

Steel Hawk Berhad

Sustainability Statement FY2023

Prepared for



Steel Hawk Berhad

23-2 & 25-2, Block H,
Dataran Prima, Jalan PJU 1/37,
47301, Petaling Jaya, Selangor.

20th March 2024

Prepared by



AGV Sustainability & ESG Services Sdn. Bhd.

(1177585U)
100-6-035, Block J, Jaya One,
72A, Jalan University,
Petaling Jaya, 46200, Selangor.

Table of Contents

Insights into the Statement.....	3
Accomplishments in FY2023.....	3
Defining the Reporting Boundary.....	4
FY2023 Key Highlights.....	6
The Blueprint for Success	7
Steel Hawk’s Guiding Framework.....	7
Facilitating Strategic ESG Focus	8
Responsible Governance	9
Our Alignment with Global Goals.....	10
Collaborating with Stakeholders	11
Prioritising Matters of Significance	14
Generating the Matrix	15
Mapping the Material Matters	16
Our Performance Scorecard	18
TCFD and Managing Our Climate Risks	20
Our Adoption of the TCFD	20
Good Governance and Value Creation	21
Corporate Governance and Anti-Corruption	22
Data Privacy and Cybersecurity.....	26
Economic Performance	27
Empowering Our People	28
Occupational Health and Safety (“OHS”).....	29
Labour Practices and Standards.....	32
Talent Management.....	34
Diversity and Inclusion.....	38
Supply Chain Management	39
Community Enrichment	40
Fostering Environmental Resilience	42
Energy Management	43
Climate Change.....	44
Waste Management	46
Water Consumption.....	46
Building On Our Forward Momentum.....	47
Performance Data Table	48
GRI Content Index	51
TCFD Content Index	53

Insights into the Statement

Steel Hawk Berhad (“Steel Hawk” or “the Group”) is a specialised service provider that offers onshore and offshore support to Malaysia’s oil and gas industry. As a distinguished technical and engineering services provider, we emphasise transparency and strive to deliver integrated disclosures to our stakeholders.

We communicate this through our Sustainability Statement 2023 (“the statement”) which provides an overview of our environmental, social and governance (“ESG”) matters and their influence on our operational performance. This statement serves to bridge the gap between the financial and non-financial aspects of our business activities.

Accomplishments in FY2023



Elevated our sustainability governance through the restructuring and clarification of roles and responsibilities.

This process was guided by Bursa Malaysia’s Disclosures and Task Force on Climate-related Financial Disclosure (“TCFD”).



Enhancement of our Stakeholder Engagement Table where we provided a holistic look at how we build our stakeholder relationships. This offers transparency to our important stakeholders and lets us take culpability for our actions.



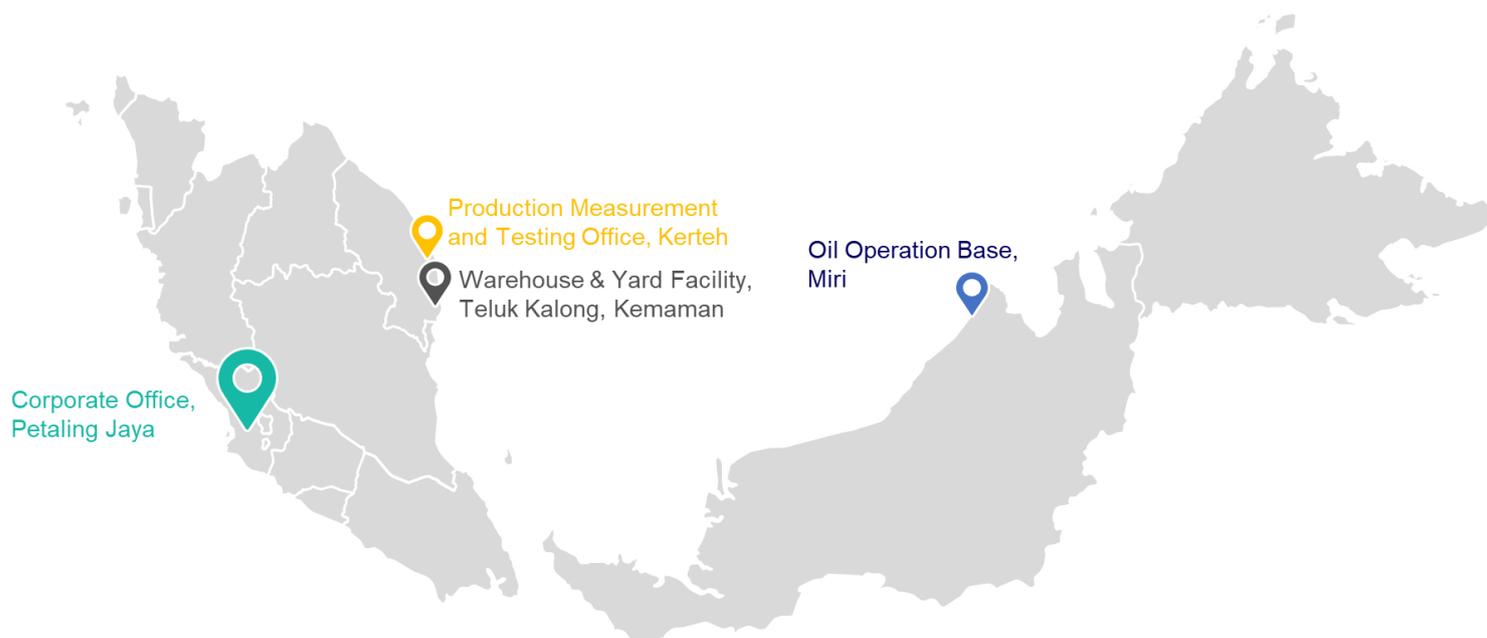
Began adopting the TCFD recommendations that prepare us to navigate, respond to, and mitigate climate change risks and opportunities.



Conducted a materiality reassessment and identified 12 material matters.

Defining the Reporting Boundary

This statement provides disclosures for the financial year spanning January 1, 2023, to December 31, 2023 ("FY2023"). It covers the operations of our head office located in Petaling Jaya, Selangor, our subsidiaries: Steel Hawk Engineering Sdn. Bhd. ("SHESB") and Steel Hawk Defence Sdn. Bhd., and our Miri, Kerteh, and Kemaman activities. We provide three years of comparative historical data to illustrate annual trends and track our progress. To understand the full scope of our business operations, this statement should be read in conjunction with Steel Hawk's annual report.



Reporting Principles and Guidelines

In developing our sustainability statement, Steel Hawk references Bursa Malaysia's Sustainability Reporting Guide (3rd Edition) and is guided by the Global Reporting Initiatives ("GRI") Standards and the 12th Malaysia Plan ("RMK12"). We also incorporated the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations to deliver insights into our climate-related risks and opportunities. For cohesive ESG disclosures and performance on a year-by-year basis, we continually benchmark our reporting against the United Nations Sustainable Development Goals ("UN SDGs" or "SDGs").

Data Assurance

We implemented an internal data collection and analysis process involving the validation of data by pertinent business divisions and information holders. Steel Hawk also recognises the value of independent verification to ensure the accuracy of our disclosures, and will look into acquiring third-party assurance in the future.

Inquiries and Feedback

We value input on the content of this sustainability report as it will contribute to our continuous improvement in future disclosures and sustainability performance. Please share any thoughts and inquiries with us at:

Vinthra A/P Vijayakumar

Chief Financial Officer

Email: vinthra@steelhawk.com.my

FY2023 Key Highlights

Good Governance and Value Creation



Zero whistleblowing cases were reported



Achieved 30% women representation in the Board



Introduced the Stakeholder Communication Policy, Remuneration Policy and Gender Diversity Policy

Social Responsibility



Zero Lost-time Injury Rate ("LTIR") and incidents



Allocated 95.27% of the procurement budget for local suppliers

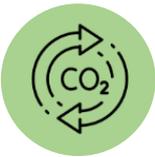


Contributed approximately **RM 81,950** to community engagement programmes

Environmental Stewardship



Initiated water consumption tracking this year



Alignment of climate-related disclosures with the TCFD recommendations



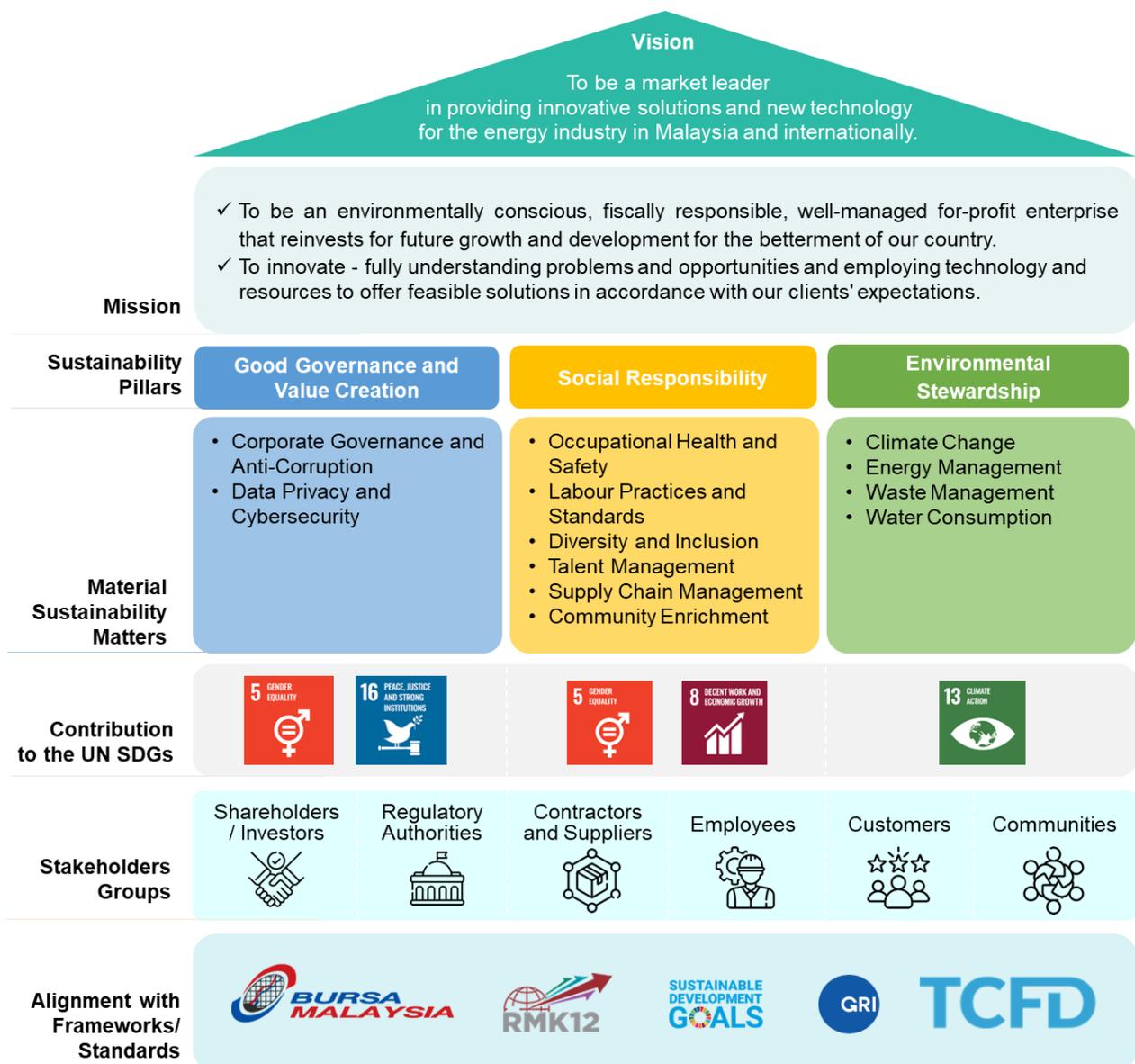
Implemented energy-saving initiatives in our operations

The Blueprint for Success

Steel Hawk's Guiding Framework

Our Sustainability Framework provides us with a structured approach to integrating ESG into our corporate business strategy, enabling us to adeptly navigate ESG-related risks and opportunities. This leads to informed business decision-making, allowing us to capitalise on value-generation opportunities, fulfil stakeholders' growing expectations and effectively align with global sustainability trends.

Headed by our vision and mission, the framework centres on three pillars: good governance, environmental stewardship and social responsibility. These pillars are in alignment with four UN SDGs, reinforcing our dedication to creating sustainable value for or stakeholders.



Facilitating Strategic ESG Focus

Our sustainability policy underpins our dedication to building a sustainable future. It guides Steel Hawk's sustainability efforts and strategies, seamlessly incorporating our sustainability principles into our plans, policies and processes throughout the entire value chain.

Good Governance and Value Creation



Implementation of the highest standards of corporate governance procedures with an emphasis on transparency to maintain the trust and confidence of our stakeholders.

We achieve this by fostering a culture of ethical business conduct across our operations and implementing stringent measures to ensure all applicable laws and regulations are complied with.

Social Responsibility



Treating our workforce with respect and dignity by aligning with both local and international standards.

We also uphold human rights by having zero tolerance for the use of forced labour or child labour in our supply chain. Due to the nature of our operations, providing a fair, safe, and healthy working environment remains our utmost priority.

Environmental Stewardship



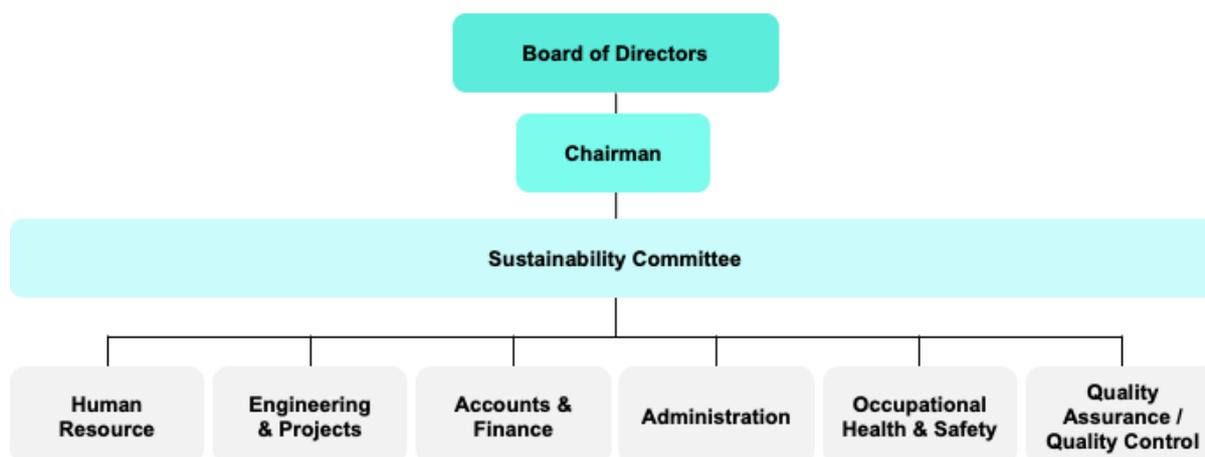
Acknowledgement of the environmental impacts contributing to climate change that could emerge from the industry we operate in and the effects associated with the phenomenon, such as global warming and erratic weather patterns.

We are committed to managing our resources efficiently, minimising our carbon footprint, and implementing the best waste management practises.

Responsible Governance

Our sustainability governance structure shapes the direction of the Group, fostering an ESG-driven culture within Steel Hawk by facilitating meaningful, actionable initiatives and policies.

Resting at the apex of the structure, the Board of Directors (“the Board”) exercises strategic oversight over our sustainability agenda. The Board receives support in this endeavour from the Sustainability Committee (“SC”) which is led by the chairman and is comprised of the Head of Departments.



To further bolster the stability of our sustainability governance, we clarified and restructured its roles and responsibilities with reference to Bursa Malaysia’s Disclosures and the TCFD in FY2023. We also developed the Terms of Reference (“ToR”), which specifies and codifies the composition of the SC, its assigned duties and responsibilities, as well as meeting and reporting processes.

Roles and Responsibilities

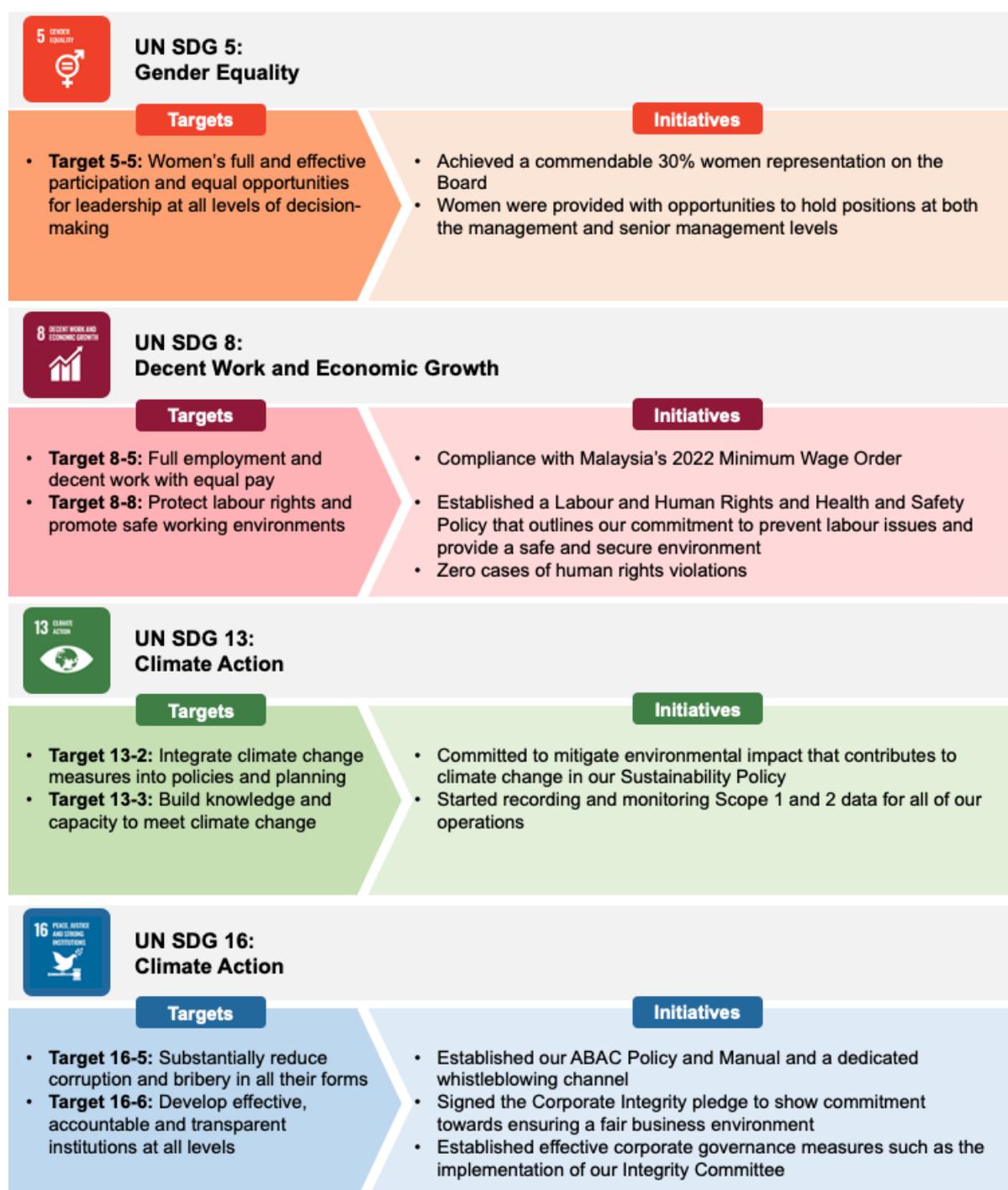
Roles and Responsibilities	
Board of Directors (“the Board”)	<ul style="list-style-type: none"> Strategic oversight of the Group’s overall sustainability agenda, strategies and climate-related risks and opportunities. Provides approval for sustainability strategies, policies, material sustainability matters, and the annual Sustainability Statement proposed by the Sustainability Committee.
Sustainability Committee (“SC”)	<ul style="list-style-type: none"> Implements and monitors sustainability initiatives within day-to-day operations. Identifies and proposes material sustainability matters relevant to the Group to the Chairman. Monitors and reports on ESG-related data to the Chairman on a regular basis. Engages with stakeholders regularly to understand and respond to their concerns and expectations.

Our Alignment with Global Goals

The United Nations Member States endorsed the Agenda for Sustainable Development 2030 in 2015 to ensure the prosperity of all nations and the protection of the planet by the year 2030. The 17 UN SDGs, a global call to address social and environmental challenges, are at the heart of this agenda.

By adopting the principles and aspirations of the UN SDGs into our sustainability goals, Steel Hawk contributes to the national climate action and global sustainable development. In FY2023, we adopted four (4) SDGs most pertinent to our company's activities.

Steel Hawk's Alignment with the UN SDGs



Collaborating with Stakeholders

Generating long-term value for our ecosystem of stakeholders begins with a thorough understanding of their needs and expectations. This necessitates gathering insight from consistent engagement across numerous channels. Through this we can determine as well as strategically manage potential ESG risks and opportunities, ensuring our continued competitiveness as a technical and engineering support services provider in Malaysia's oil and gas sector.

The table below details on the importance of each of Steel Hawk's stakeholders, and how we engage and address their needs and concerns.

A As needed B Throughout the year C Quarterly D Annually			
Shareholders/ Investors 	Areas of Interest	Our Response	Engagement Platform
	<ul style="list-style-type: none"> Risk management and business strategy Corporate governance Climate change awareness and strategies Audit Committee report 	<ul style="list-style-type: none"> Established robust governance-related policies such as Whistle-blowing Policy, Anti-Bribery and Corruption Policy, and Integrity Policy Implemented a comprehensive corporate governance structure Identified potential risks via the Enterprise Risk Management Framework 	<ul style="list-style-type: none"> Annual General Meeting ("AGM") D Extraordinary General Meeting A Announcement via corporate website B Investor briefing A Media release A
Why are they important	Frequent communication with our investors allows us to cater to their requirements and align them with our business strategy. This ongoing dialogue fosters the cultivation of trust and credibility, forming the foundation for mutually beneficial, enduring partnerships.		
Regulatory Agencies 	Areas of Interest	Our Response	Engagement Platform
	<ul style="list-style-type: none"> Labour practices Anti-corruption practices Security issues Legal compliance 	<ul style="list-style-type: none"> Establish policies to ensure compliance with relevant legislation and regulatory requirements Ensure the relevant legal registers are updated 	<ul style="list-style-type: none"> Query, annual e-mail and report submission D Site visits and inspections A Conferences and seminars for requirement updates A
Why are they important	Regulators outline the national laws and regulations that set the parameters of our business activities. They monitor compliance with these legal and regulatory stipulations. To maintain the highest ethical standards, we proactively monitor changes in regulatory laws and standards, ensuring our strict regulatory compliance to avoid potential breaches.		

	Areas of Interest	Our Response	Engagement Platform
Customers 	<ul style="list-style-type: none"> Company's reputation Customer relationship management Timely service and response 	<ul style="list-style-type: none"> Conduct quality assurance evaluation Conduct customer experience survey Engage with customers to get feedback and measure satisfaction 	<ul style="list-style-type: none"> Customer feedback and queries A B Product briefing/ marketing B Corporate/brand advertisements and media releases B Site visits B
	<ul style="list-style-type: none"> Product safety and quality Emerging trends in oil and gas servicing and equipment 	<ul style="list-style-type: none"> Conferences and exhibitions 	

Why are they important Customers contribute to Steel Hawk's economic success as they engage with our services. Their satisfaction fosters increased customer loyalty, long-term retention, and an enhanced brand reputation. As such, their feedback provides us with valuable insights into their needs and demands, which informs our strategy for short- and long-term sustainability.

	Areas of Interest	Our Response	Engagement Platform
Contractors and Suppliers 	<ul style="list-style-type: none"> Sales opportunities Payment schedule Company's reputation and financial standing Product quality and inventory/ supply commitment 	<ul style="list-style-type: none"> Ensure fair and transparent transactions Conduct supplier and vendor evaluations Digitalisation of site checklists and inspections 	<ul style="list-style-type: none"> Physical, virtual and on-phone engagements A Supplier evaluations and registrations D

Why are they important Our suppliers provide the goods and services essential for Steel Hawk to deliver high-quality services. Through ongoing engagement and collaboration, we actively nurture strong and enduring business partnerships. These relationships are instrumental in promoting mutual business success and fostering sustainability across our entire value chain.

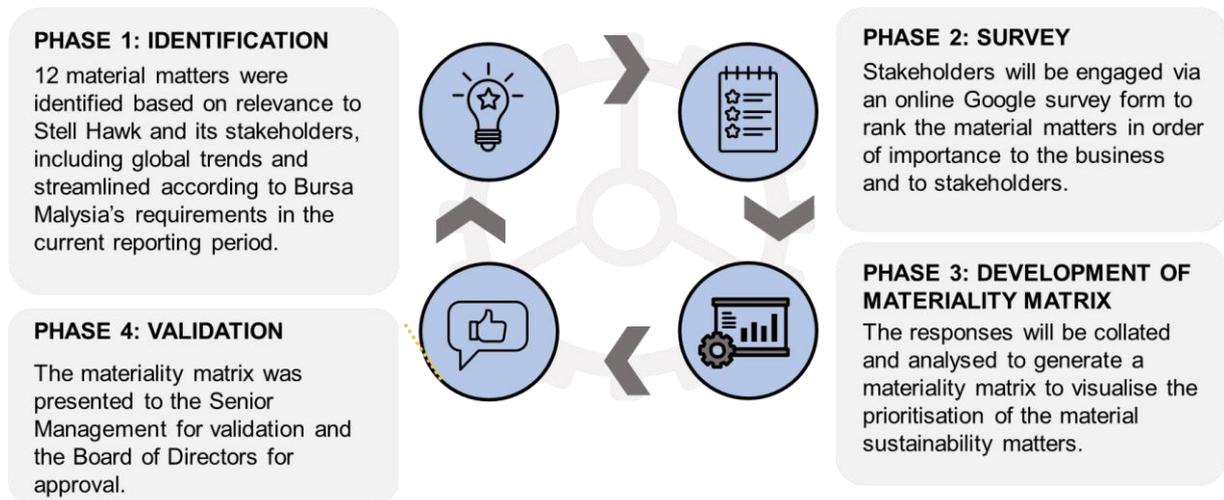
	Areas of Interest	Our Response	Engagement Platform
Employees 	<ul style="list-style-type: none"> Labour and human rights concern Health and safety Training and development Career development opportunities 	<ul style="list-style-type: none"> Establish the Labour and Human Rights Policy Conduct training programmes to support career growth, personal development and instil a culture of health and safety 	<ul style="list-style-type: none"> Performance appraisal D Leadership, soft skills, technical and non-technical training programmes B
	<ul style="list-style-type: none"> Work-life balance Diversity and inclusivity 	<ul style="list-style-type: none"> Provide comprehensive benefits and competitive remuneration packages 	<ul style="list-style-type: none"> Meeting between management and employees A
	<ul style="list-style-type: none"> Remuneration and benefits 	<ul style="list-style-type: none"> Salary benchmarking and review of wages every 3 years 	<ul style="list-style-type: none"> Corporate and community activities B
Why are they important	Our workforce is essential to Steel Hawk's success. They contribute their knowledge and expertise, driving innovation and operational efficiency. Their well-being and satisfaction lead to improved work quality and creativity, allowing us to deliver service excellence.		

	Areas of Interest	Our Response	Engagement Platform
Communities 	<ul style="list-style-type: none"> Supporting the vulnerable and communities in need Community engagements Employee volunteerism 	<ul style="list-style-type: none"> Corporate social responsibility programmes Instil a culture of volunteerism in our employees to uplift needy communities and conserve the environment 	<ul style="list-style-type: none"> Corporate social responsibility initiatives and projects, in-kind sponsorships and cash donations B Corporate website B
Why are they important	Active participation and collaboration within the community facilitate social cohesion and stronger social connections. These are fundamental to securing Steel Hawk's social licence to operate by aligning our operations with local values and strengthening our relationship with the community.		

Prioritising Matters of Significance

As an integral component of our sustainability journey, materiality assessments enable the evaluation of important ESG issues that impact the Group and our key stakeholders. This streamlines the identification as well as the management of risks and opportunities associated with our identified material topics for the efficient prioritisation of high-relevancy topics.

This fiscal year, we conducted a reassessment to ensure our material matters remained pertinent and in line with current sustainability trends and industry developments. As such, we identified 12 total material matters.



Generating the Matrix

Once we tabulated all survey responses, we plotted our Materiality Matrix to accurately reflect matters most important to the Group under three levels of importance, ranging from high, very high, and critical. The matrix also identified the top five (5) material matters as follows: **Corporate Governance and Anti-Corruption, Occupational Health and Safety, Data Privacy and Cybersecurity, Labour Practices and Standards, and Supply Chain Management.**

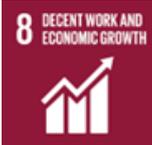
To better align Steel Hawks' current reporting with the latest Bursa Malaysia's Enhanced Listing Requirements, we carried out several amendments. These include introducing the **Labour Practices and Standards** material matter to properly illustrate the social and ethical aspects of our interactions with the workforce. We also included **Diversity and Inclusion**, as it is vital to fostering a workplace culture that values and respects individuals from diverse backgrounds, perspectives and experiences.



 Good Governance and Value Creation	 Social Responsibility	 Environmental Stewardship
1. Corporate Governance and Anti-Corruption 3. Data Privacy and Cybersecurity	2. Occupational Health and Safety 4. Labour Practices and Standards 5. Supply Chain Management 6. Talent Management 7. Diversity and Inclusion 12. Community Enrichment	8. Energy Management 9. Climate Change 10. Waste Management 11. Water Consumption

Mapping the Material Matters

We linked each of our identified material sustainability issues to the corresponding SDGs and important stakeholder groups, demonstrating the interconnectedness of our sustainability activities.

Pillars	Commitment Statement	Material Matters	GRI Indicators	Stakeholder Groups	Corresponding UN SDGs
Good Governance and Value Creation	We pledge to maintain the utmost levels of governance and transparency through robust corporate governance, anti-corruption measures and data loss prevention.	Corporate Governance and Anti-Corruption	2-23 – Policy commitment 205 – Anti-corruption	 	
		Data Privacy and Cybersecurity	418 – Customer Privacy 2016	  	
Social Responsibility	We are dedicated to social responsibility through our focus on occupational health and safety, our investment in talent development, our cultivation of a valuable and diverse workforce, and our active involvement in community initiatives. Our goal is to promote social well-being and facilitate positive societal change.	Occupational Health and Safety	403 –Occupational Health and Safety 2018		
		Labour Practices and Standards	404 – Training and Education 2016		
			407– Freedom of Association and Collective Bargaining 2016		
			408 – Child Labour 2016		
		Diversity and Inclusion	409 – Forced or Compulsory Labour 2016		
			405 – Diversity and Equal Opportunity 406 – Non-Discrimination	 	
		Talent Management	401 – Employment 2016		
Supply Chain Management	2-6 – Activities, value chain and other business relationships				
	204 – Procurement Practices 2016				
Community Enrichment	413 – Local Communities				

<p>Environmental Stewardship</p>	<p>We are dedicated to protecting the Earth for both present and future generations. To demonstrate our commitment to environmental responsibility, we incorporated climate action, energy efficiency, efficient waste management, and responsible water management into all aspects of our operations.</p>	<p>Energy Management</p>	<p>302 – Energy 2016</p>		
	<p>Climate Change</p>	<p>305 – Emissions 2016</p>			
	<p>Waste Management</p>	<p>306 – Waste 2020</p>			
	<p>Water Consumption</p>	<p>303 – Water and Effluents 2018</p>			

Our Performance Scorecard

The performance scorecard presented in this statement communicates Steel Hawk's progress and achievements across key sustainability metrics. These metrics are reflective of our dedication to good governance, social responsibility and environmental stewardship. We are committed to ongoing scrutiny and improvement of our Key Performance Indicators ("KPIs"), ensuring that we can better achieve our strategic goals.

Focus Areas	Material Matters	FY2022 KPI	Current Progress	FY2023 KPI
Good Governance and Value Creation	Corporate Governance and Anti-Corruption	Achieve zero non-compliance with relevant laws and regulations Maintain zero incidences of bribery and corruption	Achieved zero non-compliance	Establish a Compliance Adherence Index (CAI)- score of compliance Ensure full participation of employees in the anti-corruption training/programmes
	Data Privacy and Cybersecurity	Establish a 'Data Protection and Cybersecurity' Policy as Steel Hawk's commitment towards protecting the Group's confidential data	Guidelines and procedures were established based on the PDPA 2010	Adopt PDPA 2010 for establishment of a policy to be implemented in 2024 or 2025
Social Responsibility	Occupational Health and Safety	Maintain zero fatalities throughout the reporting period	Achieved zero fatalities	Maintain zero fatalities throughout the reporting period Implement regular safety training sessions for executives and managers to emphasise their roles in promoting safety
	Labour Practices and Standards	Achieve a targeted number of training hours per employee	152 hours into training initiatives for 19 employees Average of 8 hours of training per employee	Conduct a comprehensive assessment of training needs across all employee categories
	Diversity and Inclusion			Achieve 30% women in the Board
	Talent Management			Develop tailored training programmes to address specific skill and knowledge gaps among employees
	Supply Chain Management	Increase participation from local Bumiputera small and medium enterprises ("SME") in the Vendor Development Programme	Achieved 95.27% procurement budget to our local suppliers	Maintain a local procurement rate of 95% from Bumiputera SMEs throughout the reporting period

	Community Enrichment			To initiate CSR programmes twice a year
Environmental Stewardship	Energy Management			Achieve a 5% reduction of fuel consumption by 2030 with a baseline year of 2025
	Climate Change	Commence tracking of employee commute for Scope 3 emissions	In Progress	Achieve a 5% reduction of Scope 1 and Scope 2 emissions by 2030 with a baseline year of 2025
	Waste Management	Record types and amount of scheduled waste	In Progress	Reduce at least 5% of overall generated waste with a baseline year of 2025
	Water Consumption			Reduce at least 5% of overall water consumption with a baseline year of 2025

TCFD and Managing Our Climate Risks

The Financial Stability Board introduced the TCFD and issued a set of recommendations to serve as a guideline for transparent and thorough climate-related financial disclosures. These recommendations have been intentionally designed for widespread use within the financial sector. Their purpose is to elicit valuable information that equips financial markets with the necessary insight to manage climate-related risks and opportunities, enabling various stakeholder groups to judiciously make investment decisions.



Core Elements of TCFD

Governance: The Group's governance around climate-related risks and opportunities

Strategy: The actual and potential impacts of climate-related risks and opportunities on the Group's businesses, strategy and financial planning

Risk Management: The processes carried out by the Group to identify, assess and manage climate-related risks and opportunities

Metrics and Targets: The metrics and targets are used to manage relevant climate-related risks and opportunities

Our Adoption of the TCFD

Recognising the increasing urgency of addressing emerging climate challenges, we commenced our journey towards TCFD. This year, we undertook the following enhanced climate practices as our initial step towards the next phase of our TCFD alignment.

Governance	<p>Recognising the impact of climate change on our business, Steel Hawk incorporated climate change considerations into our decision-making. We began practising efficient resource management, such as reducing electricity and water usage, through simple initiatives as described below.</p> <p>The Board maintains oversight of climate-related mitigation measures and monitors climate change risks and opportunities. Climate-related discussions are also integrated into the agendas of board and committee meetings.</p>
Strategy	<p>We practiced energy-saving initiatives and internal energy conservation, such as switching to LED lighting and switching off lights when not in use.</p> <p>Our enhanced Sustainability Policy covers climate risk considerations and will act as our overarching guide to sustainable company operations in future endeavours.</p>
Risk Management	<p>By maintaining an effective risk management system, the Board and Audit and Risk Committee have effective oversight over potential climate-related risks. Moving forward, we work towards establishing an ERM framework with ESG risk indicators that help us identify climate-related risks and facilitate mitigation strategies.</p>
Metrics and Targets	<p>We relabelled our climate-related material matters to "Energy Management" and "Climate Change". We disclosed our Scope 1 and Scope 2 GHG emissions.</p>

Good Governance and Value Creation

Good governance is essential because it exemplifies our leadership's commitment to sustainability and responsible business practices. We uphold the highest standards of governance, ethics and integrity throughout our business operations by adopting best industry practices.



Corporate Governance and Anti-Corruption



Data Privacy and Cybersecurity



Economic Performance

Our Contribution Towards the UN SDGs:



Corporate Governance and Anti-Corruption

Why is this Important?

By cultivating a culture of excellent governance, Steel Hawk ensures operational integrity and safeguards the interests of our stakeholders, contributing to a business environment founded on trust, responsibility and ethical principles. Therefore, it is imperative that we establish a stable foundation of ethical business practices and uphold a commitment to transparency, principled leadership and accountability.

Our Approach

I) Embedding Ethics in our Corporate Governance

The Board of Directors has strategic oversight over the Group's corporate governance, and the Board Charter—established in compliance with the Malaysian Code on Corporate Governance ("MCCG") 2021—describes the Board's duties and responsibilities. This guiding framework directs the selection and appointment of board members and senior management, emphasising merit as the primary factor in hiring, nurturing, and retaining talent. It also recognises the diversity of abilities, experience, age, cultural backgrounds and gender.

Additionally, our ToR articulates the SC's scope of work, establishing a shared goal toward sustainable business. We also adhere to the Code of Business Ethics ("the Code") and the Integrity Handbook.

List of Policies

Whistleblowing Policy



Enables a culture of transparency by establishing a channel that allows employees to report instances of misconduct within the Group.

Integrity Policy



Requires all parties engaged in activities on our behalf to work honestly and in the best interests of the Group, to avoid corruption and bribery of any kind, and to ensure compliance with legal requirements.

Anti-Corruption and Bribery Policy



Provides guidance to employees on how to deal with improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business. It safeguards our reputation, ensures legal compliance, and promotes ethical business practices.

Labour and Human Rights Policy



Protects the rights and well-being of employees and individuals by ensuring fair and ethical treatment, and promotes social justice.

Gender Diversity Policy



Outlines our commitment to promote gender diversity and ensuring all individuals, regardless of their gender have equal opportunities and are treated fairly within our workplace.

Stakeholder Communication Policy



Our approach to engaging with our stakeholders based on a regular and transparent communication to keep them well-informed on our business.

Remuneration Policy



Delineates our strategy to attract and retain highly skilled and motivated employees through recognising their contributions and ensuring our compensation practices are equitable.

At Steel Hawk, we are committed to conducting business with the utmost integrity in compliance with the highest ethical standards. We believe that addressing corruption and bribery is essential for long-term success, enabling us to contribute to a sustainable and just global economy.

The Group's Anti-Bribery and Corruption Policy guides our approach to ensuring effective corruption prevention measures. It outlines the ethical workplace standards required of our employees, fostering transparency, accountability and professionalism. We also continue to support the Malaysian Anti-Corruption Commission's Corporate Integrity System ("CISM") and the Corporate Integrity Pledge ("CIP"), to which we have been a signatory since FY2022. The CISM and CIP define the anti-corruption principles to which we adhere, enabling us to effectively manage corruption risks and maintain a transparent corporate environment.

As one of the primary service providers of PETRONAS, we ensure the integration of ethical practices into our operations by strictly adhering to the PETRONAS Tenders & Contracts Administrative Manual. This serves to discourage illicit activities and foster transparency.

II) Compliance with Regulations

It is our firm belief that a well-constructed regulatory compliance system strengthens the effectiveness of our internal risk management procedures. By instituting a robust system, Steel Hawk assures operational integrity, mitigates financial risks and ensures constant adherence to contracts throughout our supply chain. This, in turn, reinforces stakeholder trust in the Group. We maintain ongoing communication with the relevant authorities to remain conversant with the latest regulatory requirements and regulatory reforms. Through these efforts, the Group keeps our workforce well-informed about regulatory requirements, reinforcing quality and integrity across the board.

Our Performance

I) Embedding Ethics in our Corporate Governance

To continuously promote a culture of integrity, ethics and compliance, we provide anti-corruption training for our employees as an integral part of Steel Hawk's compliance and ethics programme.

Through our efforts, we successfully achieved a strong track record of ethical conduct and compliance, and maintained a record of zero reported incidents of corruption.

Our Group guarantees that all our operations undergo a comprehensive assessment for risks related to corruption, ensuring a thorough examination of potential issues across the entirety of our business activities.

II) Compliance with Regulations

Our Group upholds a commitment to maintaining complete compliance with regulations, ensuring a track record of zero instances of non-compliance across our operations.

Laws and Regulations

Companies Act, 2016

Local Government Act, 1976

National Wages Consultative Council Act, 2011

Minimum Wages Order, 2018 and its Amendments

Employment Act, 1955

Personal Data Protection Act, 2010

Petroleum and Safety Act, 1984

Occupational Safety and Health, 1974

Industrial Relations Act, 1997

Factories and Machineries Act, 1965

Children and Young Persons (Employment) Act, 1966

Environment Quality Act, 1974 and its Amendments

Construction Industry Development Board Act, 1994

Permits, Licenses and other Certificates

ISO 9001:2015 Quality Management System

Ensures consistent quality of products and services by adhering to international standards

ISO 45001:2018 Occupational Health and Safety Management System

Focuses on occupational health and safety management, creating safer working conditions for employees

PETRONAS Approved License

Enables us to supply products and services to Malaysian oil and gas/exploration companies

Construction Industry and Development Board ("CIDB") Certificate of Registration and Certificate of Government Procurement Works - Grade G7

Enables us to undertake activities pertaining to building construction, system maintenance, and engineering works

Ministry of Finance ("MoF") Certificate of Registration

Confirms our authorisation to operate for the duration of the registration validity

Department of Occupational Safety and Health ("DOSH") Approved Registration Certificate

Indicates that our premise has undergone inspection and meets the necessary standards to operate as a non-factory workplace under the Factories and Machinery Act 1967

DOSH Registration Certificate for Competent Firm (Petroleum Contractor)

Ensures our compliance with occupational safety and health regulations and standards set by DOSH for the installation and maintenance of petroleum equipment

Certificate of Bumiputera Status and Registration by MoF, Ministry of Investment, Trade and Industry ("MITI") and Ministry of Entrepreneur and Cooperatives Development ("MECD")

Verifies our compliance with requirements for Bumiputera ownership, representation on the Board of Directors, and inclusion in all level of employees

Data Privacy and Cybersecurity

Why is this Important?

The widespread adoption of digital infrastructure has made digitalisation an integral aspect of organisations globally. However, this ubiquity has also exposed data to increased vulnerability, leading to cybersecurity risks. In response, Steel Hawk is committed to proactively managing these risks which extends to safeguarding sensitive information, preserving customer trust and ensuring regulatory compliance.

Our Approach

Steel Hawk's data privacy measures are anchored on the Personal Data Protection Act ("PDPA") 2010 which guides the gathering, use and maintenance of personal data in the Group's business activities. We consistently work to instil cybersecurity awareness among our employees, emphasising the importance of vigilance to mitigate potential cyber threats. We have in place strong data safeguarding measures to secure our systems and data.

Data Privacy Measures

Preventative Maintenance

Reduce the likelihood of data breaches and privacy incidents by conducting bi-annual maintenance to ensure all IT systems in Steel Hawk are operating in satisfactory conditions

Safeguarding Data Loss

Our efforts to curb cybersecurity attacks include the installation of Sophos Protection, an intrusion prevention system that includes anti-malware and data loss prevention ("DLP")

Our Performance

Data breaches can occur due to a variety of factors, including human error and unforeseen vulnerabilities. However, strong data privacy measures can significantly reduce the risk of breaches. In FY2023, our Group recorded zero substantiated complaints concerning breaches of our customer privacy and loss of data.

Economic Performance

Why is this Important?

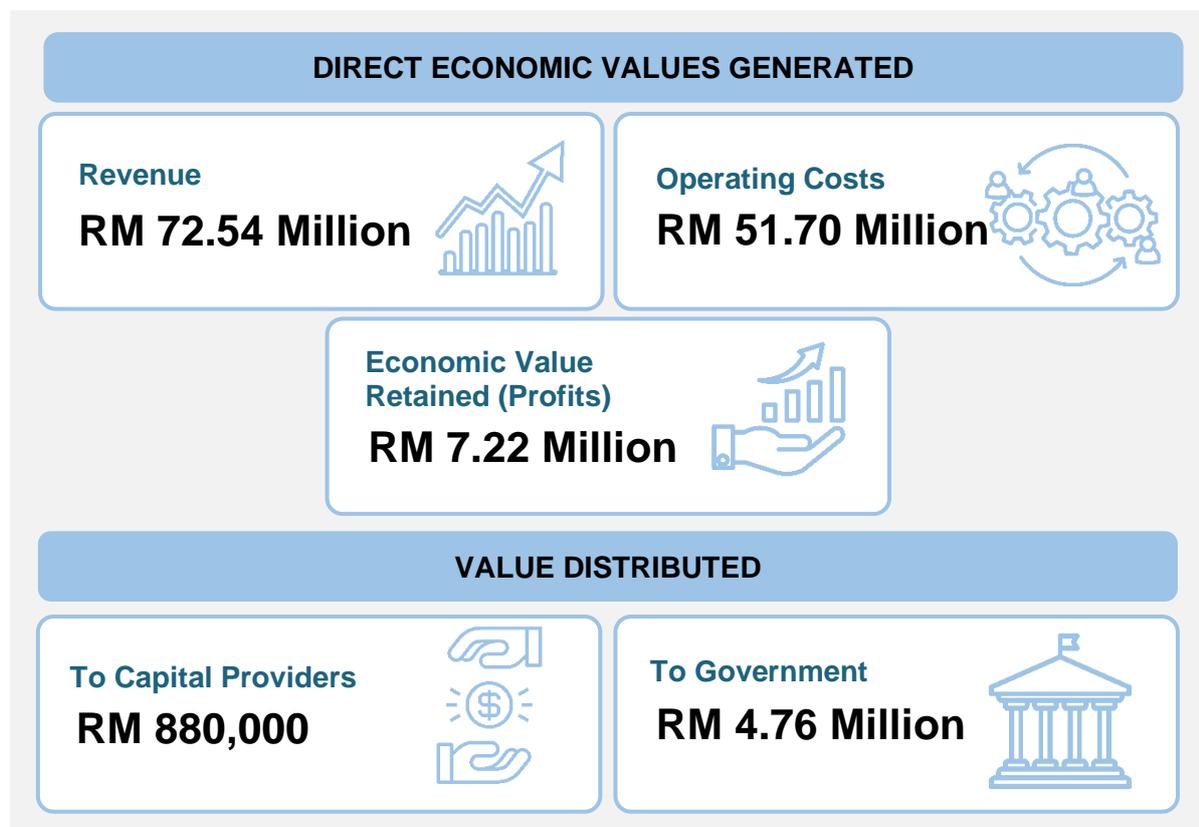
A strong and resilient economic performance is crucial for sustaining revenue streams and elevating stakeholder value. By strategically prioritising economic performance, we exert significant influence on the trajectory of our growth and the long-term sustainability of our business. This deliberate emphasis on economic robustness safeguards our financial health and is a primary driver of enhancing shareholder value over time.

Our Approach

At Steel Hawk, our approach to ensuring economic performance is centred around our expertise in the oil and gas sector. Through our services, we focus on the ongoing improvement and maintenance of both onshore and offshore facilities. By consistently delivering high-quality services, such as chemical injection skids and facility enhancement projects, we fortify our economic performance and play a pivotal role in maintaining the structural integrity of the oil and gas infrastructure of our clients.

Our Performance

In FY2023, the Group recorded a total revenue of RM 72.54 million.



Empowering Our People

In today's interconnected world, the concept of social responsibility has gained increased significance for organisations. It serves a vital role in fostering a diverse, inclusive culture that promotes continuous growth, empowers individuals and society, and nurtures trust and respect. At Steel Hawk, our commitment to sustainability transcends conventional environmental concerns, encompassing the holistic well-being of our Group and the communities we serve.



Occupational Health and Safety



Labour Practices and Standards



Talent Management



Diversity and Inclusion



Supply Chain Management



Community Enrichment

Our Contribution Towards the UN SDGs:

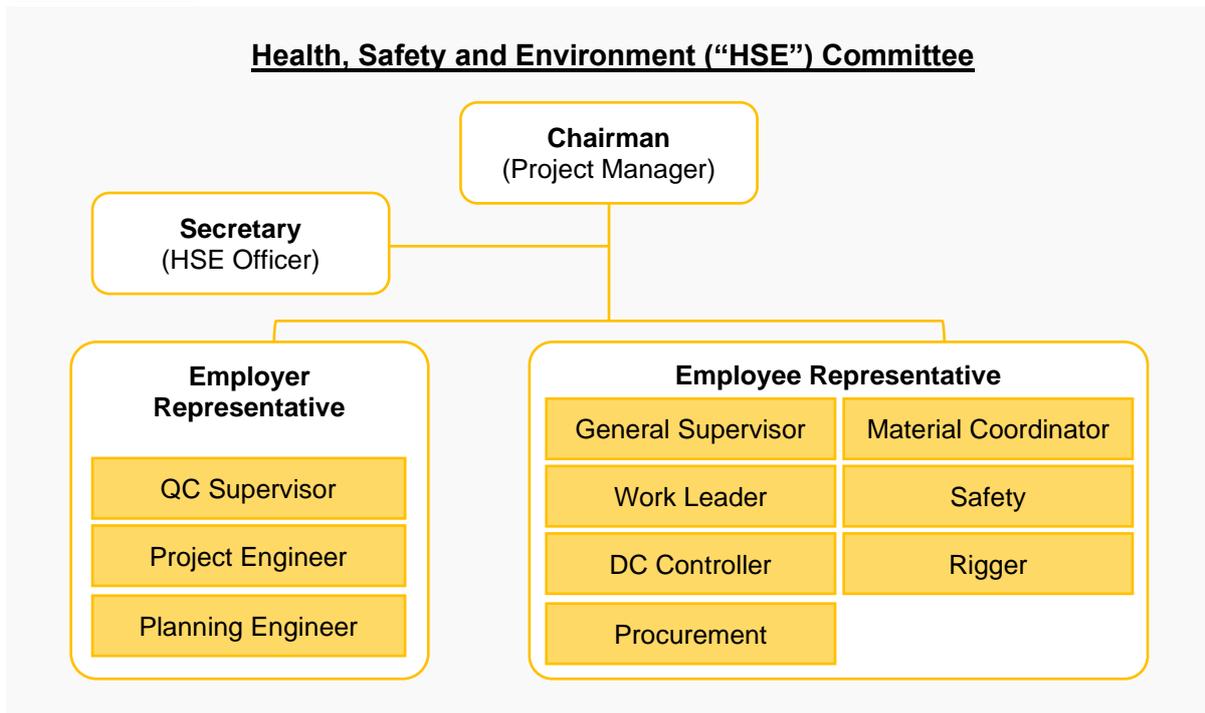


Occupational Health and Safety (“OHS”)

Why is this Important?

Steel Hawk’s prosperity depends on our capacity to enhance the quality of our service while fostering a secure work environment throughout our operations. Our foremost commitment lies in the unwavering pursuit of quality improvement, safeguarding human health, ensuring operational safety and preserving the environment.

Our Approach

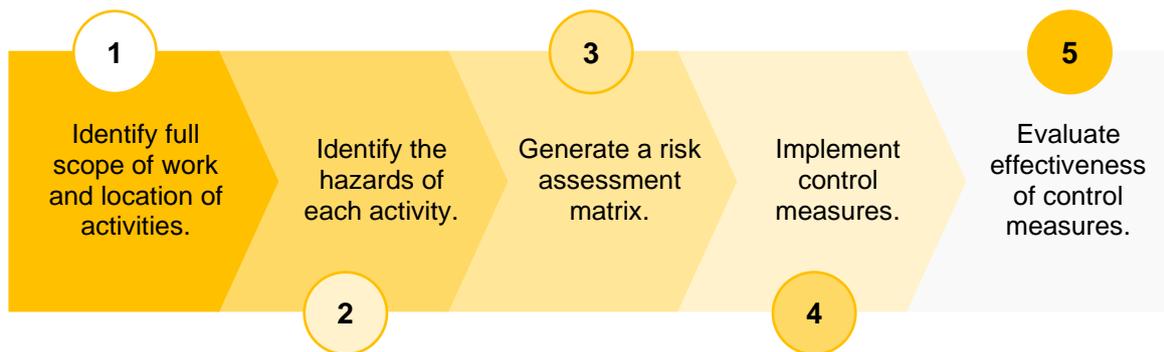


The principal objective of our HSE Committee is to establish a workplace that prioritises health and well-being, safety and environmental responsibility. To ensure a well-rounded understanding of safety risks, we included both employer and employee perspectives in the Committee. This enables us to refine safety protocols and encourages employees to uphold safe working conditions.

Our OHS system safeguards us against financial, operational and legal repercussions. It also ensures that we meet the unique requirements of the engineering service industry. In recent years, our operations have undergone rigorous internal and external audits under ISO standards in terms of Quality Management, Occupational Health and Safety Management and Environmental Management Systems. These assessments involved internal auditor evaluations to confirm ISO compliance and included senior management inspections of the system’s structure, with feedback provision when necessary. As a result, we are pleased to announce that Steel Hawk is ISO 9001:2015 and ISO 45001:2018 certified.

To further enhance our employees’ health and safety, we synchronised our Health, Safety, and Environment (“HSE”) Policy with the Hazard Identification, Risk Assessment, and Risk Control (“HIRARC”) Procedures, providing a consolidated guide for our OHS management. HIRARC plays a pivotal role in identifying risks and executing mitigation measures, reflecting our proactive stance on employee health and safety.

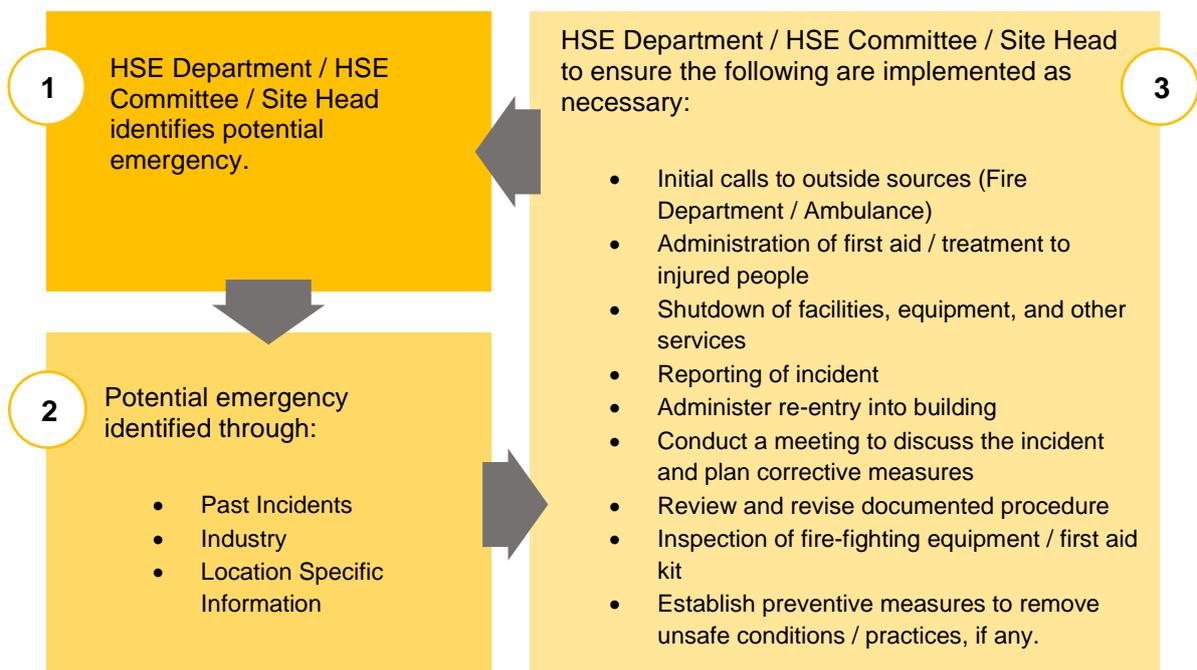
Hazard Identification, Risk Assessment, and Risk Control (“HIRARC”) Procedure



Our stringent protocols guarantee prompt reporting and meticulous investigation of any incidents in strict compliance with regulatory requirements. This systematic procedure allows us to ascertain root causes and implement procedures to maintain our track record of zero lost-time injuries (“LTI”) and fatalities across the Group.

Recognising the inherent risks in our industry, we established an Emergency Preparedness and Response Procedure as a preventative measure. The procedure addresses unanticipated incidents that could endanger the safety of our workforce, allowing us to better safeguard our employees within a secure environment.

Emergency Preparedness and Response Procedure



In addition to the Group’s OHS initiatives, we ensure that our employees are well-versed on OHS guidelines through training programmes. OHS awareness fosters strict adherence to best safety practices, resulting in a reduction in workplace incidents. It also empowers our workforce with the knowledge to identify potential hazards and propose safety enhancements, thereby promoting steady improvement in workplace safety.

Our Performance

Programme Title	Programme Description	Number of Attendees	Total Training Hours
Basic H2S Training	To understand the properties and hazards of H2S and the appropriate emergency procedures to follow should an H2S-related incident arise.	1	4
Basic First Aider	To understand the basic requirements of a first aid responder at the workplace or in general public. Training instructions are based on the latest updates to the international first aid & resuscitation guidelines and include the Automated External Defibrillator ("AED") training module.	1	21
HSE Refresher	To remind employees of our company policy, roles, responsibilities, and the Zero Tolerance ("ZeTo") rules.	35	2
Noise & Hearing Conversation Awareness	To educate employers and employees regarding noise exposure, its effects on the workplace, and the importance of wearing hearing protection.	8	1
Safe Handling of Chemical	To enhance employees' understanding of the safe handling, storage and use of chemicals, along with the potential hazards associated with different types of chemicals.	7	1
Working at Height	To enhance awareness of the risks associated with working at heights and train employees on the proper safety protocols and procedures for working at elevated locations.	5	48

In FY2023, we reported a total of 577,448 working hours with zero lost time injury rate ("LTIR") and fatality.

	FY2023		FY2022		FY2021	
	Male	Female	Male	Female	Male	Female
Total number of hours worked	458,004	119,444	16,032	12,640	13,236	11,844
Number of fatalities as a result of work-related injury	0	0	0	0	0	0
Number of recordable work-related injuries (including fatalities)	0	0	0	0	0	0
Number of fatalities as a result of work-related ill health	0	0	0	0	0	0
Number of cases of recordable work-related ill health	0	0	0	0	0	0
Lost time injury rate	0	0	0	0	0	0

Labour Practices and Standards

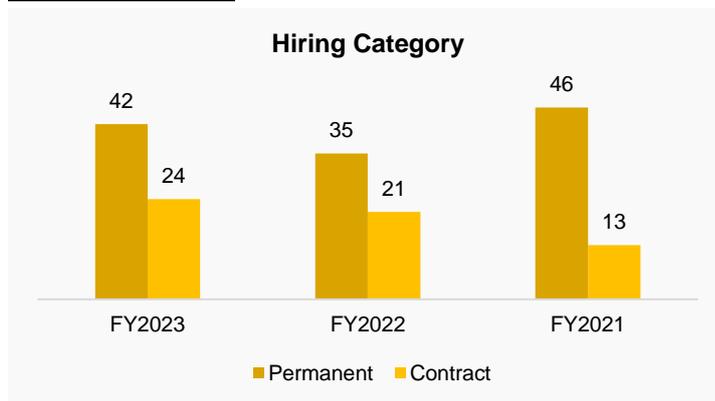
Why is this Important?

Employees are the backbone of Steel Hawk, propelling our continuous organisational growth. With this in mind, we are dedicated to upholding the principles of human rights and the well-being of our employees through employing several people-centred initiatives. Aimed at fostering a high-performance culture, these initiatives create a supportive work environment throughout the Group, ensuring employee well-being and driving organisational success.

Our Approach

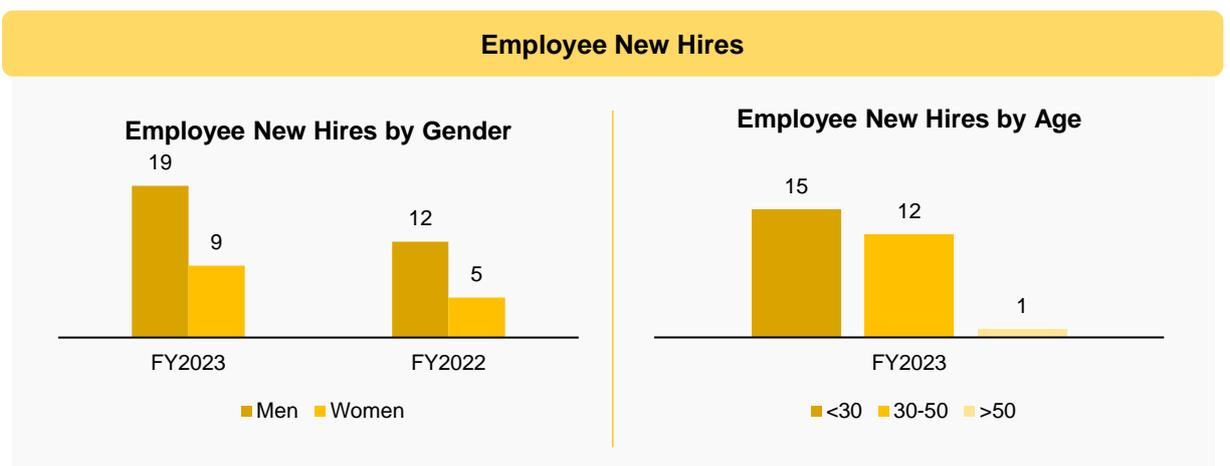
Our Labour and Human Rights Policy provides a clear ethical framework for upholding human rights and identifying potential human rights violation risks within the Group. Guided by the UN Guiding Principles on Business and Human Rights, we integrated a robust human rights due diligence process into our operations that includes rigorous impact assessments and regular policy reviews. Furthermore, we consistently monitor our performance to maintain transparency and promptly address any concerns, fostering a culture of open communication and providing avenues for correction and feedback for all individuals.

Our Performance



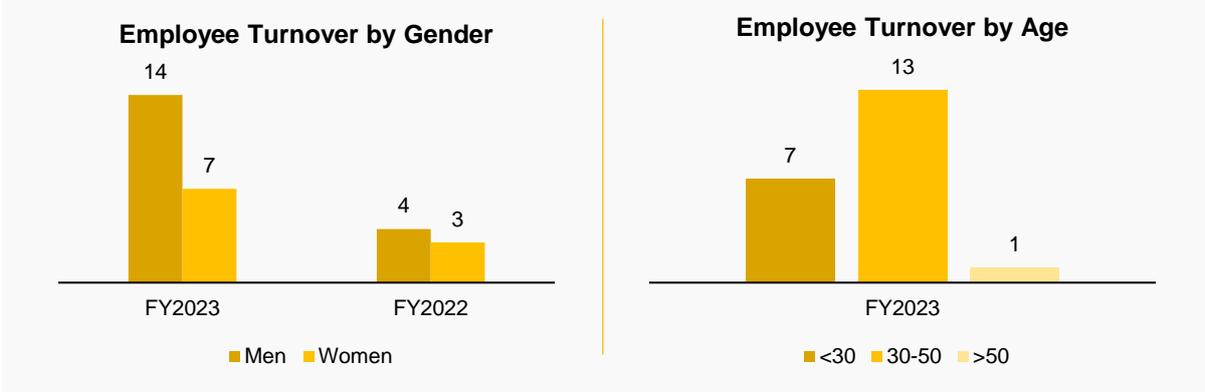
In FY2023, Steel Hawk recorded a total workforce of 66 employees. This diverse team is comprised of 42 permanent workers and 24 contract workers.

In this fiscal year, Steel Hawk welcomed 28 newcomers to our workforce, demonstrating the Group's capacity to provide qualified individuals with employment opportunities.



We would also like to express our gratitude to the 21 employees who resigned to pursue other professional opportunities.

Employee Turnover



ZERO
Reported
Cases of



- Harassment
- Discrimination
- Human Rights Violations
- Child / Forced Labour

To ensure the protection of our employees' rights, we maintain full compliance with relevant policies, laws and regulations.

There were zero reported cases of harassment, discrimination, human rights violations, child labour and forced labour during this financial year.

Talent Management

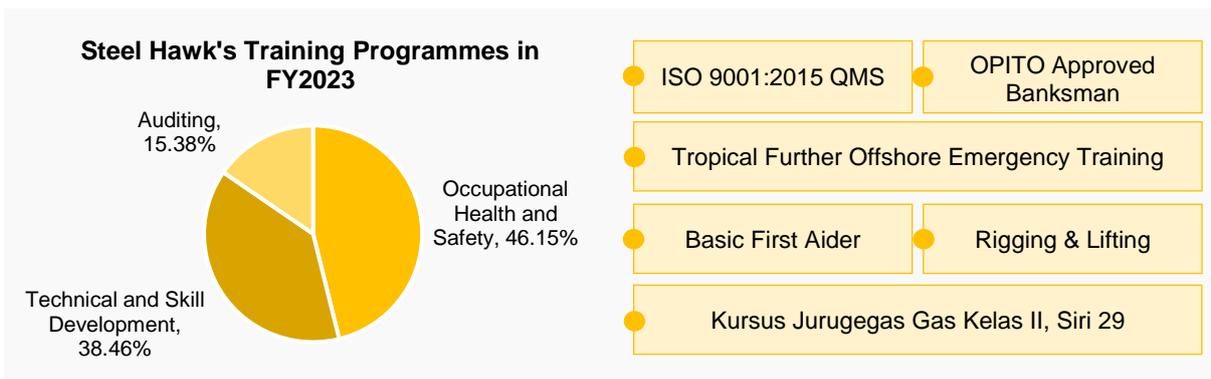
Why is this Important?

The prosperity of our business is inextricably linked to the performance of our workforce. By investing in their growth, we enable them to excel in their careers and contribute to Steel Hawk's sustainable growth. This fosters a dynamic workforce while facilitating effective succession planning, allowing for a seamless transition of critical roles and minimising leadership gaps within the Group.

Our Approach

i. Employee Training

To develop training programmes that facilitate workforce development, we utilised a Training Needs Analysis ("TNA"). This analysis provides critical insights that help us identify specific developmental needs, enabling us to formulate an Annual Training Plan tailored to addressing potential workforce competency gaps.



ii. Performance Appraisal

At the end of each financial year, our Human Resources Department conducts an annual performance appraisal to assess employee progress. Each employee undergoes a Performance Improvement Plan ("PIP") to ensure they meet the required standards and criteria. We firmly believe that this training allows us to expand our talent pool and enhance our employees' knowledge and skill sets, keeping them relevant in an ever-evolving operating landscape.

iii. Employee Benefits and Well-being



Beyond monetary compensation, a comprehensive employee benefits scheme holistically addresses employee needs. A well-conceived benefits scheme enhances employees' quality of life and supports their overall health and financial security which are necessary to foster a productive workforce. As such, our benefits programme includes a range of offerings, such as healthcare coverage and support, retirement savings plans, subsidies and allowances. Steel Hawk also cares for the physical welfare of our employees and has conducted several programmes that contribute to workforce well-being.

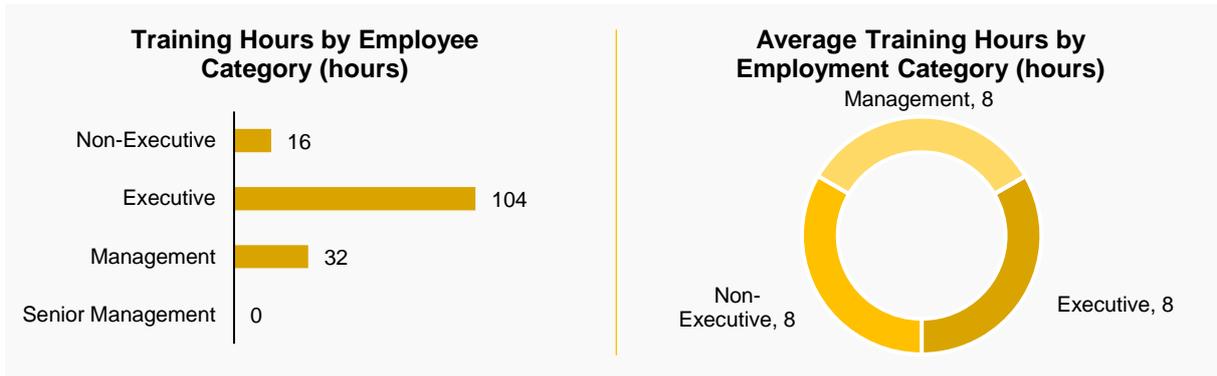
Programme Title	Programme Description
 <p>Q1 Healthy Living</p>	<p>To encourage a healthy lifestyle, including the appropriate healthy behaviours and activities to maintain it.</p>
 <p>Heat Waves Awareness</p>	<p>To educate employees about the health risks associated with heat waves, such as heat exhaustion and heatstroke, along with preventive measures to cope with extreme heat events.</p>

Acknowledging its equal significance alongside physical well-being, the Group focuses on nurturing the emotional wellness of our employees. We are subscribed to an IT-based application known as "Plus Vibes", designed to promote a positive emotional state among our employees. The application provides four features aimed at reducing stress levels, which include Motivational Content, Relaxation Activities, Mental Health Modules and Assessments, and engagement with qualified listeners referred to as Vibers. This enables us to assess our employees' mental states and extend support that strengthens their overall well-being.

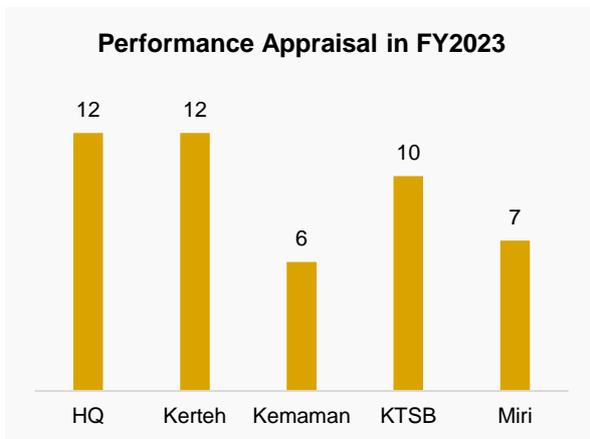
Our Performance

i. Employee Training

In the fiscal year 2023, we invested a total of 152 hours into training initiatives for 19 employees, averaging 8 hours of training per employee. Our diverse training portfolio addresses the varying needs of our employees, with 46.15% of our programmes focused on Occupational Health and Safety, 38.46% on Technical and Skill Development and 15.38% on Auditing and Quality Management.



ii. Performance Appraisal



In FY2023, we have conducted a total of 47 employee performance appraisals throughout our operations to assess and enhance the effectiveness of our workforce.

iii. Parental Leave

In addition to the aforementioned benefits, we have a parental leave system that supports employees during the transformative journey of parenthood. This benefit extends to all employees regardless of gender or family structure, aligning with our commitment to cultivate a supportive workplace that greatly values family and employee well-being.

	Gender	FY2021	FY2022	FY2023
No. of Employees that took parental leave	Male	0	1	0
	Female	5	2	3
No. of Employees that returned after parental leave	Male	0	1	0
	Female	3	2	3
Number of employees who returned to work after the end of their parental leave and remained employed for 12 months thereafter	Male	0	1	0
	Female	0	2	0

Diversity and Inclusion

Why is this Important?

Embracing diversity and inclusion, we recognise that different perspectives contribute to better outcomes and enhance our ability to navigate the complexities of the oil and gas engineering services sector. We take immense pride in fostering a culture rooted in inclusivity, diversity and unwavering respect for every member of our workforce.

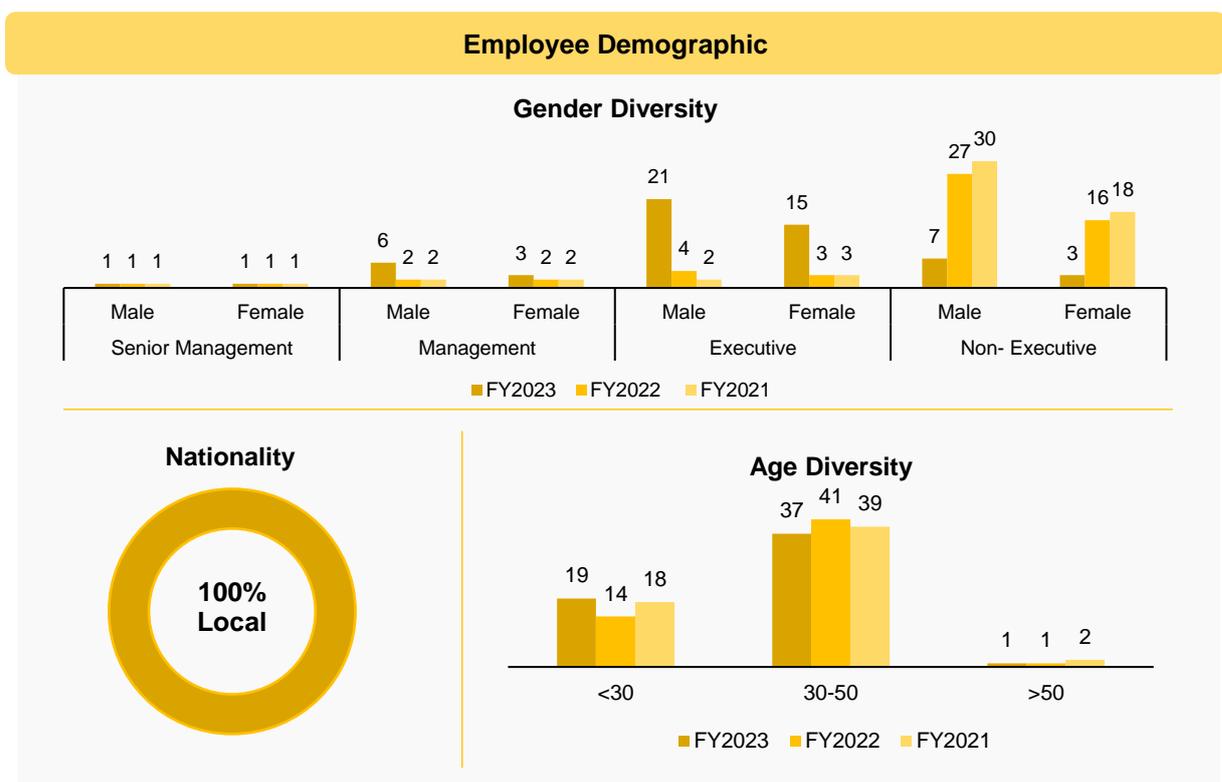
Our Approach

At Steel Hawk, we strive to maintain unbiased recruitment practices by adhering to our established recruitment and staffing procedures for our hiring processes. Additionally, we embrace a Malaysian-first approach in our hiring strategy, aiming to create ample opportunities for local talent to become integral members of our team.

Our Performance

Steel Hawk acknowledges the existing gender disparity in our workforce, where male employees currently form the majority. This is primarily attributed to the prevalence of labour-intensive work characteristic of the oil and gas sector, such as offshore operations. Nevertheless, we remain dedicated to providing equal opportunities and actively encourage individuals of all genders, ages, ethnicities and nationalities to join our ranks.

Our diligence to upholding diversity is evident in our employee demographics as women hold prominent positions, with 50% occupying holding senior management and management positions. Additionally, over 30% of executive and non-executive roles are held by women within the Group.



Supply Chain Management

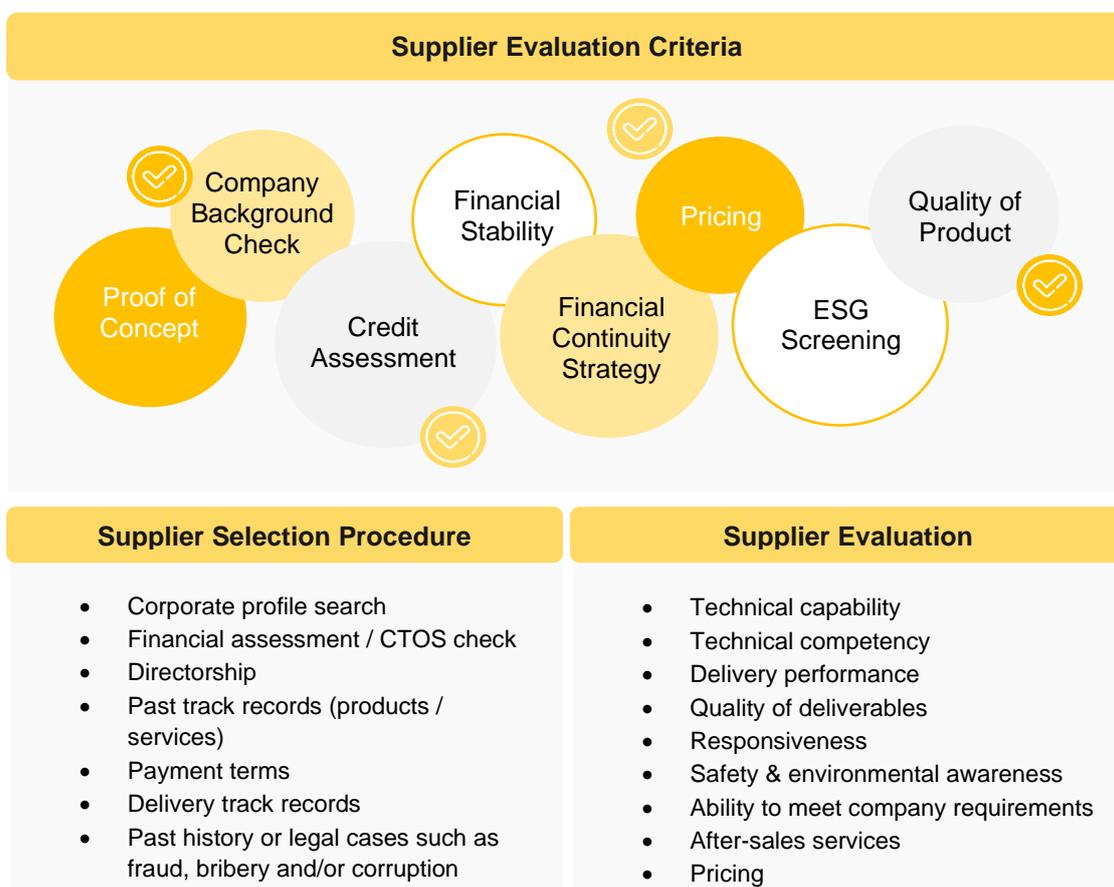
Why is this Important?

We consider supporting local suppliers both an ethical responsibility and a strategic choice. It fosters economic growth, strengthening communities and enhancing supply chain resilience. By prioritising local suppliers, we also contribute to the economic vitality of the communities where we operate. Moreover, by extending our sustainability expectations to our suppliers, we amplify the positive impacts of sustainable practices, reaching beyond the scope of our technical and engineering operations.

Our Approach

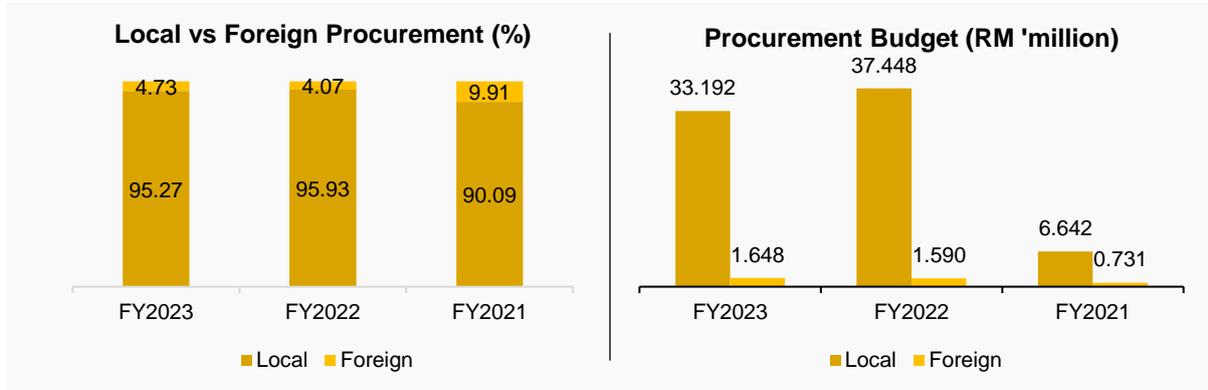
Our Subcontracting & Management Policy & Procedure places utmost importance on ethical business practices. We encourage our suppliers, service providers and third-party vendors to conduct their operations in alignment with Steel Hawk's core values.

The Group also implemented supplier selection criteria and performance assessments. All suppliers and vendors are required to adhere to the rules and regulations outlined in the General Terms & Conditions Purchase Order for Supply of Goods and Services. This ensures legal clarity, standardisation, risk mitigation and efficient management of service agreements, protecting both parties' interests and establishing the foundation for a mutually beneficial working relationship. The responsibility for enforcing these regulations falls under the purview of the Procurement Executive.



Our Performance

Steel Hawk primarily procures goods and services from local suppliers that fulfil our specific requirements, and we continue to prioritise the use of local vendors and suppliers whenever possible.



In FY2023, we allocated a total of 95.27% procurement budget to our local suppliers, amounting to a total of approximately RM 33,192,000.00.

Community Enrichment

Why is this Important?

We recognised that our role in the oil and gas industry extends beyond providing essential services, encompassing a sincere dedication to the prosperity of the communities we operate in. To this end, Steel Hawk has been exploring methods to achieve our corporate social responsibility ("CSR") commitments within these communities, contributing to their socioeconomic growth.

Our Performance

This year, Steel Hawk focused on the empowerment of underprivileged students, equipping them with the necessary resources to enhance their access to high-quality education. Our investment in their education lays the foundation for a brighter future, not just for these young individuals but also for their communities. We contributed a total of RM 13,950.00 to two public schools in Terengganu and Sarawak, directly impacting the lives of 100 students.

Steel Hawk is delighted to announce our sponsorship of the Bursa Bull Charge 2023, the seventh edition of this charitable run. The event, hosted by Bursa Malaysia, is dedicated to raising awareness about the impacts of climate change and advocates for proactive climate action among organisations. Funds raised through this event will be allocated to initiatives that support climate action and environmental protection projects.



We sponsored RM 68,000.00 for this campaign, and 11 of our staff actively participated in the 5.0 km individual run.

School Aid Distribution

Sekolah Kebangsaan Pasir Raja Dungun, Terengganu



Total Contribution:

RM7,500.00

Number of Beneficiaries:

50 Students

Sekolah Kebangsaan Tudan, Miri, Sarawak

Total Contribution:

RM6,450.00

Number of Beneficiaries:

50 Students



“The power of giving is greater than the joy of receiving.” – Peter Sasco

Fostering Environmental Resilience

In accordance with the national drive to transition the oil, gas, services and equipment (“OGSE”) industry toward sustainable energy, Steel Hawk enacts mitigative steps and environmentally friendly practices with reference to the National OGSE Industry Blueprint. Developed in line with the Shared Prosperity Vision 2030 and the 12th Malaysia Plant, this blueprint aligns us with Malaysia’s national development agenda. Our ESG-aligned practices encompass the conservation and management of natural resources such as water, waste and energy. These initiatives are geared toward optimising Steel Hawk’s operations and limiting our environmental impact.



Energy Management



Climate Change



Waste Management



Water Consumption

Our Contribution Towards the UN SDGs:



Energy Management

Why is this Important?

Acknowledging the substantial energy requirements within our oil and gas services, Steel Hawk undertakes carbon mitigation initiatives to mitigate the carbon generated from our operations. Such initiatives encompass regular internal monitoring and low-carbon practices, furthering our progress towards our sustainability objectives and reinforcing our support of the Paris Agreement and Net Zero by 2050.

Our Approach

Energy-Saving Initiatives



Encourage the use of energy-efficient lighting solutions by switching out incandescent bulbs for LED bulbs at our HQ office

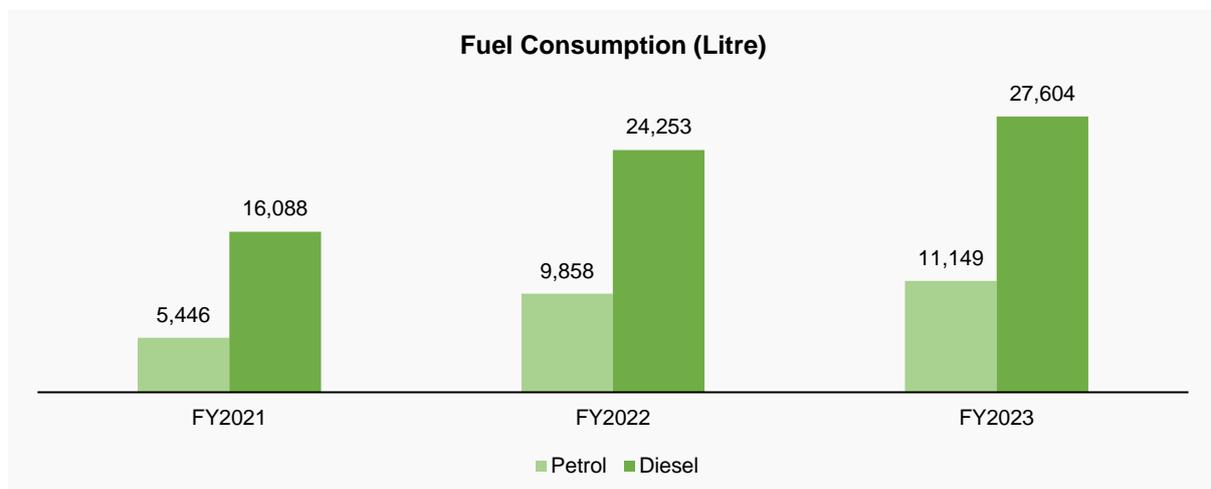


Encourage employees in our offices and facilities to adopt energy-saving behaviour, such as switching off lights not in use and unplugging devices.

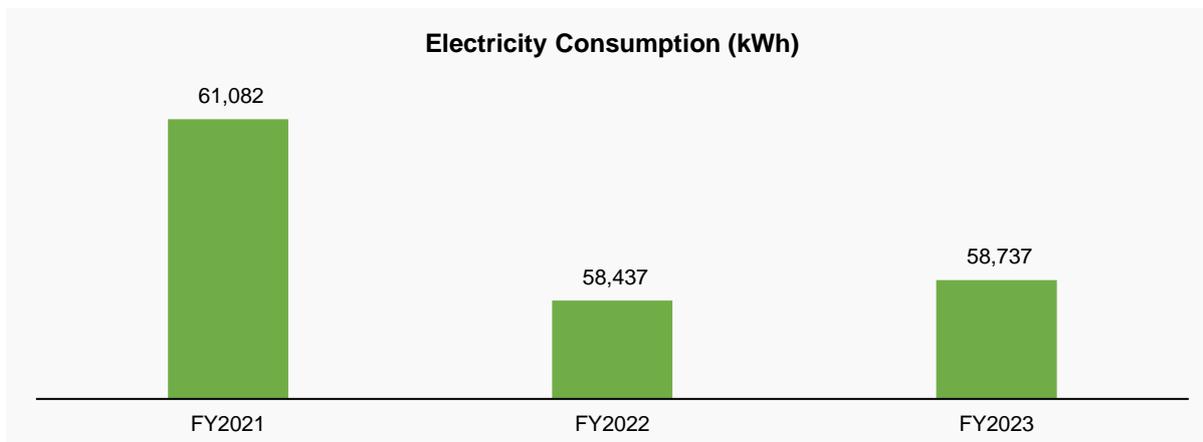
Our daily operations require the use of both direct and indirect energy sources. In our transportation segment involving the use of fleet vehicles, we rely on petrol and diesel as our direct energy sources. Meanwhile, our indirect energy is comprised primarily of purchased electricity, and it constitutes a significant portion of Steel Hawk's energy consumption.

Our Performance

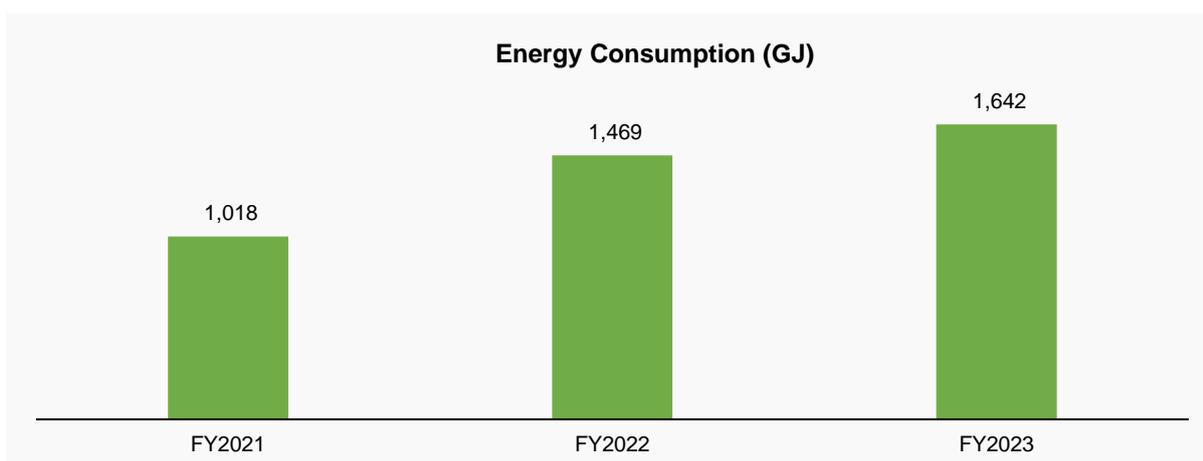
Over the past three years, we have taken proactive approach to monitor our fuel consumption. In FY2023, Steel Hawk consumed 38,753 litres of fuel which consisted of 11,149 L of petrol and 27,604 L of diesel.



As for our electricity consumption, our combined electricity consumption from Steel Hawk Engineering and Steel Hawk Defence in FY2023 reached 58,737 kWh, representing a 0.5% increase compared to the previous year.



Overall, our Group's total energy consumption amounted to 1,642 GJ.



Climate Change

Why is this Important?

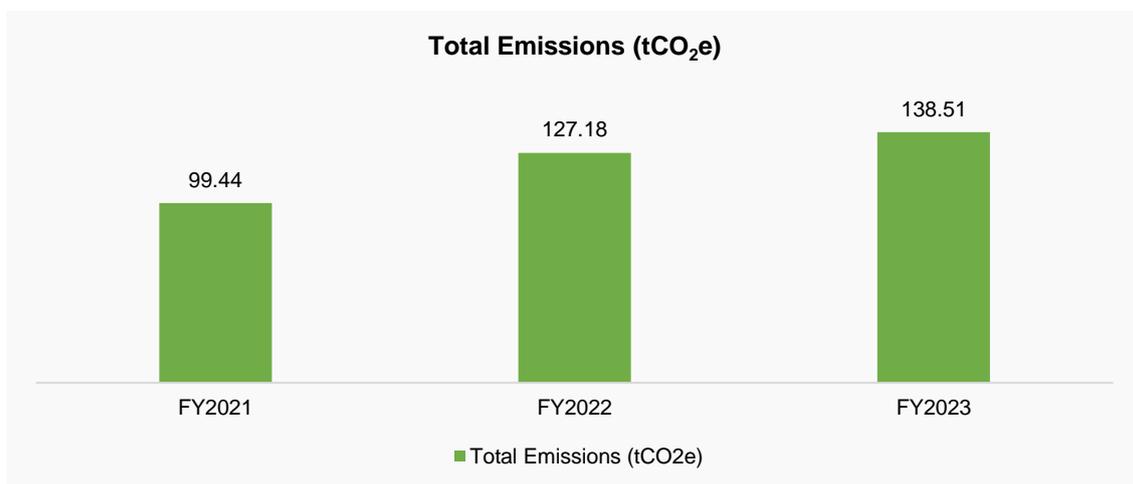
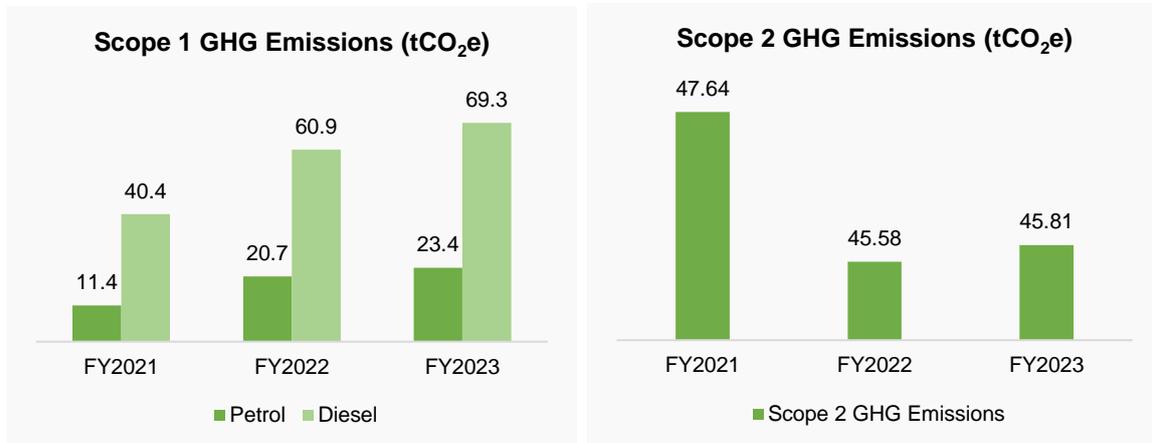
Our commitment to combat climate change is grounded in climate science. We recognise that our responsibility transcends regulatory compliance, and we are dedicated to reducing our carbon footprint. Through enhancing our energy management practices, we strive towards significantly lowering our carbon emissions.

Our Approach

Steel Hawk initiated a significant step towards addressing climate change impacts by aligning our climate-related disclosures with the TCFD Recommendations. Our commitment further extends to transitioning towards sustainable practices, complemented by the implementation of energy-saving measures like the installation of energy-efficient lighting and the promotion of bicycle usage for employee mobility within our facilities.

Our Performance

In FY2023, the combined emissions from our operations amounted to 138.51 tCO₂e. The breakdown includes 92.7 tCO₂e under Scope 1 and 45.8 tCO₂e under Scope 2.



Note:

1. Emissions resulting from the direct combustion of carbon-based fuel sources, such as diesel or petrol. Scope 1 was calculated using emissions factors from the UK Government GHG Conversion Factors for Company Reporting 2023.
2. Emissions resulting from the purchase of grid electricity, generated in part from the combustion of carbon fuels, such as coal or natural gas. The emission factor from the 2019 CDM Electricity Baseline for Malaysia by the Malaysian Green Technology Corporation was used to calculate Scope 2 emissions.

Waste Management

Why is this Important?

Appropriate waste management initiatives are indispensable to reducing the adverse implications of unchecked waste production, such as resource inefficiency and health of local ecosystems. By encouraging recycling, prudent resource use and proper waste disposal throughout the Group, our initiatives minimise Steel Hawk's overall waste production.

Our Approach

We use contractors licenced by the Department of Environment Malaysia to ensure proper collection, transport and disposal of the scheduled and unscheduled waste by-products produced in our oil and gas servicing operations.

To comply with the Environmental Quality Act 1974 and its amendments, we ensure that our contractors follow the guidelines set by the authority and only dispose of waste at prescribed premises. Currently, as our waste is managed by a third-party service provider, we have yet to begin waste tracking. In the upcoming years, we plan to strengthen our waste generation monitoring by implementing a formal record-keeping system.

Water Consumption

Why is this Important?

Water scarcity remains a major worldwide issue, restricting access to safe drinking water and basic hygiene practices. Understanding the significant role of responsible water management, Steel Hawk commits to developing internal standards and efforts to optimise our water consumption. Through these measures, we contribute to alleviating water scarcity and the responsible use of this resource.

Our Approach

We implemented a range of water saving measures across our operations. This includes the establishment of regular leak detection programmes, ensuring the prompt identification and repair of water leaks. Furthermore, we continue to deploy several water-saving initiatives carried out in the previous year. These include the installation of water-efficient taps in our washrooms equipped with water flow restrictors that reduce water flow, minimising wastage. We also actively foster water awareness among our workforce, spurring water efficiency discussions during team meetings and placing informative awareness posters in high-traffic shared spaces.

Our Performance

Steel Hawk initiated water consumption tracking this year as an essential step towards sustainable water management. This will serve to refine our water management, allowing us to implement targeted initiatives that reduce water consumption, lower consumption-related costs and contribute to environmental suitability. To date, we have recorded a total consumption of 510 m³.

Building On Our Forward Momentum

Our sustainability statement underscores our steadfast commitment to responsible technical and engineering service practices. We made substantial progress in reducing carbon emissions and curbing energy consumption in our servicing operations by embracing energy-efficient practices. The investments in sustainable supply chain practices, employee well-being, and community engagement reflect our dedication to social responsibility. Additionally, our sustained financial stability and growth exemplify our economic viability as well as our capacity to generate long-term value for stakeholders.

Looking ahead, we are fully aware of the dynamic sustainability landscape and the pressing challenges posed by climate change and other global issues that impact the oil and gas sector. We remain committed to staying at the forefront of sustainable practices, continuously fostering innovation to improve our ESG impact while providing exceptional onshore and offshore support to our valued clients.

Performance Data Table

Governance

Indicator	Unit	FY2021	FY2022	FY2023
Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	Number	-	-	0
• Management	Number	-	-	0
• Executive	Number	-	-	6
• Non-Executive	Number	-	-	0
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	-	-	100
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Technology, Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0

Social

Indicator	Unit	FY2021	FY2022	FY2023
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	-	57
Total number of hours worked	Hours	25,080	28,672	577, 448
Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Talent Management				
Bursa C6(a) Total hours of training by employee category				
• Senior Management	Hours	-	-	0
• Management	Hours	-	-	32
• Executive	Hours	-	-	104
• Non-Executive	Hours	-	-	16
Bursa C6(c) Total number of employee turnover by employee category				
• Senior Management	Number	-	-	-
• Management	Number	-	-	-
• Executive	Number	-	-	-
• Non-Executive	Number	-	-	-
Diversity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				

Steel Hawk Berhad's Sustainability Statement FY2023

Gender group by employee category				
• Senior Management (Male)	%	50	50	50
• Senior Management (Female)	%	50	50	50
• Management (Male)	%	67	50	50
• Management (Female)	%	33	50	50
• Executive (Male)	%	58	57	40
• Executive (Female)	%	42	43	60
• Non-Executive (Male)	%	70	63	63
• Non-Executive (Female)	%	30	37	37
Age group by employee category				
• Senior Management (<30)	%	-	-	-
• Senior Management (30-50)	%	-	-	-
• Senior Management (>50)	%	-	-	-
• Management (<30)	%	-	-	-
• Management (30-50)	%	-	-	-
• Management (>50)	%	-	-	-
• Executive (<30)	%	-	-	-
• Executive (30-50)	%	-	-	-
• Executive (>50)	%	-	-	-
• Non-Executive (<30)	%	-	-	-
• Non-Executive (30-50)	%	-	-	-
• Non-Executive (>50)	%	-	-	-
Bursa C3(b) Percentage of directors by gender and age				
Male	%	-	-	-
Female	%	-	-	-
30-50	%	-	-	-
51-60	%	-	-	-
>60	%	-	-	-
Bursa C6(b) employees that are contractors or temporary staff				
• Permanent	Number	6	35	42
• Part-Time	Number	9	0	0
• Contract	Number	8	21	24
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	%	90.09	95.93	95.27
Community Enrichment				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	-	-	13,950.00 68,000
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	-	100 -

Environment

Indicator	Unit	FY2021	FY2022	FY2023
Energy Management				
Bursa C4(a) Total energy consumption	GJ	1,018	1,469	1,642
Fuel Consumption	L	21,534	34,111	38,753
Climate Change				
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	51.8	81.6	92.7
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	47.64	45.58	45.81
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (business travel and employee commuting)	tCO ₂ e	-	-	-
Waste Management				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	-
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	-
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	-
Bursa S8(a) Total volume of water (effluent) discharge over the reporting period	L	-	-	-
Water Consumption				
Bursa C9(a) Total volume of water used	m ³	-	-	510

GRI Content Index

Statement of use	Steel Hawk Berhad has reported the information cited in this GRI content index for the period 1 January 2023 until 31 December 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (Page)
GRI 2: General Disclosures 2021	2-1 Organisational details	4
	2-2 Entities included in the organisation's sustainability reporting	4
	2-3 Reporting period, frequency and contact point	5
	2-6 Activities, value chain and other business relationships	-
	2-7 Employees	32
	2-9 Governance structure and composition	9
	2-11 Chair of the highest governance body	9
	2-12 Role of the highest governance body in overseeing the management of impacts	9
	2-13 Delegation of responsibility for managing impacts	-
	2-14 Role of the highest governance body in sustainability reporting	9
	2-16 Communication of critical concerns	
	2-23 Policy commitments	8
	2-24 Embedding policy commitments	-
	2-25 Processes to remediate negative impacts	-
	2-26 Mechanisms for seeking advice and raising concerns	-
	2-27 Compliance with laws and regulations	23
2-29 Approach to stakeholder engagement	11	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	16
	3-2 List of material topics	16
GRI 204: Procurement Practices 2016	3-3 Management of material topic	39
	204-1 Proportion of spending on local suppliers	40
GRI 205: Anti-corruption 2016	3-3 Management of material topic	22
	205-1 Operations assessed for risks related to corruption	-
	205-2 Communication and training about anti-corruption policies and procedures	24
	205-3 Confirmed incidents of corruption and actions taken	24
GRI 302: Energy 2016	3-3 Management of material topic	43
	302-1 Energy consumption within the organisation	43
	302-4 Reduction of energy consumption	43
GRI 303: Water and Effluents 2018	3-3 Management of material topic	46
	303-5 Water consumption	46
GRI 305: Emissions 2016	3-3 Management of material topic	44
	305-1 Direct (Scope 1) GHG emissions	45
	305-2 Energy indirect (Scope 2) GHG emissions	45
	305-4 GHG emissions intensity	-
	305-5 Reduction of GHG emissions	44
GRI 306: Waste 2020	3-3 Management of material topic	46

Steel Hawk Berhad's Sustainability Statement FY2023

GRI 401: Employment 2016	3-3 Management of material topic	-
	401-1 New employee hires and employee turnover	32
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	35
	401-3 Parental leave	37
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topic	29
	403-1 Occupational health and safety management system	29
	403-2 Hazard identification, risk assessment, and incident investigation	30
	403-4 Worker participation, consultation, and communication on occupational health and safety	31
	403-5 Worker training on occupational health and safety	31
	403-8 Workers covered by an occupational health and safety management system	-
	403-9 Work-related injuries	31
	403-10 Work-related ill health	31
GRI 404: Training and Education 2016	3-3 Management of material topic	34
	404-1 Average hours of training per year per employee	36
	404-2 Programmes for upgrading employee skills and transition assistance programmes	34
	404-3 Percentage of employees receiving regular performance and career development reviews	-
GRI 405: Diversity and Equal Opportunity 2016	3-3 Management of material topic	38
	405-1 Diversity of governance bodies and employees	38
GRI 406: Non-discrimination 2016	3-3 Management of material topic	38
	406-1 Incidents of discrimination and corrective actions taken	33
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3 Management of material topic	-
	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-
GRI 408: Child Labor 2016	3-3 Management of material topic	33
	408-1 Operations and suppliers at significant risk for incidents of child labor	-
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topic	33
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	-
GRI 413: Local Communities 2016	3-3 Management of material topic	40
	413-1 Operations with local community engagement, impact assessments, and development programmes	40

TCFD Content Index

TCFD Recommendation	Location (Page)
Governance	20
Strategy	20
Risk Management	20
Metrics and Targets	20