Board. The outcomes of these reviews, which include the Group's sustainability strategies, priorities, performance, and targets, are communicated to both internal and external stakeholders.

The Managing Director and Deputy Managing Director, along with the relevant Management personnel, are responsible for overseeing the management of the Group's MSMs via the Sustainability Management Process and ensuring relevant sustainability risks and opportunities are also being considered in the Risk Management process. The Management team, headed by the relevant heads of departments or functions, is responsible for implementing sustainability-related strategies and achieving the sustainability target set.

The Management team, through their ongoing stakeholder engagement activities and channels, communicates with the Group's internal and external stakeholders to understand any comments and concerns they have. The Management team effectively manages stakeholder relationships and ensures significant feedback and comments are incorporated into business decision-making.





## SUSTAINABILITY STATEMENT (CONT'D)

### STAKEHOLDER ENGAGEMENT




Effective engagement with key stakeholders is integral to building a sustainable and responsible business. The Group has established various stakeholder engagement channels to suit various communication needs while aiming to gain a deeper understanding of the stakeholders' interests and concerns.

The table below summarises our key stakeholders, the engagement methods employed, the frequency, and the key topics discussed.

Stakeholder Group	Engagement Approach	Frequency	Engagement Focus & Objectives
 <b>Customer</b>	Monthly meeting and Annual Management Review Meeting	Monthly	<p>Monthly Meeting to discuss quality/operation issues including changes in the quality system or procedure, if any</p> <p>Management Review Meeting to review the previous year's quality performance and achievement, including revising and amending any procedure, policy, and objective, if any</p>
	System Audit – HSE/ Operation/ Tendering / QAQC / HRA / Inventory / Manpower/ Procurement Audit	Annually	<p>We have implemented internal and external audits to ongoing monitoring the delivery of our safety and quality of our operation:</p> <ul style="list-style-type: none"> <li>For Internal audit - one cycle per year is conducted by the internal auditor, planned by the QAQC Dept</li> <li>For External Audit - Also one cycle per year, which will be conducted by SIRIM QAS International</li> </ul>
 <b>Employee</b>	Meeting with the management & employees, both office & marine crew - employees will raise issues	Monthly	<p>Sharing &amp; bonding with the management &amp; employee (Formal or Informal)</p> <p>Safety connect session – monthly OSH Meeting</p>
	Cost Optimisation - Meeting and discussion	Monthly	Cost efficiency
	Brand Value – Meeting and KPIs	Monthly – Project Team (Once a year for Turnaround)	Minimise operation/ project downtime and improve turnaround time
	Diesel Usage and Schedule Waste Management	Monthly	<p>To monitor the diesel consumption and scheduled waste disposal and comply with MARPOL and DOE requirements</p> <p>Environmental Regulatory Compliance Monitoring Meeting</p>
	Accident Rate – Meeting and engagement	Monthly	<p>ZERO accident tolerances</p> <p>Monthly OSH Meeting</p>

## SUSTAINABILITY STATEMENT (CONT'D)

### STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Group	Engagement Approach	Frequency	Engagement Focus & Objectives
 <b>Suppliers/ Subcontractors &amp; Business Partners</b>	Anti-Bribery and Corruption Policies and Procedures (“ABC Policy”)	Quarterly	Ensure the bidders are required to comply with ABC Policy and HSSE requirements  Sub-Contractor Engagement
	HSSE Requirement	Quarterly	HSSE Policies and Procedures  Sub-Contractor Engagement
	Invitation to bid	As and when required	Invite at least 3 bidders (based on the client’s requirement) and award to the technically acceptable and commercially lowest bidder
	Establish a Price Agreement (“PA”) for cost optimisation	Yearly	
	Perform Technical Evaluation	As and when required	Project Management Team to monitor and ensure the delivery of safe and quality work to clients
	Quarterly assessment of Contractors/ Subcontractors	Quarterly	Sub-Contractor Engagement  Regular meetings with suppliers/contractors if there are any issues
	Audit/ Site Visit on Contractor/ Subcontractor	Annually	Audit and site visit on Contractor/ Subcontractor to assess their capabilities and ensure compliance  Sub-Contractor Audit (QHSSE Audit)
	 <b>Regulators</b>	Compliance with local authorities’ requirements	Ongoing
 <b>Community</b>		Community development programs	As and when required



## SUSTAINABILITY STATEMENT (CONT'D)

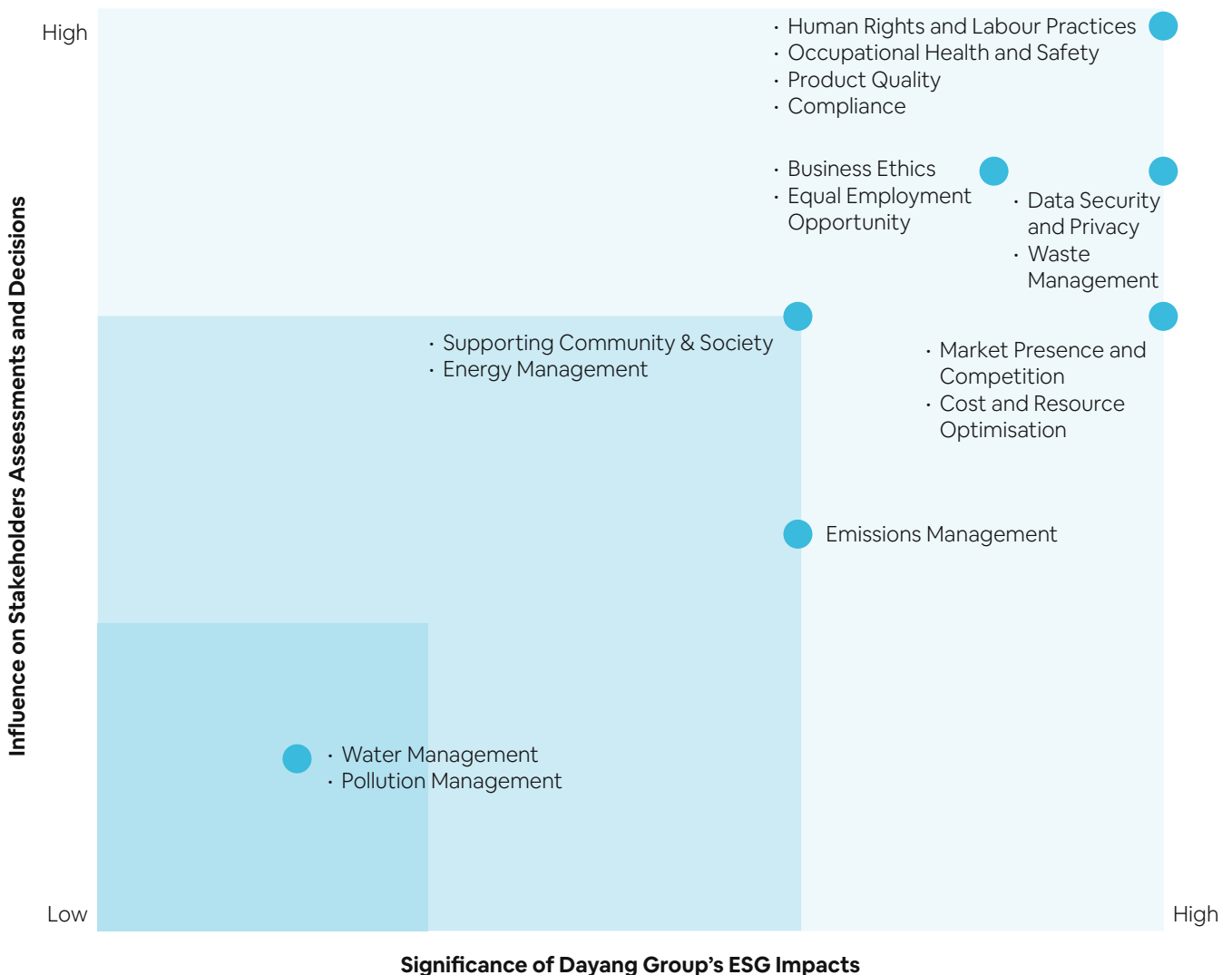
### OUR MATERIALITY ASSESSMENT PROCESS

We identified and determined the Group’s MSMs through a materiality process, prioritising sustainability matters with greater significance to the Group and its diverse stakeholders. The Management team performed a materiality assessment, considering the Group’s businesses, business strategies, and short and long-term objectives, amongst others. For the assessment, Dayang adopted a “materiality” definition that is largely in line with the MMLR, where a MSM is one that reflects the Group’s significant economic, environmental, and social impacts or substantively influences the assessments or decisions of stakeholders. The assessment has also considered the common sustainability matters stipulated in the MMLR.

During the assessment, Management has also taken into consideration the topics or issues concerning stakeholders which were raised during the Group’s ongoing engagement with stakeholders.

The MSMs identified are further analysed to consider the risks and opportunities, enabling more effective management and resource allocation for the Group to prioritise the management of MSMs. Associated risks are also incorporated into the Group’s risk management process for ongoing and periodic monitoring, together with the Group’s overall risk management processes.

The materiality matrix for Dayang Group is summarised as follows.



## SUSTAINABILITY STATEMENT (CONT'D)

### SUSTAINABILITY POLICY

This year, Dayang has established and published a Sustainability Policy that sets the Group's stance and commitments pertaining to key sustainability topics, summarised as follows.

 <h3 style="text-align: center; margin-top: 10px;">Compliance and Ethics</h3> <ul style="list-style-type: none"> <li>• Complying with all applicable legal and regulatory requirements, covering but not limited to environmental and social laws and regulations.</li> <li>• Conducting business ethically and with integrity.</li> <li>• Zero tolerance against bribery and corruption.</li> </ul>	 <h3 style="text-align: center; margin-top: 10px;">Environment</h3> <ul style="list-style-type: none"> <li>• Zero spillage or pollution incidents that result in fines or penalties.</li> <li>• Minimise the negative environmental and social impacts caused by waste generated.</li> <li>• Incorporating climate-related considerations in its long-term business strategies and incorporating alignment with the Recommendations and the Task Force on Climate-related Financial Disclosures.</li> <li>• Seeking to account for and address its Scope 1 and Scope 2 emissions.</li> </ul>	 <h3 style="text-align: center; margin-top: 10px;">People</h3> <ul style="list-style-type: none"> <li>• Safeguarding the safety and health of all people.</li> <li>• Embracing diversity and being an equal opportunity employer and not discriminating against anyone on the basis of race, religion, gender, age, sexual orientation, disabilities, or nationality.</li> <li>• Respecting the freedom of association and right to collective bargaining of all its employees and workers.</li> <li>• Fostering a culture of continuous learning and growth.</li> </ul>
---	---	---

### BUSINESS ETHICS

Business ethics is one of the Group's key MSMs. It is important for the Group to demonstrate ethical business practices and uphold integrity, in building trustworthy relationships with stakeholders within the market and in the industry. Amongst others, this includes complying with applicable laws and regulations and delivering our legal obligations towards relevant stakeholders.

To maintain high ethical standards and integrity, we actively foster and instill positive and ethical culture and behaviour in our operations and among employees. The Group expect all employees to uphold high standards of integrity by strictly following the General Code of Conduct and Discipline. We maintain a strict stance against all types of abusive or coercive behaviour, including verbal or physical violence, as well as sexual harassment, within our employees. Where necessary, relevant training, either in-house or through outsourcing, is provided to our employees to strengthen our employees' awareness and compliance with the latest laws and regulations.





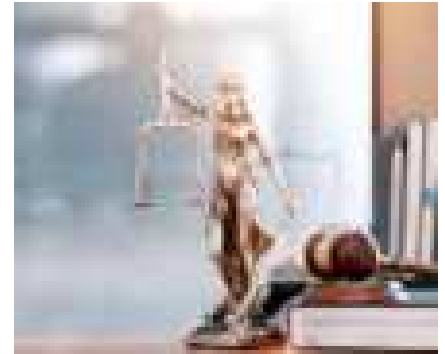
## SUSTAINABILITY STATEMENT (CONT'D)

### BUSINESS ETHICS (CONT'D)

#### Compliance

The Group is committed to adhering to all applicable legal and regulatory requirements, including but not limited to environmental and social laws and regulations such as occupational health and safety-related regulations. We have a process to monitor and manage compliance, where compliance matters and measures are regularly reviewed.

Our monthly business management reports include a review of any cases of non-compliance. From time to time, gap assessment reviews on newly introduced or amended laws and regulations are conducted to identify gaps for further action plans to be undertaken. Where necessary, training or briefing may also be provided to employees to ensure they are equipped with the relevant knowledge to drive the Group's compliance.



#### Data Security and Privacy

Ensuring the protection of customer data plays a vital role in building and maintaining customer trust and loyalty. In this regard, the Group regularly reviews its IT procedures and guidelines to ensure the integrity of its cybersecurity system, safeguarding the company's information and data against potential cyber threats. In addition, we continue to stay abreast of the latest technological changes to enhance the Group's cybersecurity and align with the company's evolving requirements. With regard to personal data security, Dayang Group also complies with the Personal Data Protection Act 2010 ("PDPA").

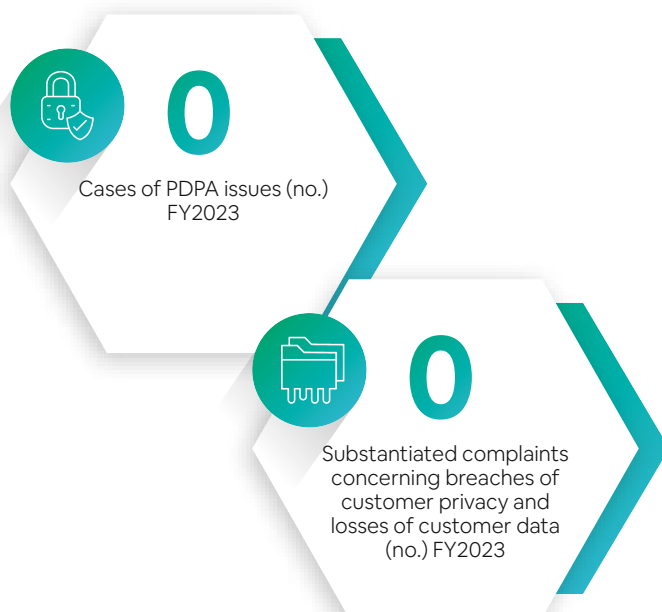
During the financial year under review, we are pleased to announce that there were no cases of PDPA issues or substantiated complaints concerning breaches of customer privacy and losses of customer data or cybersecurity.

Multi-Factor Authentication ("MFA") security features are being implemented for company emails, files, and application access, coupled with stringent password complexity requirements for an extra layer of protection. We also have a firewall system which serves as one of the crucial defences for both incoming and outgoing internet access, ensuring controlled and protected data flow. By establishing comprehensive access controls, we aim to enhance our overall network security and safeguard sensitive information against potential cyber threats.

Effective communication is key to promoting IT security awareness among employees. The Group disseminates memos and communications through various channels, such as emails and notice boards, emphasising proper IT use and caution against scams. Cybersecurity training or programmes are integrated into the induction process for all new hires and are continually updated to address emerging threats.

Regular system updates are implemented to maintain the integrity and security of our IT infrastructure. Daily scheduled backups are also performed to protect important data assets of the Group.

Regular IT audits, conducted by the Quality Assurance/Quality Control ("QAQC") Department, internal audit, and external entities such as Sirim for ISO9001 compliance, further ensure the effectiveness and compliance of the cybersecurity measures in place. This holistic approach underscores the Group's commitment to maintaining a secure and resilient IT environment.



## SUSTAINABILITY STATEMENT (CONT'D)

### BUSINESS ETHICS (CONT'D)

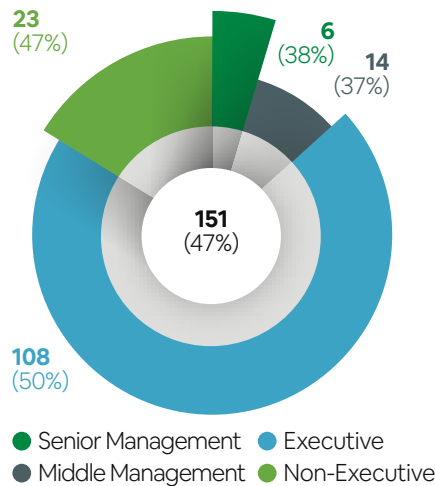
#### Anti-Bribery and Corruption Policies and Procedures

An ABC Policy has been developed and implemented within the Group. We adopt a zero-tolerance stance towards all forms of bribery and corruption, whether active or passive. Bribery or corruption activities may occur within higher-risk transactions or relationships, such as gifts, entertainment and corporate hospitality, charitable donations and corporate social responsibilities, facilitation payments, political contributions, or dealing with public officials and business associates. Relevant measures are in place to manage these transactions or relationships, as appropriate.

The assessment of corruption risk is incorporated into the Group's risk management process, which is reviewed at least annually. All operations of the Group have been assessed for corruption risks. The Group also has an Anti-Bribery and Corruption Compliance Committee ("ABCC") whose responsibilities include reviewing and monitoring the Group's corruption risks, measures, and relevant performance.

To ensure employees are well-informed about the Group ABC Policy, regular anti-bribery and corruption relevant reminders and announcements are provided. In FY2023, 47% of our employees attended anti-bribery and corruption training or briefings. All newly joined staff after 1 September 2022 are required to sign an acknowledgement form to confirm their understanding and commitment to adhere to the established ABC Policy. Briefing on the ABC Policy is also provided during the orientation of all new hires, who are also required to sign an acknowledgement of their commitment to the Group's anti-corruption culture.

#### Employees who have received training on anti-bribery and corruption in FY2023



#### Whistleblowing Policy

The Group views any cases of bribery and corruption seriously. Recognising the importance of enabling relevant parties to make reports without fear of reprisal, the Group has established a whistleblowing channel, which is formalised through the Group's Whistleblowing Policy. The whistleblowing channel allows all employees and stakeholders to report or disclose improper conduct within or related to the Group, such as corruption or illicit conduct. The Whistleblowing Policy provides confidentiality and protection for whistleblowers reporting in good faith without malicious intent and safeguards them from reprisals within the Group.

The ABC Policy and Whistleblowing Policy are publicly available on the corporate website.

During the financial year under review, there were zero bribery and corruption incidents reported.



The Group communicates its ABC Policy to its business associates, emphasising to stakeholders the importance of adherence to ethical standards and fostering a culture of integrity within our industry and the broader business ecosystem. This proactive communication strategy is aimed at promoting a shared commitment to ethical conduct and minimising the risk of illicit practices through the spreading of awareness.

## SUSTAINABILITY STATEMENT (CONT'D)

### RESPONSIBLE SUPPLY CHAIN MANAGEMENT

#### Market Presence and Competition and Cost and Resource Optimisation

Dayang Group offers a range of services, including maintenance, fabrication operations, hook-up and commissioning, and chartering of marine vessels, as well as vessel technical specifications. This integrated diversification forms an integral part of our sustainable business model.

Market players, including Dayang Group, face continuous challenges and risks in the industry. These risks range from the fluctuations of global oil prices to the impact of political instability, geopolitical tensions, climate change, and increasing compliance requirements. Ensuring competitiveness and efficient operation are some of the crucial factors for the sustainability of Dayang's business.

At Dayang, business plans and strategies are set by the top management and reviewed by the Board to ensure appropriate strategies are in place to steer the Group towards success in its business environment. Strategies are supported by business plans which are periodically monitored to ensure business performance is on track.

Amongst the many business priorities, one of the more prevalent matters is operational efficiency, which involves Dayang pursuing competitiveness through good service quality for customers and generating shareholders' value through cost optimisation. In this regard, the Group's management and operations are guided by well-implemented, efficient, and proactive maintenance strategies. These strategies not only pursue operational efficiency but also strive to minimise environmental impacts. Our strategies have also considered approaches to safeguard against potential disruptions and align with evolving industry expectations for sustainable, and responsible business practices.

We also carry out other business enhancement activities such as resource allocation plans, cost optimisation analysis, and collaborations with business stakeholders such as customers and service providers to identify streamlining opportunities and develop solutions to enhance our business.

In addition, in pursuit of continuous improvement and enhanced value creation, we actively seek synergistic opportunities that create better value for the Group. We continuously identify and capitalise on growth opportunities.

For detailed information regarding the Group's performance, please refer to the **Management Discussion and Analysis** and **Financial Highlights** section of this Annual Report FY2023.

#### Product and Services Quality

Dayang Group's products and services are guided by quality objectives which set out the quality standards expected of our products and services. Our commitment to quality extends throughout our organisation, from the project management of our project teams to the products and services we deliver to our customers. Overall quality of products and services are safeguarded by the Project Management Teams which are responsible for monitoring and ensuring the delivery of safe and quality work to our customers.

In June 2017, Dayang Enterprise Sdn Bhd ("DESB") obtained certification for its Quality Management System in accordance with MS ISO 9001:2015 standards from SIRM QAS International Sdn Bhd, demonstrating the company's emphasis on quality. The system has undergone rigorous maintenance through our internal audit programs and the annual SIRIM audit assessment to ensure our continuous improvement and compliance with standard requirements.



## SUSTAINABILITY STATEMENT (CONT'D)

### RESPONSIBLE SUPPLY CHAIN MANAGEMENT (CONT'D)

#### Market Presence and Competition and Cost and Resource Optimisation (cont'd)

##### Product and Services Quality (cont'd)

In FY2023, Dayang Group received several Appreciation Certificates from our customers including the following:

1. Appreciation Certificate from KPOC to extend sincere appreciation and gratitude for providing excellent performance and service with good quality and safety for baseplate modification for new macerator installation at KBB from 13th September 2023 to 4th October 2023;
2. Appreciate Certificate from Kementerian Sumber Manusia, Jabatan Keselamatan dan Kesihatan Pekerjaan Wilayah Persekutuan Labuan for OSHWEEK 2023;
3. HSE Excellence Appreciation Award from ROC in recognition of HSE excellence and outstanding Efforts in achieving incident-free operations for D35 & J4 Work Over Project 2023;
4. Commemoration of Sarawak Vendors in OGSE Industry 2023 Participation;
5. Excellent Vendor Award 2023 from Hibiscus Petroleum in recognition of outstanding performance and contributions for North Sabah Operation in 2022/2023;
6. Certificate of Appreciation from Hibiscus Petroleum in recognition of outstanding accomplishment and services for the SEAH Integrated Wells Campaign 2023 from 1st March 2023 until 3rd October 2023;
7. Certificate of Appreciation from Shell for the completion of Timi Offshore HUC Campaign and First Gas Achieved in August 2023;
8. Bronze Award from Shell in recognition of exemplary HSSE work culture and outstanding safety performance for the year 2022;
9. Focused Recognition from PETRONAS for contributed to Winning Plan 2022 realisation and supporting core pillar from ERAT by successfully completing all maintenance campaigns in SKA thus safeguarding the safety and asset integrity of Sarawak Asset; and
10. Recognition of outstanding accomplishment and services from Hibiscus Petroleum for the SEAH Hibiscus Integrated TMM Campaign from 15th March 2022 to 7th September 2022 for 1237 Days LTI free (2.6 million Safe Man-hours).



Monthly meetings are conducted by the Group with the purpose of addressing quality and operational issues. Management Review Meetings are held periodically to assess and review our quality performance and achievements. By reviewing the quality performance, it enables Corporate Health, Safety, Security and Environment (“HSSE”) Department and Quality Assurance and Quality Control (“QAQC”) Department to identify potential revisions or amendments to procedures, policies, and objectives, to ensure continuous improvement in the Group’s quality management practices.

Internal and external audits are also conducted to uphold and ensure the safety and quality standards of our operations. The QAQC Department holds the responsibility of auditing the operational units to ensure adherence to ISO Standards. An annual audit, planned together with the QAQC Department is conducted internally by our internal auditor to assess the adequacy and effectiveness of the Group’s risk management and internal control system. Operations are also subject to an annual external audit conducted by SIRIM QAS International.

We recognise the importance of actively seeking feedback from our stakeholders, via various channels such as customer satisfaction surveys and reviews, to assess the quality of our products and services. A Quality Project Plan is implemented not only to invite constructive views but also to oversee and monitor customer satisfaction.

## SUSTAINABILITY STATEMENT (CONT'D)

### RESPONSIBLE SUPPLY CHAIN MANAGEMENT (CONT'D)

#### Market Presence and Competition and Cost and Resource Optimisation (cont'd)

##### Customer Satisfaction

We continue to conduct customer surveys using the “Customer Survey Feedback” tool and measure the “Customer Satisfaction Index” to derive meaningful insights from the survey responses. This survey allows us to better understand customer feedback and identify areas of those that may require improvement. In FY2023, the Customer Satisfaction Index was recorded as 82.67% on average.



##### Suppliers and Service Providers

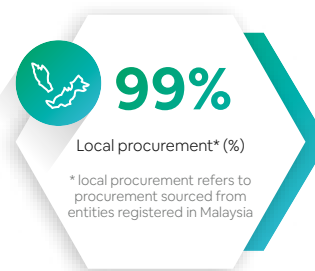
Furthermore, we also place a strong emphasis on fair and proper business practices in all its dealings with various stakeholders, including governmental authorities, customers, suppliers, vendors, agents, representatives, contractors, subcontractors, and competitors. We require our stakeholders to adhere to applicable laws and regulations governing free and fair competition within the industry and in our supply chains.

##### Suppliers and Service Providers (cont'd)

As part of our commitment, all our new suppliers are required to complete a Vendor/ Subcontractor Pre-Assessment Sheet. The assessment forms part of our evaluation and review process, ensuring our suppliers adhere to the Group’s ethical and sustainability standards and requirements, as well as meeting our business requirements. We also have regular meetings with contractors and subcontractors to keep all parties of the project updated with the latest progress, including any challenges or risks affecting project progress, in addition to facilitating proactive problem resolution.

##### Supporting Local Economy

During the financial year under review, 99% of the Group’s goods and services are procured from local suppliers or service providers.



### EQUAL AND SUSTAINABLE WORKPLACE

#### Equal Employment Opportunity

We believe that our employees constitute our most invaluable asset, and we consider employee empowerment as a key factor for fostering a sustainable business. We embrace diversity, non-discrimination, fair treatment, and equal opportunities within our workforce. Our commitment to cultivating an inclusive organisational culture is also part of the Group’s beliefs in nurturing a healthy, secure, and motivated workforce.

As of 31 December 2023, Dayang Group employed 319 of employees where 5% were permanent employees while 95% of employees were hired on a contract basis. The breakdown of the Group’s employees, based on gender, age group, and employee categories, is as follows.

Dayang Group Number of employees as at 31 Dec 2023	Gender		Age		
	Male	Female	<30	30-50	<50
<b>Board of Director</b>	8 (73%)	3 (27%)	0 (0%)	0 (0%)	11 (100%)
<b>Employees Category</b>					
Senior Management	13 (81%)	3 (19%)	0 (0%)	4 (25%)	12 (75%)
Middle Management	22 (58%)	16 (42%)	0 (0%)	22 (58%)	16 (42%)
Executive	137 (63%)	79 (37%)	50 (23%)	128 (59%)	38 (18%)
Non-Executive	32 (65%)	17 (35%)	6 (12%)	34 (70%)	9 (18%)
<b>Total</b>	<b>204 (64%)</b>	<b>115 (36%)</b>	<b>56 (18%)</b>	<b>188 (59%)</b>	<b>75 (23%)</b>

## SUSTAINABILITY STATEMENT (CONT'D)

### EQUAL AND SUSTAINABLE WORKPLACE (CONT'D)

#### Equal Employment Opportunity (cont'd)

Dayang Group	31 Dec 2023
Full time permanent (%)	319 (5%)
Part-time permanent (%)	0 (0%)
Full time contract (%)	6,583 (95%)
Part time contract (%)	0 (0%)

#### Number of new hires employee and employee turnover as at 31 Dec 2023

Employees Category	New hires no.	Turnover no.
Senior Management	0	0
Middle Management	0	0
Executive	48	57
Non-Executive	5	3
<b>Total</b>	<b>53</b>	<b>60</b>

#### Human Rights and Labour Practices

The Group is committed to upholding human rights. Our commitment is reflected in the Group's Sustainability Policy and Human Rights Policy, designed to foster an equal and inclusive working environment throughout our operations. All our employees are required to adhere to relevant policies and procedures.

Guided by the Human Rights Policy, we embrace diversity, strive to create equal opportunity, and do not tolerate discrimination or harassment. We strive to maintain a workplace that is free from discrimination or harassment based on factors such as race, sex, ethnicity, religion, gender, age, sexual orientation, disabilities, or nationality. The basis for recruitment, hiring, placement, development, training, compensation, and advancement at our operations are justified through qualifications, performance, skills, and experience.

To maintain fair equitable treatment of our workplace, the Group recognises and supports the freedom of association and the right to collective bargaining for all employees and workers. We also explicitly prohibit the use of forced labour, human trafficking, and child labour within our operations. Dayang Group is committed to complying with applicable laws and industry standards concerning working hours, wages, benefits, and holiday entitlements. The Group is steadfast in our efforts to ensure a safe and healthy working environment for all employees. We aim to maintain reasonable working conditions while treating every individual with utmost respect and dignity.

Due diligence is conducted to identify and mitigate any actual or potential adverse impacts on our activities or our business relationships. Recognising that human rights due diligence is an ongoing process, we emphasise specific attention at certain stages in our business activities, such as the establishment of new partnerships or our operating conditions changes, and additional due diligence may also be carried out, as appropriate.

Emphasising transparent communication, we place significant importance on fostering open and honest communication among all employees. Grievance mechanisms are in place for employees to highlight employment and work-related issues to the Human Resource Department, and this serves as an avenue for conflicts or concerns, including human rights matters or employment practices issues, to be raised, in enabling an effective conflict resolution process. Serious misconduct may further be reported via the whistleblowing mechanism. In addition, training related to human rights was provided to our new employees during the Human Resource Induction Session in FY2023 to promote awareness.

During the financial year under review, we did not record any substantiated complaints concerning human rights violations.



#### Employee Engagement and Talent Development

At Dayang, employee engagement is one of our tools in building a sustainable workforce. We also organise training and activities which offer employees a chance to break away from their usual work patterns, concentrating on strategic planning, team building, and professional development in a relaxed and informal setting. These activities enable us to strengthen team cohesion, stimulate creativity and innovation, cultivate skills and knowledge, and enhance organisational alignment.

## SUSTAINABILITY STATEMENT (CONT'D)

### EQUAL AND SUSTAINABLE WORKPLACE (CONT'D)

#### Equal Employment Opportunity (cont'd)

##### Employee Engagement and Talent Development (cont'd)

We are grateful for our employees who have supported us, especially those who have been with us for many years. We give out Long Service Awards for employees during the 15th year of their service. In FY2023, the Group gave out Long Service Awards to 13 employees.

Surveys and assessments are carried out to measure the level of employee engagement, aiming to discern strengths and assess areas for improvement within our organisational framework. Our goal is to promote a work environment that is not only supportive but also inherently engaging.

To achieve the organisation's immediate and long-term aspirations, we continuously invest in upgrading and retraining our talent pool by improving the skills and competencies of our workforce. We strive to empower our employees, providing them with the tools and opportunities to realise their full potential. Every employee is provided with opportunities to explore diverse talent development paths which may further with their personal and professional roles and responsibilities. Our employee development strategy also incorporates succession planning by determining potential talent who may contribute leadership and management skills for the medium and long-term future. All employees are subject to annual performance appraisals to evaluate their performance for the year.

During the financial year under review, various training or programmes, both internally and externally, were provided to our employees. The training is summarised as follows:

- |   |   |
|---|---|
| 1) 8th Borneo Occupational Safety and Health Conference and Exhibition                              | 15) International Conference of ICOH Scientific Committee on Occupational Medicine (SCOM)             |
| 2) An Effective Calibration System  | 16) ISO 451001:2018 Internal Audit Training   |
| 3) Basic First Aid and Cardiopulmonary Resuscitation  | 17) Master in Project Management  |
| 4) Basic Lifting Supervisor   | 18) Occupational Safety And Health Coordinator  |
| 5) Basic Occupational First AID, CPR, and AED   | 19) OSH Performance Indicator   |
| 6) Combined ISM & ISPS Code Internal Auditor Course Online  | 20) Project Management in Primavera P6 Basic  |
| 7) Conference on QHS2E Innovation for Safer and Healthier System & Technology                       | 21) Project Management Professional   |
| 8) CSWIP 3.0 Visual Welding Inspector   | 22) Sarawak Audiometry Workshop   |
| 9) CSWIP Senior Welding Inspector (WIS 5)   | 23) Strategic Negotiations Skills   |
| 10) CSWIP Senior Welding Inspector 3.2.1  | 24) Understanding ISO 9001:2015 Requirements and ISO 9001:2015 Internal Auditor Training              |
| 11) Designated Person Ashore  | 25) Implementation of E-Invoicing in Malaysia   |
| 12) Hasil - MEF Tax Seminar 2023 Towards Sustainable Recovery                                       | 26) Sustainability Governance, Management and Reporting   |
| 13) ICOP NOISE 2019: Hearing Conservation Administrator (HCA) Roles & Responsibilities at Workplace | 27) Dayang Group: Implementation of e-Invoicing in Malaysia   |
| 14) IMM Certified Coating Inspector Online Refresher and Re-Certification                           | 28) Conflict of Interest ("COI") obligation of Directors, Key Officers, Nominating & Audit Committees |

In FY2023, our employees attended a total of 9,191 hours of training.

Total hours of training	FY2023
<b>Employees Category</b>	
Senior Management	103
Middle Management	896
Executive	7,304
Non-Executive	888
<b>Total</b>	<b>9,191</b>

## SUSTAINABILITY STATEMENT (CONT'D)

### EQUAL AND SUSTAINABLE WORKPLACE (CONT'D)

#### Occupational Health and Safety

The Group is committed to promoting a safe, conducive, and healthy working environment for all individuals, encompassing employees including foreign employees, workers, and visitors in Dayang Group's business operations and services. We also make our commitment clear through the Group's Safety and Health Policy and Sustainability Policy.

In this regard, the HSSE Department, chaired by the HSSE Manager, plays a crucial role in overseeing the overall management of health, safety, security, and environmental considerations in the Group's operations. The HSSE Department is responsible for overseeing and ensuring adherence to HSSE policies, regulations, and guidelines, promoting HSSE awareness and fostering a work culture that prioritises the overarching objective of preventing harm to individuals and safeguarding the environment in which we operate and reside.

Our HSSE practices are guided by established HSSE Guidelines which cover the following areas:

 <p>Guideline on Channel of Communication</p>	 <p>Guideline on Baggage &amp; Body Search</p>	 <p>Guideline for Hearing Conservation and Noise Control Programme</p>	 <p>Chemical Management</p>
---	--	--	---

Furthermore, HSSE at Dayang Group is managed via the HSSE Management System ("HSSE-MS") which has undergone reviews and improvements to align with industry standards, including that of one of our key clients, Petronas. The HSSE-MS addresses the following elements.

 <p>Leadership and Commitment 5 Planning and Procedures</p>	 <p>Policy and Strategic Objectives 6 Implementation and Monitoring</p>	 <p>Organisation, Responsibilities, Resources, Standards and Documents</p>	 <p>Hazards and Effects Management Process</p>
 <p>Planning and Procedures</p>	 <p>Implementation and Monitoring</p>	 <p>Assurance</p>	 <p>Management Review</p>



## SUSTAINABILITY STATEMENT (CONT'D)

### EQUAL AND SUSTAINABLE WORKPLACE (CONT'D)

#### Occupational Health and Safety (cont'd)

To ensure the ongoing effectiveness and efficiency of the HSSE-MS, the Management Review process requires that the HSSE policies, procedures, and other documents are reviewed by the Management at planned intervals.

HSSE at operational sites is overseen by the respective Occupational Safety and Health (“OSH”) Committees, which have a balanced representation of Management-level personnel and ground-level employees to actively involve stakeholders in decision-making processes related to health and safety, thereby fostering a comprehensive and collaborative approach to maintaining a secure and compliant operational environment. In FY2023, the representatives in the OSH Committees are breakdown as follows:

Dayang Group	FY2021	FY2022	FY2023
<b>Representatives in the OSH Committees</b>			
Management	20	30	31
Employee	20	30	31

HSSE meetings and monthly OSH Committee Meetings are conducted at various levels, encompassing offshore locations, warehouse yards and offices, serving as a platform for effective communication. The meetings include as follows:

- Daily Toolbox Meeting;
- Monthly Location HSSE Meeting / LOCHSEC;
- Join meeting with operation team from client;
- Monthly HSSE Community Meeting;
- Quarterly Contractor Engagement; and
- Annually QHSSE Week/Day.

During the financial year under review, a range of HSSE programmes were implemented to safeguard employees and contractors who are not subjected to conditions that might pose risks to their health. The programmes conducted include:

- HSE Leadership Workshop;
- Best Uauc Award;
- Near Miss Incentive;
- Launching Of “5 Step To Stay Safe”;
- Drill Evacuation & Demonstration With Bomba;
- Security Check @ Miri Wharf;
- Engagement Session With Contractor;
- Assurance Audit To Contractor;
- Qhsse Week (Labuan & Bintulu); and
- Work Closely With Dosh & Doe To Assure Compliance.



Furthermore, the Group ensures that its operations align with regulatory frameworks such as the Malaysian Occupational Safety and Health Act 1994, Environmental Quality Act 1974, regulation orders and other relevant Codes of Practice. This alignment ensures that our activities adhere to established standards and legal requirements and uphold the expected level of safety standards. Similarly, the Group’s HSSE processes and controls are also subject to internal audits to assess the adequacy and effectiveness of the system.

Dayang adopts a risk-based approach toward managing HSSE risks. HSSE risk areas and hazards are identified through regular HSSE risk assessments, where risk areas are analysed for mitigative steps to be undertaken. The HSSE Department works to take effective steps to prevent potential accidents and injuries to employees’ health by minimising, so far as is reasonably practicable, and in cooperation with its employees, the causes of hazards inherent in the workplace. On the other hand, the OSH Committees of the respective sites work together with the HSSE Department to manage and monitor HSSE risks specific to their sites.

## SUSTAINABILITY STATEMENT (CONT'D)

### EQUAL AND SUSTAINABLE WORKPLACE (CONT'D)

#### Occupational Health and Safety (cont'd)

We collect, analyse, and manage records related to workplace accidents, dangerous occurrences, occupational poisoning, and occupational diseases that occurred. In the event of any accident/ incident or injuries, investigations will be conducted promptly to identify root causes and implement corrective measures. The health and safety performance, investigation, and control undertaken will be reported to the HSSE Department and OSH Committees, and awareness will be shared within the operations to prevent the recurrence of similar accidents or incidents. Apart from that, our workplace is periodically inspected to assess whether any machinery, plants, equipment, substances, appliances, or processes or types of manual labour used therein pose any safety risks. All employees receive relevant safety briefings or training to ensure that they are sufficiently equipped with HSSE knowledge and skills to carry out their work safely. SHO Continuous Education Programmes are also provided to all our employees to ensure that our employees stay abreast of industry advancements, emerging trends, and evolving best practices relating to HSSE.

In FY2023, HSSE training provided for employees includes the following topics:

- OSH Performance Indicator;
- ISO 45001:2018 Internal Audit Training;
- Sarawak Audiometry Workshop;
- 8TH BOSH 2023;
- QHS2E Innovation for Safer and Healthier Systems & Technologies;
- Basic Occupational First Aid, CPR & AED;
- SHOTS 2.0 2023;
- Seminar Pemantapan Keselamatan Kebakaran di Premis-Premis Perniagaan;
- Sarawak Mental Health Seminar 2023;
- Understanding CHRA Implementation at Workplace;
- HIRARC 2.0 As A Tool for Accident Prevention; and
- Seminar Guidelines on Medical Surveillance Program at Workplace 2023.

Dayang Group's safety performance in FY2023 is summarised as follows:

Dayang Group	FY2023	
	Target	Performance
HSSE rule breaking/ violation (cases)	0	0
Work-related accident/ incident (cases)	0	3
Total Recordable Case Frequency ("TRCF")/ Lost Time Incident Rate ("LTIR")* (cases)	0.00	0.38
Near miss reporting (cases)		3
Work-related fatalities (cases)		0

Note:

\* TRCF LTIR = number of incidents/ manhours x 1,000,000

During the financial year under review, there were 1,958 employees, including contract employees, trained on health and safety standards.



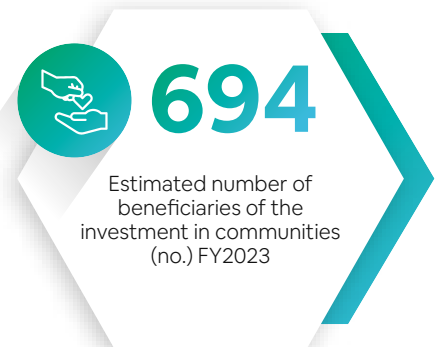
## SUSTAINABILITY STATEMENT (CONT'D)

### EQUAL AND SUSTAINABLE WORKPLACE (CONT'D)

#### Supporting Community & Society

The Group promotes Corporate Social Responsibility (“CSR”), emphasising its significance alongside the pursuit of business growth to enhance both shareholder and stakeholder value and create a positive business environment whilst improving the quality of life among local communities.

The Group, through various methods, contributed to communities in need, including via the Malaysian AIDS Foundation (Miri), Cleft Lip and Palate Help Association Sarawak, and Sarawak Society for the Blind. Our contribution in FY2023 totalled RM22,000 with approximately 694 beneficiaries. This year, we have achieved our target of at least 3 donations or contributions to the society per year. The CSR activities conducted by the Group are documented in the annual DEHB audit report.



### ENVIRONMENTAL CONSERVATION & PROTECTION

The Group reviews and monitors its environmental compliance strategy and performance, ensuring that our activities are aligned with the relevant laws and regulations. Regular meetings are held among the heads of departments to facilitate in-depth discussions and collaboration in refining and optimising our approach to environmental compliance.

Dayang Group recognises the potential for pollution risks in its operations. We take a serious stance on pollution prevention throughout our business activities. To this end, we have implemented an Environment Policy to ensure compliance with the applicable environmental standards and encourage the efficient utilisation of materials and resources. To maintain compliance, we conduct monthly Environmental Regulatory Compliance Monitoring (“ERCM”), closely scrutinising our operations against established environmental regulations. This forum serves as a proactive platform for reviewing and addressing environmental issues, discussing regulatory updates, and fostering continuous improvement in environmental performance. The ERCM meetings reinforce the Group’s commitment to staying abreast of environmental regulations and continuously improving its environmental practices.

In addition, we conduct regular internal audits to assess and enhance our environmental performance.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL CONSERVATION & PROTECTION

The Group also recognises its responsibility to address climate-related concerns and risks, including how they may impact the Group's long-term strategies and business sustainability and is currently gradually integrating climate-related considerations in its long-term business strategies, aligning with the Recommendations and the Task Force on Climate-related Financial Disclosures.

This year, we have expanded our disclosure on energy consumption and greenhouse gas ("GHG") emissions.

#### Climate Change & Greenhouse Gas Emissions

##### Energy and Emissions Management

The Group has undertaken approaches to minimise its impacts on climate change by addressing issues such as diesel consumption and emissions produced, both directly and indirectly. We also actively focus on enhancing energy efficiency within its office spaces. To achieve this goal, a thorough review of office lighting and appliances has been initiated to identify areas that may require upgrades or replacements, aiming to optimise energy consumption. By evaluating and upgrading lighting systems and appliances, the Group aims to create a more energy-efficient workspace, contributing to both cost savings and a greener, more sustainable future.

##### DESB Marine Services Sdn Bhd ("DMSSB")

During periods of vessel off-hire, such as standby or maintenance, we prioritise the utilisation of electricity supplied from the shore to the greatest extent possible. This helps us reduce reliance on diesel for electricity for vessel standby and maintenance.

All our vessels comply with the Ship Energy Efficiency Management Plan ("SEEMP"), and, in addition, our workboats comply with the Fuel Oil Management Plans while in operation.

During the financial year under review, there were a total of 6,467.75 MWh of energy consumption, where 3,808.29 MWh of fuel and 2,659.46 MWh of electricity usage.

<b>Dayang Group</b>	<b>FY2023</b>
Diesel (MWh)	3,736.65
Petrol (MWh)	71.64
Electricity (MWh)	2,659.46
<b>Energy consumption (MWh)</b>	<b>6,467.75</b>

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL CONSERVATION & PROTECTION (CONT'D)

#### Climate Change & Greenhouse Gas Emissions (cont'd)

##### Energy and Emissions Management (cont'd)

During the financial year under review, the Group recorded 2,110.34 tCO<sub>2</sub>e of scope 1 and 2 emissions, which are mainly derived from energy use.

Dayang Group	FY2023
Scope 1 emissions (tCO <sub>2</sub> e)	957.61
Scope 2 emissions* (tCO <sub>2</sub> e)	1,152.73
<b>Total Scope 1 and 2 emissions generated (tCO<sub>2</sub>e)</b>	<b>2,110.34</b>

Note:

\* estimated using Sabah’s Grid Emission Factor of 0.425 Gg CO<sub>2</sub>e/ GWh for FY2021. Source: <https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b>

\* estimated using Sarawak’s Grid Emission Factor of 0.198 Gg CO<sub>2</sub>e/ GWh for FY2021. Source: <https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b>

#### Pollution Management

Addressing pollution, particularly vessel and machine emissions, stands as a paramount global challenge within our industry. Dayang ensures that its vessels comply with the SEEMP under the International Convention for the Prevention of Pollution from Ships (“MARPOL”). Dayang Group is also compliant with the Department of Environment (“DOE”) regulations governing yard operations and MARPOL requirements for marine vessels. Furthermore, we also carry out scheduled maintenance, testing, and repair work for all vessels and machines to prevent or reduce pollution arising from under-maintained equipment.

##### Dayang Enterprise Sdn Bhd (“DESB”)

The strategy employed by the DESB is aimed at sustainable energy practices and emission reduction. DESB strives to identify and capitalise on opportunities to transition from conventional fuel-based energy sources to renewable alternatives. This action shift is aligned with the global trend towards clean and sustainable energy and reducing carbon footprint associated with energy production. DESB is also focused on pinpointing opportunities and projects specifically tailored to offset the emissions generated by Dayang, such as replacing lightings with more energy-efficient LED lightings, having recycling programs for e-waste, and promoting energy conservation practices among employees. By engaging in emission offset initiatives, DESB seeks to balance and neutralise the environmental impact of Dayang’s operations, contributing to a more ecologically responsible and sustainable business model.

##### DESB Marine Services Sdn Bhd (“DMSSB”)

DMSSB emphasises on compliance with international environmental standards, particularly in the realm of air pollution prevention. The company ensures that its vessels strictly adhere to the regulations of the MARPOL 73/78 Annex VI. This international maritime agreement sets forth guidelines and measures aimed at curbing air pollution from ships by regulating emissions of pollutants such as sulphur oxides (“SOx”) and nitrogen oxides (“NOx”). By adhering to MARPOL 73/78 Annex VI, DMSSB not only demonstrates its commitment to environmental responsibility but also contributes to the broader global effort to mitigate the impact of shipping activities on air quality and marine ecosystems. DMSSB also carries out various measures such as installation and proper functioning of essential equipment including oily water separators, sewage treatment plants, garbage compactors, and more.

## SUSTAINABILITY STATEMENT (CONT'D)

### ENVIRONMENTAL CONSERVATION & PROTECTION (CONT'D)

#### Waste Management

The Scheduled Waste Management Policy, one of the key components of Dayang's environmental initiatives, is implemented in line with the organisation's unwavering commitment to environmental protection and strict adherence to the Environment Quality Act 1974. Dayang is committed to minimising the negative environmental and social consequences associated with the waste generated from the Group's business activities, operations, and products.

Dayang Group places a high priority on ensuring proper waste management. We have in-house personnel certified with Competent Certified Environmental Professionals in Scheduled Waste Management ("CepSwam") to manage all scheduled waste for our operation. The CepSwam-certified personnel also oversees and implements the Group's waste management policies.

Monthly scheduled waste inventories are monitored using the Electronic Scheduled Waste Information System ("eSWIS") platform to enable systematic and transparent waste monitoring, allowing tracking and documentation of scheduled waste and facilitating efficient management and compliance with regulations. The scheduled waste generated is collected by qualified service providers who carry out disposal in accordance with environmental standards and guidelines.

The Group has also implemented several initiatives for the storage and collection of both waste and recyclables, including having dedicated area and storage for the collection of non-hazardous material for recycling, facilitating the reduction of scheduled waste generated that is hauled and disposed of by licensed disposal companies, and designating a dedicated area where on-site sorted waste materials can be stored in separate skids for collection facilities.

In FY2023, the Group generated 748.91 tonnes of waste, where 391.65 tonnes of hazardous waste and 357.26 tonnes of non-hazardous waste.

Dayang Group FY2023	Diverted from disposal (tonnes)		Directed to disposal (tonnes)	
	Reused	Recycled	Incineration	Landfill
<b>Waste generated</b>				
Subtotal	356.06	0.00	366.81	26.04
	356.06		392.85	
<b>Total</b>	<b>748.91</b>			
<b>Hazardous waste</b>				
SW102	0.00	0.00	0.35	0.00
SW104 (Used Garnet)	0.00	0.00	245.47	21.23
SW 109 (Waste containing mercury or its compound)	0.00	0.00	0.01	0.00
SW 305 (Spent lubricating oil)	0.00	0.00	2.44	0.00
SW 309 (Oil-water mixture such as ballast water)	0.00	0.00	12.74	0.00
SW 311 (Waste oil or oily sludge)	0.00	0.00	6.56	0.00
SW322 (Waste of non-halogenated organic solvent)	0.00	0.00	0.00	2.37
SW409 (Contaminated Paint Can)	0.00	0.00	31.28	1.20
SW410 (Contaminated cotton rag, oil filter)	0.00	0.00	5.82	0.04
SW 417(Used Paint)	0.00	0.00	48.30	0.00

SUSTAINABILITY STATEMENT (CONT'D)

**ENVIRONMENTAL CONSERVATION & PROTECTION (CONT'D)**

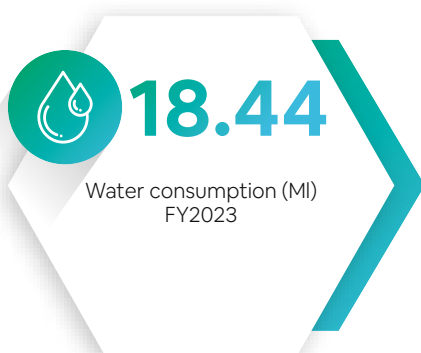
**Waste Management (cont'd)**

Dayang Group FY2023	Diverted from disposal (tonnes)		Directed to disposal (tonnes)	
	Reused	Recycled	Incineration	Landfill
<b>Hazardous waste</b>				
SW 418 (Discarded Paint)	0.00	0.00	13.31	0.00
SW 422 (A mixture of scheduled and non-scheduled wastes)	0.00	0.00	0.53	0.00
<b>Subtotal</b>	0.00	0.00	366.81	24.84
	0.00		391.65	
<b>Total</b>	<b>391.65</b>			
<b>Non-hazardous waste</b>				
Domestic Waste	0.00	0.00	0.00	1.20
Scrap Metal	354.56	0.00	0.00	0.00
Used Battery	1.50	0.00	0.00	0.00
<b>Subtotal</b>	356.06	0.00	0.00	1.20
	356.06		1.20	
<b>Total</b>	<b>357.26</b>			

**Water Management**

Dayang Group does not have significant water-related impact on its operation, deeming water management a lower risk in relation to our business operations. Despite this, we ensure that our operations conscientiously utilise water resources in a responsible manner. We do not have any business operating in water-stressed areas.

During the financial year under review, the Group recorded 18.44 MI of water consumption.



## SUSTAINABILITY STATEMENT (CONT'D)

### Performance Data Table from ESG Reporting Platform

Dayang Group as a Listed Issuer is required to provide mandatory ESG disclosures as part of Main Market Listing Requirements, in line with the enhanced Sustainability Reporting Guide, 3rd Edition. The following performance data table, downloaded from the ESG Reporting Platform summarises indicators that are required to be disclosed in accordance with the Main Market Listing Requirements, for the reporting period from 1 January 2023 to 31 December 2023:

Indicator	Measurement Unit	2023
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	38.00
Middle Management	Percentage	37.00
Executive	Percentage	50.00
Non-Executive	Percentage	47.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	22,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	694
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	0.00
Senior Management Between 30-50	Percentage	25.00
Senior Management Above 50	Percentage	75.00
Middle Management Under 30	Percentage	0.00
Middle Management Between 30-50	Percentage	58.00
Middle Management Above 50	Percentage	42.00
Executive Under 30	Percentage	23.00
Executive Between 30-50	Percentage	59.00
Executive Above 50	Percentage	18.00
Non-Executive Under 30	Percentage	12.00
Non-Executive Between 30-50	Percentage	70.00
Non-Executive Above 50	Percentage	18.00
Gender Group by Employee Category		
Senior Management Male	Percentage	81.00
Senior Management Female	Percentage	19.00
Middle Management Male	Percentage	58.00
Middle Management Female	Percentage	42.00
Executive Male	Percentage	63.00
Executive Female	Percentage	37.00
Non-Executive Male	Percentage	65.00
Non-Executive Female	Percentage	35.00
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	73.00
Female	Percentage	27.00
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00



SUSTAINABILITY STATEMENT (CONT'D)

**Performance Data Table  
from ESG Reporting Platform (cont'd)**

<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	6,467.75
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.38
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,958
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	103
Middle Management	Hours	896
Executive	Hours	7,304
Non-Executive	Hours	888
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	95.00
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	0
Middle Management	Number	0
Executive	Number	57
Non-Executive	Number	3
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	99.00
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	18.440000
<b>Bursa (Waste management)</b>		
Bursa C10(a) Total waste generated	Metric tonnes	748.91
<b>Bursa (Emissions management)</b>		
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	957.61
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	1,152.73

Internal assurance

External assurance

No assurance

(\*)Restated