



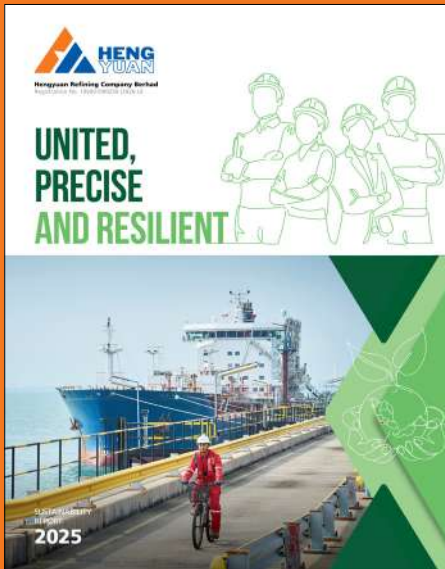
**Hengyuan Refining Company Berhad**  
Registration No. 196001000259 (3926-U)

# UNITED, PRECISE AND RESILIENT



SUSTAINABILITY  
REPORT  
**2025**

## COVER RATIONALE



The cover brings to life the collective strength and discipline that define Hengyuan Refining Company Berhad, where a united workforce leads operational excellence and resilience. The illustrated figures represent the people behind HRC's performance, while the refinery and marine logistics scene anchors the Company's core business of delivering energy reliably and efficiently. The green overlay and leaf motif introduce a forward-looking sustainability narrative, reinforced by the map of Malaysia, which signifies HRC's ongoing contribution to the nation. Together, these elements present a balanced portrayal of precision in execution and a firm commitment to responsible progress, as HRC continues to strengthen performance, uphold QHSSE standards, and remain responsive within an evolving energy landscape.



This Sustainability Report is also accessible via [www.hrc.com.my](http://www.hrc.com.my)

Scan here to view our Sustainability Report online

### Abbreviation:

HRC or the Company refers to the listed entity of Hengyuan Refining Company Berhad.

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# About This Report



**Hengyuan Refining Company Berhad's (HRC or the Company) Sustainability Report for the financial year ended 31 December 2025 (SR2025) represents HRC's 9<sup>th</sup> annual publication of HRC's commitments, initiatives, performance and progress towards sustainable value creation. It provides a comprehensive account on the management of economic, environmental, social and governance (ESG or EESG) matters of importance to the Company and its stakeholders as identified through our latest materiality assessment.**



## SCOPE & BOUNDARY

This report covers HRC's refining operations in Port Dickson, Negeri Sembilan, for the period from 1 January 2025 to 31 December 2025 (FY2025). Where applicable, historical data is presented to provide a comparative perspective. Excluded from this report are business activities over which HRC has limited operational control, such as outsourced logistics operations. However, efforts are ongoing to enhance data collection in these areas for future disclosures.

## REPORTING STANDARDS & FRAMEWORKS

The SR2025 has been prepared in compliance with Bursa Malaysia Securities Berhad's (Bursa Malaysia) Main Market Listing Requirements (Listing Requirements). Other reporting standards, frameworks and guidelines referenced include:

<p>Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition)</p> <p><b>IN ACCORDANCE</b></p> 	<p>Global Reporting Initiative (GRI) 2021 (Core Option)</p> <p><b>WITH REFERENCE</b></p> 
<p>FTSE4Good Bursa Malaysia (F4GBM) Index</p> <p><b>WITH REFERENCE</b></p>  <p>FTSE4Good</p>	<p>Task Force on Climate-related Financial Disclosures (TCFD)</p> <p><b>IN ALIGNMENT</b></p>  <p>TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES</p>
<p>International Sustainability Standards Boards (ISSB) Standards</p> <p><b>WITH REFERENCE</b></p> 	<p>Integrated Reporting Framework</p> <p><b>IN ALIGNMENT</b></p>  <p>Now part of IFRS Foundation</p>
<p>Sustainability Accounting Standards Board's (SASB) Standards</p> <p><b>WITH REFERENCE</b></p> 	<p>United Nations Sustainability Development Goals (UNSDGs)</p> <p><b>IN ALIGNMENT</b></p> 

This Sustainability Report should be read in conjunction with HRC's Integrated Annual Report 2025, which provides additional context on our strategy, financial position, and operational performance. The determination of content for disclosure has been guided by the Global Reporting Initiative (GRI) reporting principles, and a GRI Content Index is disclosed on pages 92 to 101.

## About This Report

### DATA INTEGRITY & ASSURANCE

HRC is committed to ensure the accuracy and integrity of the sustainability disclosures, selected sustainability matters and indicators of the SR2025 have been subjected to limited assurance internal review by the Company's internal auditors. The Company also engaged external consultant in carrying out the limited assurance external review on Greenhouse Gas (GHG) inventory verification based on ISO 14064-1 standard requirements. In addition, our Scope 1, 2 and 3 greenhouse gas emissions data was audited with independent third-party assurance, while selected Scope 3 categories were included within the assurance scope where applicable.

Further details on the scope, approach and conclusions of both internal and external assurance are set out in the Assurance Statement at the end of this report.


### LIMITATIONS & FUTURE ENHANCEMENTS

While HRC strives for completeness and accuracy, certain data limitations remain. These limitations reflect current constraints in data availability, estimation methodologies, and supplier-related information.

HRC remains committed to strengthening its data governance and collection processes, improving traceability across the value chain, and progressively addressing reporting gaps in line with evolving industry best practices and stakeholder expectations.

### FEEDBACK & FURTHER INFORMATION

HRC values stakeholder engagement and welcomes feedback on this report. For inquiries or suggestions, please contact:

 **Email:** [hrcpd-corporate-affairs@hrc.com.my](mailto:hrcpd-corporate-affairs@hrc.com.my)

 **Website:** [www.hrc.com.my](http://www.hrc.com.my)



HRC Corporate Office

# About HRC

## Our Vision

To be a leading global energy and petrochemical company, pioneering sustainable solutions.

## Our Mission

We are committed to safeguard our operational integrity, be bold in our innovations, leverage the strength of our people, and to maximise stakeholder value.



## About HRC

“HRC’s corporate philosophy is driven by its Vision and Mission and is supported by its chosen organisational ICARE values, which are aimed to continuously develop a conducive working culture centred on professionalism, passion, merit and commitment towards sustaining high-performance.”

Culture is viewed as the pathway towards effective implementation of business strategies, in driving innovative thinking, in supporting effective talent management and ultimately, realising the Vision and Mission and enabling value creation.

## OUR CORE VALUES



# About HRC

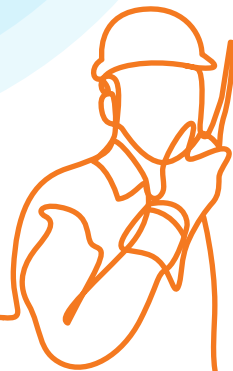
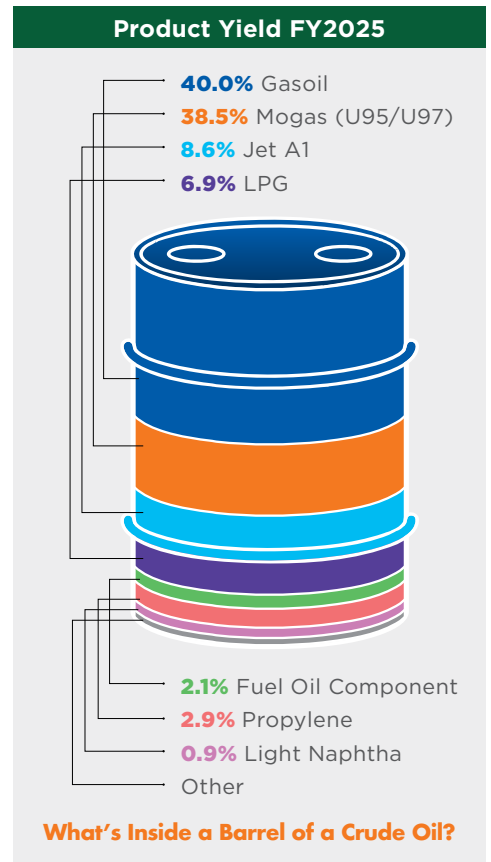
## WHO WE ARE

HRC is a downstream petroleum refiner and a public-listed company on the Main Market of Bursa Malaysia. Established in 1960, HRC has played a pivotal role in supporting Malaysia's energy sector by refining crude oil into high-quality petroleum products.

HRC is 55.67% owned by Shandong Hengyuan Petrochemical Company Limited (SHPC) through Malaysia Hengyuan International Limited. This partnership provides technical expertise, operational support, and strategic procurement capabilities, strengthening HRC's competitiveness in the refining sector.

## WHAT WE DO

HRC operates a state-of-the-art refinery in Port Dickson, Negeri Sembilan, with a maximum production capacity of 156,000 barrels per day. The refinery processes crude oil sourced both locally and internationally, producing a wide range of refined petroleum products, including:



HRC's refinery is equipped with advanced processing units, including two crude distillers, a long residue catalytic cracker unit (LRCCU), naphtha treaters, a kerosene Merox unit, hydro-processing units, a Hydrogen Manufacturing Unit (HMU), and a sulphur recovery unit. The refinery also includes a Euro 4 Mogas unit for petrol production and Euro 5 gasoil refining, ensuring compliance with evolving fuel quality and environmental standards.

## About HRC



### HOW WE OPERATE

HRC's supply chain and distribution network is designed to ensure the safe and efficient delivery of refined petroleum products to customers in Malaysia, while supporting regional demand across Southeast Asia. Malaysia remains HRC's principal market, with the majority of refined products supplied domestically to support national energy needs, while a smaller portion of production, such as propylene and surplus transport fuels, is exported to customers within Southeast Asia.

HRC supplies customers through three established distribution channels:

- Multi-product pipeline (MPP) to the Klang Valley and KLIA, enabling reliable, seamless fuel delivery.
- Truck loading gantry facilities serving customers across West Malaysia.
- Maritime shipments via HRC's jetty, supporting deliveries to regional markets and East Malaysia.

Through disciplined operational execution and continual improvement, HRC remains focused on delivering consistent product quality, maintaining supply reliability, and supporting longer-term energy security for the markets we serve.

# Corporate Information

## BOARD OF DIRECTORS

**Wang, YouDe**  
Chairman  
Non-Independent  
Non-Executive Director

**Surinderdeep Singh Mohindar Singh**  
Independent  
Non-Executive Director

**Tai Sook Yee**  
Independent  
Non-Executive Director

**Li, XiaoXia**  
Independent  
Non-Executive Director

**Peter Ho Kok Wai**  
Independent  
Non-Executive Director  
(Appointed on 3 March 2025)

### BOARD AUDIT COMMITTEE

**Peter Ho Kok Wai** (Chair)  
(Appointed on 3 March 2025)

**Surinderdeep Singh Mohindar Singh**

**Tai Sook Yee**

### BOARD NOMINATING AND REMUNERATION COMMITTEE

**Surinderdeep Singh Mohindar Singh**  
(Chair)

**Wang, YouDe**

**Li, XiaoXia**

### BOARD RISK MANAGEMENT COMMITTEE

**Li, XiaoXia** (Chair)

**Tai Sook Yee**

**Peter Ho Kok Wai**  
(Appointed on 3 March 2025)

### BOARD PROJECTS REVIEW COMMITTEE

**Li, XiaoXia** (Chair)

**Wang, YouDe**

**Surinderdeep Singh Mohindar Singh**

### BOARD WHISTLEBLOWING COMMITTEE

**Surinderdeep Singh Mohindar Singh**  
(Chair)

**Wang, YouDe**

**Peter Ho Kok Wai**

### SECRETARIES

**Tan Siew Hong**  
SSM PC No. 201908001915  
MAICSA 7066226

**Tan Ai Ning**  
SSM PC No. 202008000067  
MAICSA 7015852

### AUDITORS

**KPMG PLT**  
Level 10, KPMG Tower  
8, First Avenue  
Bandar Utama  
47800 Petaling Jaya  
Tel :03 - 7721 3388  
Fax :03 - 7721 3395

### SHARE REGISTRAR & AGM HELPDESK

**Boardroom Share Registrars Sdn Bhd**  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor  
Tel :03 -7890 4700 (Helpdesk)  
Fax :03 -7890 4670  
Email:bsr.helpdesk@boardroomlimited.com

### STOCK EXCHANGE LISTING

**Main Market of Bursa Malaysia Securities Berhad**

Stock Name : HENGYUAN

Stock Code : 4324

Sector : Energy

Sub Sector : Oil & Gas Producers

### REGISTERED OFFICE

12<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Professor Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor  
Tel :03 -7890 4800  
Fax :03 -7890 4650  
Email:info.my@boardroomlimited.com

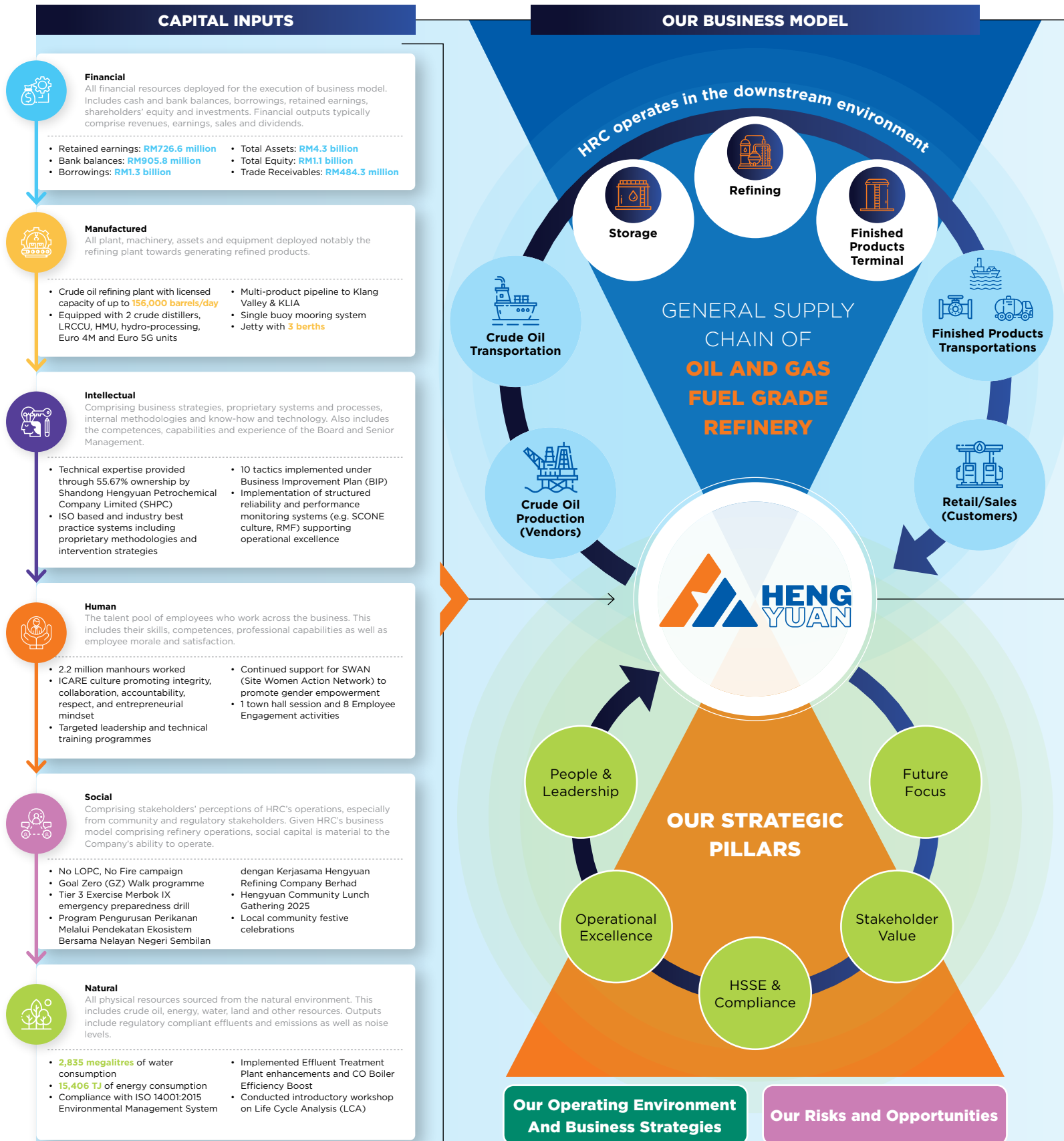
### BUSINESS OFFICE ADDRESS

Batu 1, Jalan Pantai  
71000 Port Dickson  
Negeri Sembilan  
Tel :+606-641 2000

### CORPORATE OFFICE ADDRESS

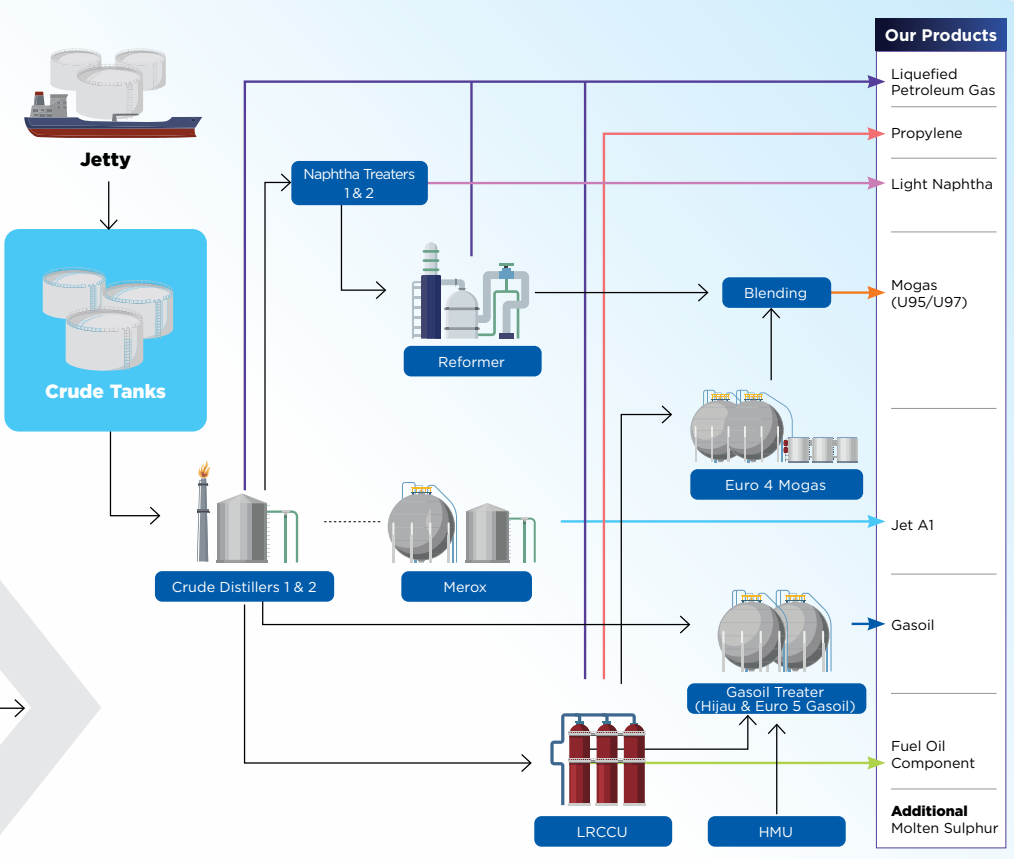
Level 9, Menara Allianz Sentral  
(NU Tower 1)  
Kuala Lumpur Sentral  
No 203, Jalan Tun Sambanthan  
50470 Kuala Lumpur  
Tel :+603-2780 1060

# Value Creation Model



# Value Creation Model

## Through Our Operational Process



### OUTPUTS AND OUTCOMES



- Financial**
- Revenue: **RM13.2 billion**
  - Gross profit: **RM414.0 million**
  - Retained earnings: **RM726.6 million**
  - Cash and cash equivalents as end 2025: **RM905.8 million**
  - Trade Receivables: **RM484.3 million**
  - Total Equity and Liabilities: **RM4.3 billion**
  - Fulfilled all repayment commitments



- Manufactured**
- Produced **35.8 million** barrels of refined products
  - Unplanned downtime (UPDT) of 0.66%
  - Successfully reduced sulphur content to enable upgrade to E5M
  - Achieved approx. **24,000m<sup>3</sup>** per year in Gasoil savings at 10ppm sulphur level
  - Reduced cost of production of refined products through improved quality and faster time to market
  - Monitored wastages, including oil loss and product quality giveaway, to identify potential mitigation measures



- Intellectual**
- Zero non-conformities in surveillance audits for ISO 9001, ISO 14001, ISO 45001, ISO 27001 in FY2025
  - Zero product quality incidents with the implementation of ISO/IEC 17025:2017 accredited laboratory operations
  - ISMS SIRIM surveillance audit and upgraded to ISO/IEC 27001:2022
  - Recertification audit for ISO 37001:2016 in FY2025
  - Improved procurement strategies
  - Expected annual margin improvement of approximately USD 3.5 million starting in 2026 from BIP



- Human**
- 414-strong workforce of which 83% are permanent staff
  - 8,096.0 training hours delivered, averaging 19.6 hours per employee
  - 100% completion rate for anti-corruption training and annual integrity declarations
  - Zero substantiated human rights violations
  - Improved employee satisfaction and morale
  - 21 long service employees rewarded



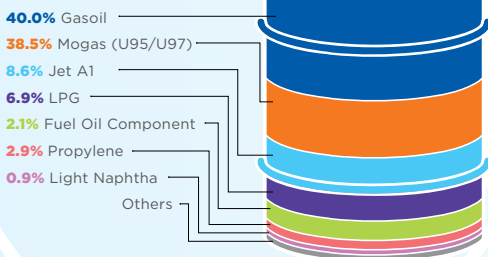
- Social**
- One API Tier 1 Process Safety event and Zero API Tier 2 incidents recorded
  - Zero fatalities and zero loss time incident (LTI)
  - Revenue diversification and reduced dependence on a single customer
  - Improved productivity and stakeholder confidence in refining operations with continued community goodwill
  - Achieved an overall customer satisfaction score of 4.9 out of 5 for FY2025



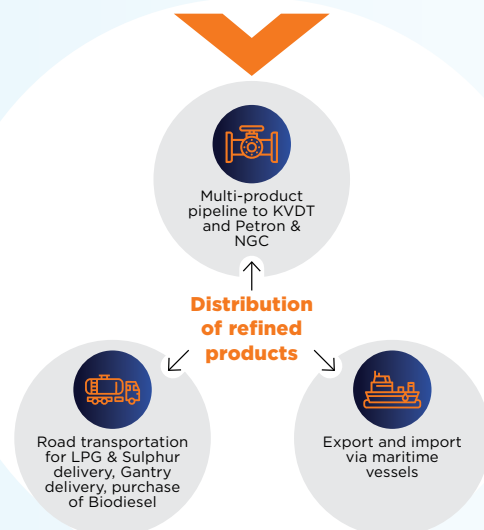
- Natural**
- In FY2025, following enhancements to methodology and expanded reporting boundaries, the year marks a new baseline for emissions reporting. As such, results are not directly comparable with prior years. HRC recorded a GHG emission intensity of 34,610 tonnes CO<sub>2</sub>e
  - Energy Intensity Index of 107.3
  - Boiler efficiency improved by 3.5%, generating 200-250 tonnes of steam per day without needing extra fuel
  - Expansion of Scope 3 emissions to include more types/aspects by adopting the spend based or analysis methods for a more comprehensive and accurate emissions profile

### We Produce The Following

#### Product Yield FY2025



### We Supply Refined Products Via



# Message from Our Board

“The Board of Directors is pleased to present HRC’s Sustainability Report for FY2025, which sets out our performance and progress in managing material economic, environmental, social and governance (EESG) matters alongside our core business priorities. As a refining and energy industry player, we recognise the need to balance operational resilience and supply reliability with responsible environmental stewardship and strong governance. Our sustainability approach remains grounded in ethical conduct and responsible business practices to ensure that material sustainability matters are integrated into corporate decision-making and day-to-day operations.”

## BUILDING RESILIENCE THROUGH OPERATIONAL DISCIPLINE AND RELIABILITY

Operational reliability remained a central focus in FY2025, as sustaining competitiveness in our industry requires consistent production supported by disciplined maintenance and asset integrity management. Guided by our Reliability Management Framework (RMF) and reinforced through our “Site Committed as One (SCONE)” culture, we continued to strengthen threat identification and mitigation to protect equipment availability and operational continuity.

These efforts were reflected in improved performance indicators, with unplanned downtime reduced to 0.66% and plant availability improved to 95.2%, supporting a production volume of 35.8 million barrels. By strengthening our maintenance execution and mitigating unforeseen risks, we have reinforced our operational resilience, it allows us to safeguard supply reliability for our customers and optimise our production output.

## ADVANCING CLIMATE GOVERNANCE AND STRENGTHENING EMISSIONS REPORTING

HRC is actively playing its part in Malaysia’s sustainability journey, specifically supporting the Nationally Determined Contribution (NDC) to reduce carbon intensity by 45% and driving initiatives under the National Energy Transition Roadmap (NETR). We have also committed to a long-term goal of decarbonisation, driven by our ongoing energy efficiency initiatives and emissions management.



HRC Jetty

## DELIVERING VALUE THROUGH RESPONSIBLE PROCUREMENT AND LOCAL ECONOMIC SUPPORT

In FY2025, we continued to strengthen supply chain resilience and support local economic participation. Total procurement spending decreased to RM12.3 billion, while local procurement increased to RM6.1 billion, raising the share of spend on local suppliers to 49.6%. We also maintained disciplined procurement controls through competitive bidding, with 79% of contracts awarded through competitive bidding in FY2025.

## Message from Our Board

To ensure our resilience against the changing climate, we conducted a comprehensive Climate Risk Assessment in alignment with the IFRS S2 framework this year. This exercise allowed us to identify key climate-related risks and opportunities, evaluating their potential financial and operational impacts on our business. By establishing a clear risk profile for these factors, we are better positioned to navigate climate-related challenges.

In FY2025, we strengthened the governance and credibility of our greenhouse gas (GHG) disclosures through independent third-party verification. We also enhanced our GHG accounting methodology and expanded Scope 1 coverage, including updates such as adopting the API Compendium (2021), revising GWP values in accordance with IPCC AR6, and updating the grid emission factor for Scope 2. These changes resulted in an approximate 11% increment and led us to establish FY2025 as a new base year to maintain a consistent baseline going forward.

A key milestone this year is the expansion of our emissions disclosure to include Scope 3 categories, totalled 817 tonnes CO<sub>2</sub>e, primarily covering employee commuting and business travel. We will enhance our data capabilities to further expand these upstream and downstream categories progressively in the coming years.

In terms of water stewardship, we maintained a highly stable footprint by relying exclusively on municipal supplies and ensuring zero withdrawal from water-stressed regions.

### PRIORITISING PEOPLE, SAFETY AND INCLUSIVE WORKPLACE CULTURE

At HRC, the safety and wellbeing of our employees, contractors and vendors remain non-negotiable priorities, supported by ISO 45001:2018 certification and structured HSSE oversight forums. In FY2025, we continued HSSE culture-building and capability initiatives.

We also continued to invest in competency and learning, conducting 59 OSH training courses totalling 536 hours with 373 participants to reinforce risk awareness and consistent safe work practices across operational roles. Beyond safety, we maintained a strong focus on inclusion and fairness, reaffirming equal opportunities regardless of race, gender, age, ethnicity or other differences as part of our “one Hengyuan” ethos.

### STRENGTHENING COMMUNITY RELATIONSHIPS AND SOCIAL LICENCE TO OPERATE

In FY2025, we continued to support communities and invest in community initiatives around Port Dickson through targeted outreach and partnerships, benefiting 365 beneficiaries. We also strengthened employee participation in volunteerism, with 32 employee volunteers contributing 120 hours across five community initiatives.

Environmental stewardship efforts extended beyond compliance, including our collaboration with the Department of Fisheries Negeri Sembilan for the Marine Conservation CSR Programme 2025 (myUNJAM), which included fish seed release and the deployment of seven sets of unjam to support ecosystem-based fisheries management at Pantai Bagan Pinang, alongside safety support for local fishermen.

### ROADMAP AND COMMITMENT FOR THE YEAR AHEAD

Looking forward, we will continue strengthening sustainability governance, improving data quality and transparency, and aligning our disclosures with evolving stakeholder expectations. HRC will further enhance internal coordination, accountability, and performance monitoring across material sustainability topics. We will also progressively expand Scope 3 emissions coverage as reliable and verifiable data becomes available.

On behalf of the Board, we extend our appreciation to our employees, stakeholders, business partners, and communities for their continued support. We remain committed to sustaining reliable operations, upholding strong governance and compliance standards, and delivering long-term value for the markets and communities we serve.



# 2025 Sustainability Highlights



## Prime Minister's Hibiscus Award 2024/2025 Recognition

Received **national-level recognition** under the Prime Minister's Hibiscus Award 2024/2025, reflecting strengthened environmental governance and management practices.



## Third-Party Verification of Greenhouse Gas Data

**Completed** independent limited-assurance verification of FY2025 GHG emissions, strengthening the credibility of our climate data and disclosures.



## Improved Asset Reliability Through Maintenance and Efficiency Focus

Reduced unplanned downtime to **0.66%** and improved plant availability to **95.2%**, supporting sustained production volume of **35.8 million** barrels and reflecting stronger maintenance execution and reliability management.



## Reduced Spent Oil-Water Emulsion Generation

Reduced spent oil-water emulsion by **65%** to **80 metric tonnes** from **227 metric tonnes**, supported by treating spent caustic through the ETP.



## Expanded OSH Training Coverage

Conducted **59** OSH training courses totalling **536** hours with **373** participants to reinforce the competency and risk awareness across operational roles.



## Delivered SWAN Initiatives to Support Women's Development

Delivered **SWAN** programmes including a CFO-led career talk and engagement activities to support development and stronger community among women employees.



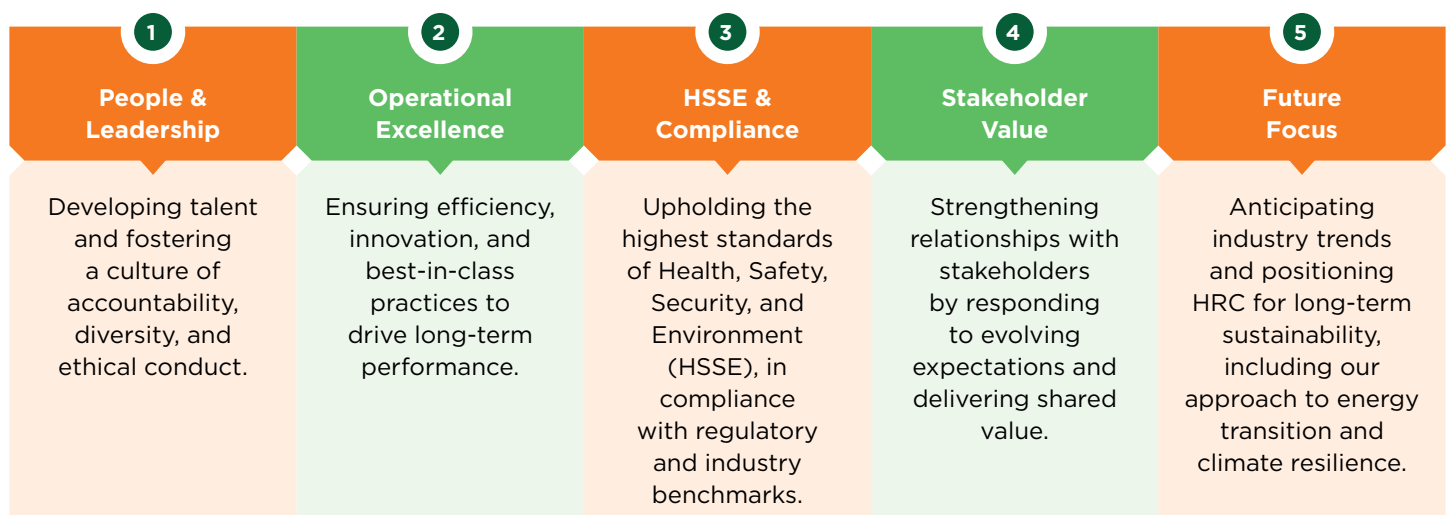
Career Talk by our CFO titled "Navigating the Maze: Personal Career Map." by SWAN

# Our Approach to Sustainability

“HRC’s approach to sustainability is anchored in the principles of ethical conduct and responsible business practices, aimed at delivering sustained value to our stakeholders. We ensure that material sustainability matters are not peripheral but are deeply integrated into our corporate decision-making and daily operations. In a global landscape redefined by the urgency of climate action and the energy transition, HRC recognises the narrowing window to achieve the Paris Agreement’s goal. Consequently, we are intensifying our efforts to mitigate greenhouse gas (GHG) emissions and adapt to a low-carbon economy.”

We are committed to supporting Malaysia’s Nationally Determined Contribution (NDC) to reduce carbon intensity by 45% by 2030, as well as the strategic pathways set out in the National Energy Transition Roadmap (NETR). In alignment with these national goals, HRC has set a long-term aspiration to achieve net-zero carbon emissions. To realise this, we are executing a robust carbon management strategy focused on energy efficiency, emission reduction initiatives, and the gradual integration of cleaner energy solutions.

Beyond climate imperatives, we adopt a holistic sustainability framework built upon five strategic pillars that drive our value creation and business resilience:



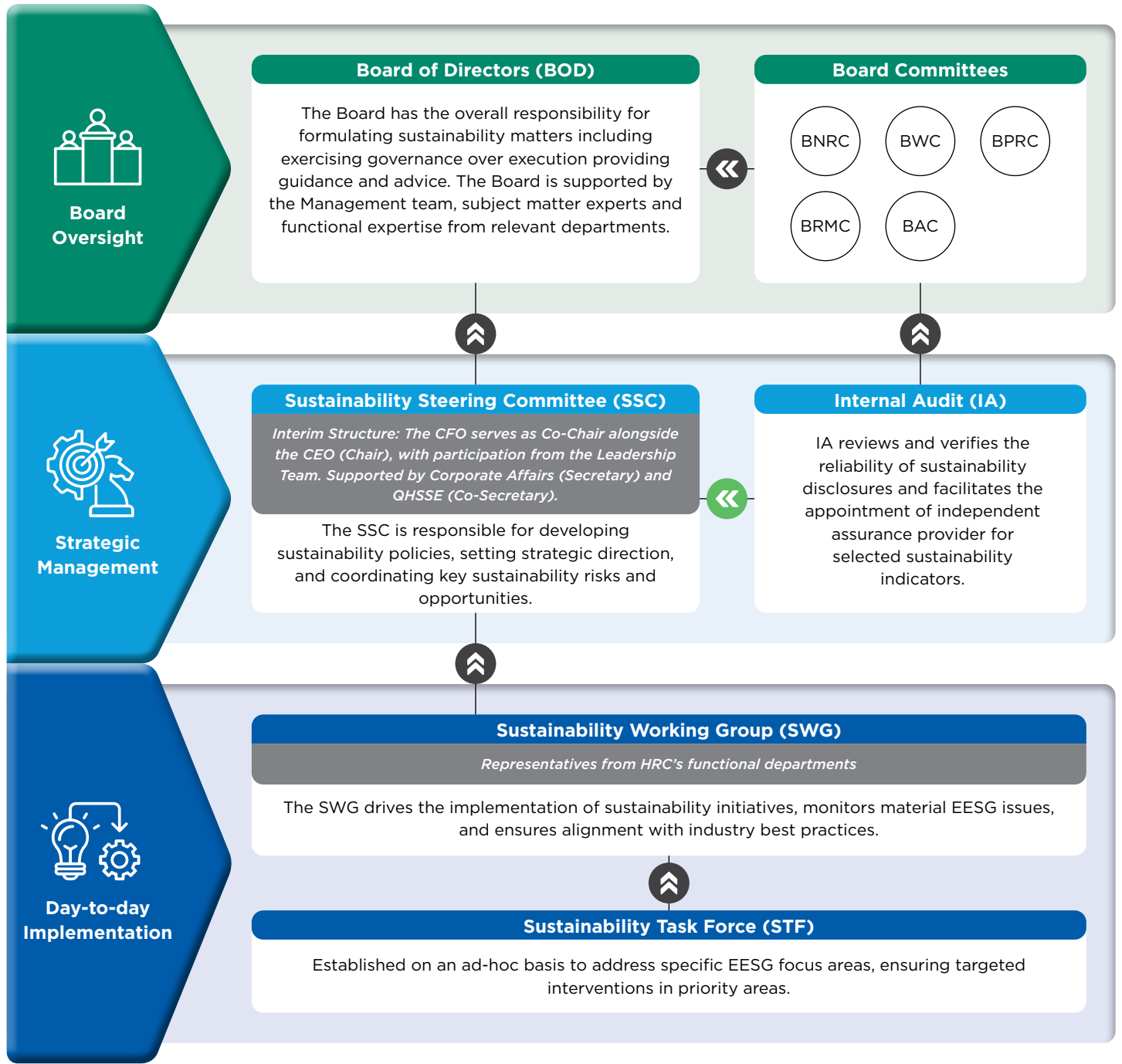
These pillars guarantee our sustainability efforts remain resilient, compliant with regulatory requirements, and fully aligned with the expectations of our stakeholders.

## SUSTAINABILITY GOVERNANCE & OVERSIGHT

HRC integrates sustainability into its corporate governance framework to ensure oversight, accountability, and execution across all levels of the organisation. This structured approach facilitates the cascading of strategic direction and sustainability policies from the leadership down to operational teams, ensuring cohesive implementation. Conversely, the framework provides a formal reporting mechanism where progress and challenges are communicated back to the Board, enabling data-driven decision-making.

# Our Approach to Sustainability

The following sections detail the reporting lines, specific roles, and the composition of HRC's sustainability governance bodies, which serve as the foundation for our commitment to transparent and ethical business conduct.



## Our Approach to Sustainability



HRC Employees conducting daily meeting

### Board and Management Responsibility on ESG & Climate Change

The Board of Directors and Management recognise that ESG factors are fundamental to HRC's long-term business resilience, financial performance, and stakeholder trust. These considerations are integrated into our strategic decision-making and resource allocation, as they directly influence operational continuity, regulatory compliance, and access to capital in an increasingly ESG-conscious investment landscape.

To maintain strategic oversight and informed decision-making, the Board and Management actively engage in ESG training and briefings to stay abreast of evolving sustainability trends, regulatory developments, and best practices. As part of this commitment to high-level accountability, the Board Effectiveness Assessment specifically evaluates the Board's capacity to oversee sustainability matters, ensuring these priorities are embedded into corporate decision-making.

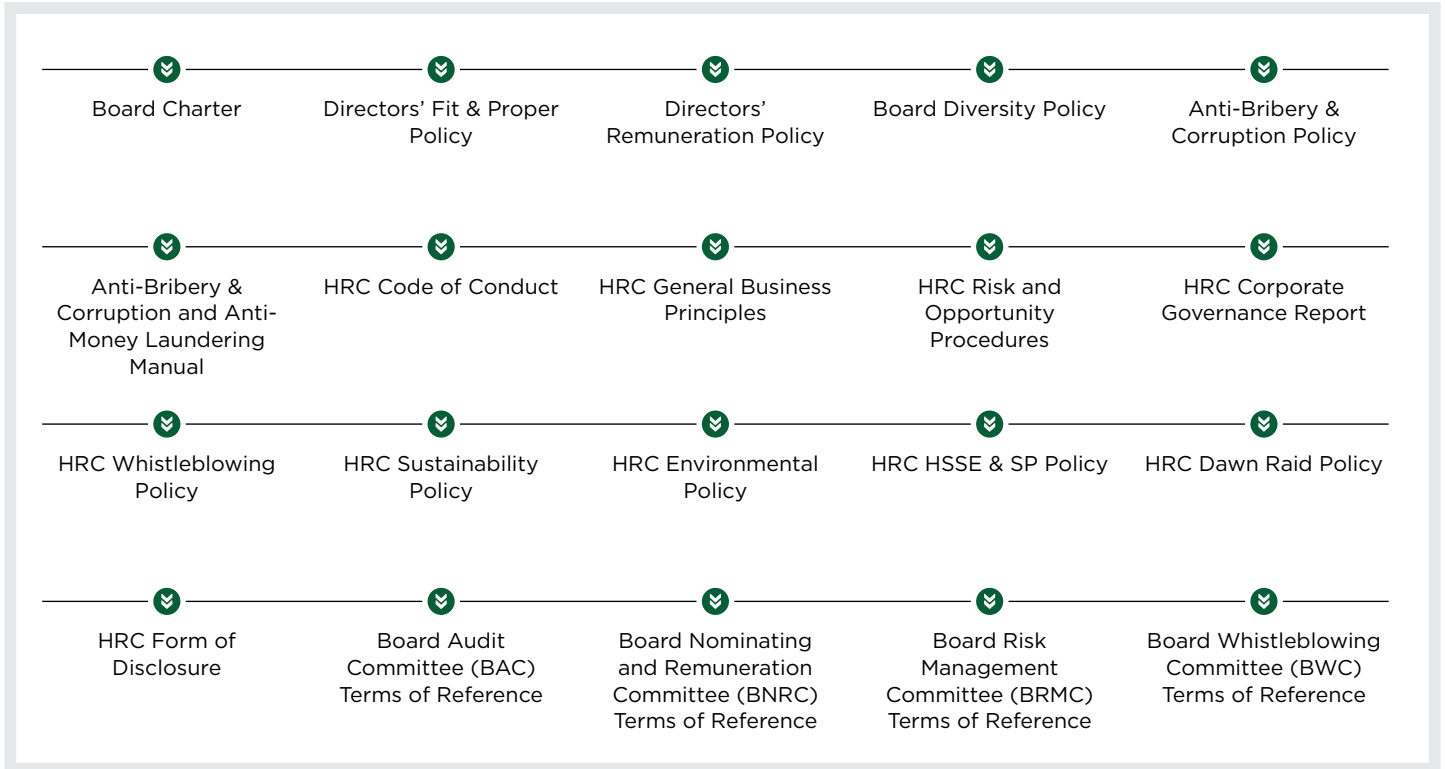
Beyond general ESG governance, the Board is responsible for the oversight of climate-related risks and opportunities that may impact HRC's future cash flows and asset integrity. Climate-related risks and opportunities are factored into business planning, strategy formulation, and resource allocation to safeguard our long-term value. In a proactive effort to strengthen our resilience, HRC has conducted a comprehensive Climate Risk Assessment involving the key leadership team, management, and essential staff. This collaborative exercise enabled the Group to evaluate specific climate-related risks and opportunities across our value chain and verify the robustness of the mitigation measures currently in place.

### Sustainability Governance Policies

HRC's sustainability governance framework is underpinned by a comprehensive suite of policies, charters, and codes that formalise our commitment to responsible and ethical business practices. These governance instruments serve as the foundation for our operations, providing clear guidance on accountability, risk management, and ethical conduct to ensure that sustainability principles are deeply embedded across all levels of decision-making.

# Our Approach to Sustainability

The following key policies and governance instruments constitute the core of HRC's sustainability framework:



## Sustainability Policy

In FY2025, we formalised and published our Sustainability Policy to strengthen governance over our sustainability agenda and provide a clear, consistent basis for decision-making across the organisation. The policy sets out the core principles that guide how we integrate environmental, social and economic considerations into our operations while maintaining profitability and operational efficiency.

It outlines our commitments across three pillars—economic, environmental and social sustainability—including responsible business conduct, regulatory compliance, resource optimisation, and a phased approach towards reducing environmental impact. The policy also reinforces our governance approach and supports more structured monitoring through the use of relevant ESG metrics and sustainability reporting aligned with applicable requirements.







To remain effective in a dynamic regulatory environment, these instruments undergo periodic reviews, with refinements made to strengthen HRC's governance oversight. We remain proactive in introducing additional policies as necessary to address emerging ESG risks, evolving industry benchmarks, and the shifting expectations of our stakeholders.





# Stakeholder Engagement

Proactive and transparent stakeholder engagement is fundamental to HRC’s long-term business resilience and sustainability. Meaningful interactions provide the insights necessary for informed decision-making, ensuring that our strategies, policies, and initiatives are shaped by broad-based input from key groups. By maintaining open communication channels, HRC ensures that stakeholders’ concerns and expectations are evaluated and addressed in a way that supports both business sustainability and shared value creation.

Our stakeholder engagement framework is structured to facilitate consistent, targeted, and impactful interactions through various formal and informal methods, including town halls, surveys, strategic dialogues, and industry collaborations. The feedback gathered enables us to respond effectively to evolving priorities, ensuring that all internal and external voices are considered in shaping our sustainability agenda. The table below outlines our key stakeholder groups, engagement channels, and our responses to the specific issues raised during the reporting period.

Key Stakeholders	How We Engage	Frequency	Areas of Concern	How We Respond
 <b>Employees</b> <i>(Full-time and direct contract workers)</i>	<ul style="list-style-type: none"> <li>Town Hall (virtual)</li> <li>Employee information</li> <li>Intranet</li> <li>Career development discussions</li> <li>Events and campaigns</li> <li>Training (virtual &amp; face to face, where applicable)</li> <li>Team meetings</li> <li>Informal meetings</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>On-going</li> <li>On-going</li> <li>Annually</li> <li>On-going</li> <li>On-going</li> <li>On-going &amp; as required</li> <li>On-going &amp; as required</li> </ul>	<ul style="list-style-type: none"> <li>Remuneration and benefits</li> <li>Career progression and opportunities</li> <li>Training and development</li> <li>Safe and conducive workplace</li> <li>Business performance updates</li> </ul>	<ul style="list-style-type: none"> <li>Perform survey of remuneration and benefits for benchmarking against market</li> <li>Employee engagement activities</li> <li>Training and development programmes</li> <li>People Programme updates</li> <li>Direct response by Management team to employees’ queries and concerns</li> </ul>
 <b>Trade Union</b>	<ul style="list-style-type: none"> <li>Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly &amp; as required</li> </ul>	<ul style="list-style-type: none"> <li>Rights and interests of union members are protected</li> <li>Concerns of workers are addressed promptly</li> </ul>	<ul style="list-style-type: none"> <li>Build and sustain collaborative relationship</li> <li>Obtain feedback on concerns and provide updates on current issues</li> <li>Collective Bargaining Agreement</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Survey</li> <li>Email communication</li> <li>Supply &amp; delivery meetings</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>As required</li> <li>Quarterly &amp; as required</li> </ul>	<ul style="list-style-type: none"> <li>Quality of products and services</li> </ul>	<ul style="list-style-type: none"> <li>Customer satisfaction survey</li> <li>Offer high quality products and services</li> <li>Maintain ISO standards and certifications</li> </ul>
 <b>Suppliers</b> <i>(e.g. Vendors, logistics partners, business partners, service providers)</i>	<ul style="list-style-type: none"> <li>Vendor registration</li> <li>Bid/Tender process</li> <li>Meetings</li> <li>Audits</li> <li>Supply and delivery meeting</li> </ul>	<ul style="list-style-type: none"> <li>On-going</li> <li>On-going</li> <li>As required</li> <li>Annually</li> <li>As required</li> </ul>	<ul style="list-style-type: none"> <li>Pricing and scope of deliverables</li> <li>Diversified pool of vendors to ensure competitive pricing</li> <li>Quality, reliability and timeliness of supplies and services</li> </ul>	<ul style="list-style-type: none"> <li>Set clear expectations to maintain high standards for delivery of products or services to the Company</li> <li>Vendor assessment and due diligence</li> </ul>

# Stakeholder Engagement

Key Stakeholders	How We Engage	Frequency	Areas of Concern	How We Respond
 <p><b>Shareholders and Investors</b> (eg. Institutional investors, analysts and major shareholders)</p>	<ul style="list-style-type: none"> <li>Annual General Meeting</li> <li>Annual Report</li> <li>Sustainability Report</li> <li>Announcements</li> <li>Corporate Governance Report and Corporate Governance policies</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Annually</li> <li>Annually</li> <li>As required</li> <li>Annually &amp; as required</li> </ul>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Sustainability commitments and performance</li> <li>Governance and compliance</li> <li>Return on investment</li> </ul>	<ul style="list-style-type: none"> <li>Disseminate and provide timely and material information on the Company's activities and financial performance to facilitate decision-making by investors</li> <li>Ensure return on investment</li> <li>Quarterly results and announcements</li> </ul>
 <p><b>Local Community</b></p>	<ul style="list-style-type: none"> <li>Community programmes</li> <li>CIMAH "Information to Public" (ITP) sessions</li> <li>Public notifications and briefings</li> <li>Sentiment monitoring</li> <li>Direct outreach &amp; complaint channels</li> </ul>	<ul style="list-style-type: none"> <li>On-going and as required</li> </ul>	<ul style="list-style-type: none"> <li>Noise, odour, flaring, and emissions</li> <li>Safety and emergency preparedness</li> <li>Community support</li> </ul>	<ul style="list-style-type: none"> <li>Timely response through HRC's Public Complaints Framework</li> <li>Transparent disclosure during ITP sessions</li> <li>Targeted community investment programmes</li> <li>Escalation protocols for early issue resolution</li> <li>Ongoing dialogue to foster trust and good neighbour relations</li> </ul>
 <p><b>Regulators</b> (eg. Bursa, Ministry of Domestic Trade, Ministry of International Trade, among others)</p>	<ul style="list-style-type: none"> <li>Periodic compliance reviews and consultations</li> <li>Scheduled site inspections and audits</li> <li>CIMAH, environmental and safety reporting</li> <li>Participation in technical dialogues and industry forums</li> <li>Ongoing engagement with regulatory authorities (e.g. DOE, DOSH, etc)</li> </ul>	<ul style="list-style-type: none"> <li>Regular and as required</li> </ul>	<ul style="list-style-type: none"> <li>Local development alignment</li> <li>CSR collaborations</li> <li>Licensing, fuel supply, and trade-related matters</li> </ul>	<ul style="list-style-type: none"> <li>Proactive regulatory engagement and full cooperation during site visits</li> <li>Timely follow-up on findings and improvement actions</li> <li>Structured ESG disclosures and reporting aligned with Bursa's Listing Requirements</li> <li>Participation in joint regulatory forums and dialogues</li> </ul>
 <p><b>Government Agencies/ Local Authorities</b> (eg. DOE, DOSH, among others)</p>	<ul style="list-style-type: none"> <li>Meetings</li> <li>Messaging platform</li> </ul>	<ul style="list-style-type: none"> <li>On-going &amp; as required</li> <li>On-going &amp; as required</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with all applicable laws and regulations</li> <li>Production site and installation security</li> </ul>	<ul style="list-style-type: none"> <li>Provide business familiarity and sustain compliant operations</li> <li>Provide business and operational updates</li> <li>Pre-operational activities notification via messaging platform</li> </ul>

## Stakeholder Engagement

### ENGAGEMENT IN INDUSTRY AND TRADE ASSOCIATIONS

HRC actively participates in industry and trade associations to facilitate collaborative engagement in shaping best practices, regulatory frameworks, and sustainability standards. These memberships ensure HRC remains aligned with emerging industry trends and allows us to contribute meaningfully to policy discussions that support business resilience.

A key component of our commitment to environmental stewardship and operational safety is our continued membership in the Petroleum Industry of Malaysia Mutual Aid Group (PIMMAG). As a non-profit collaborative, PIMMAG enables HRC to strengthen its oil spill response capabilities through shared resources and specialised training. This partnership provides HRC with critical access to response equipment and expert personnel, ensuring we maintain a high state of readiness to protect the local ecosystem. Furthermore, our involvement with PIMMAG ensures our operations remain compliant with national regulations and aligned with the highest global standards for sustainable industrial practices.

In addition, we maintain alignment with the International Oil Pollution Compensation (IOPC) Funds, an international mechanism that support compensation for oil pollution impacts. It provides compensation for oil pollution damage resulting from spills of persistent oil from tankers, helping to ensure affected parties receive appropriate support. While this mechanism is not an operational response platform, it forms part of the broader international framework that reinforces our accountability and strengthens confidence in maritime oil pollution preparedness.



# Materiality

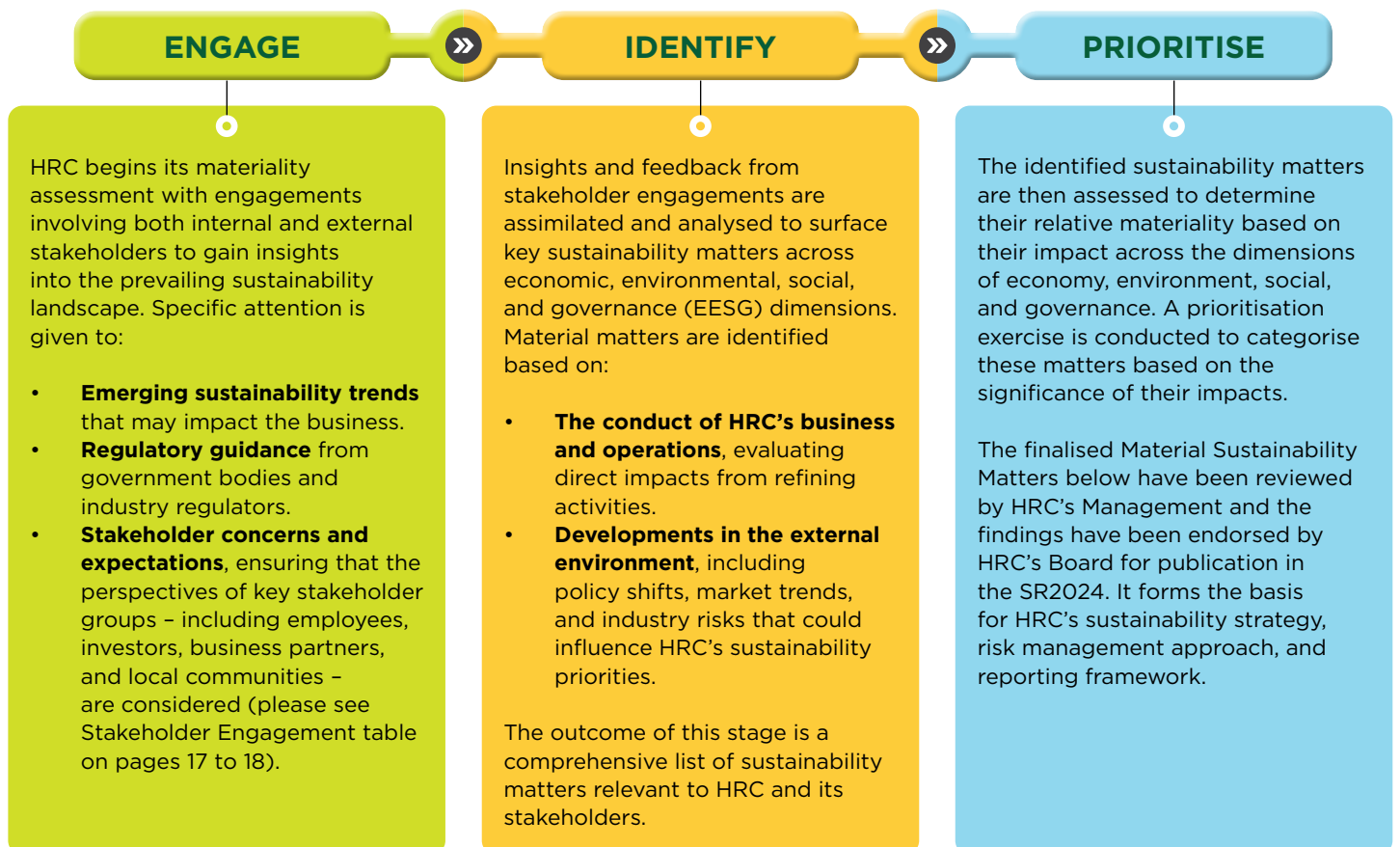
HRC understands that its capacity to deliver sustained value is inherently linked to the effective management of material sustainability matters. Our materiality assessment process serves as a strategic tool to identify, evaluate, and prioritise the ESG factors most significant to our operations and stakeholder interests. To ensure the Group's sustainability agenda remains responsive to a dynamic operating environment, we conduct this assessment on an annual basis.

While a full-scale materiality assessment was conducted in FY2023, we have since maintained an annual review cycle to ensure our focus areas remain updated. In FY2025, HRC conducted a desktop review to refine our materiality determination. This assessment integrated direct stakeholder feedback and accounted for evolving industry expectations, ensuring alignment with the Bursa Malaysia Sustainability Reporting Guide (3<sup>rd</sup> Edition) and the National Sustainability Reporting Framework (NSRF).

Furthermore, our review considered the requirements from global frameworks, including the Global Reporting Initiative (GRI) Standards, Task Force on Climate-related Financial Disclosures (TCFD), United Nations Sustainability Development Goals (UNSDGs), Integrated Reporting Framework, and International Sustainability Standards Board (ISSB).

## MATERIALITY ASSESSMENT PROCESS

HRC employs a structured, stakeholder-driven approach to its materiality assessment, ensuring the identification and prioritisation of sustainability matters most critical to our operational resilience and long-term value creation. This process is designed to align our strategic focus with the evolving expectations of our stakeholders and the broader industry landscape. The assessment is conducted through three key stages:



# Materiality

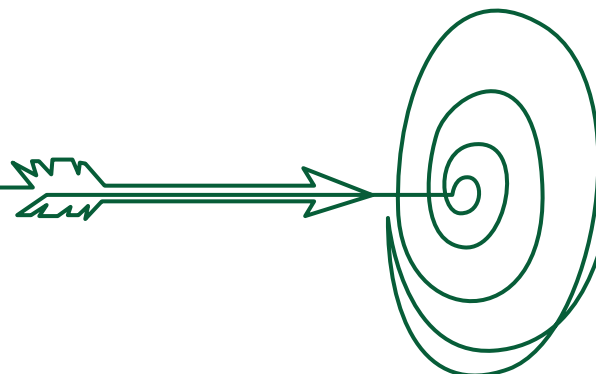
## MATERIAL SUSTAINABILITY MATTERS

HRC's business model and value chain are directly influenced by its ability to manage material sustainability matters effectively. These issues impact operational resilience, stakeholder trust, and long-term financial performance, shaping how HRC creates value for its customers, employees, investors, and the broader economy.



### ECONOMIC

Material Sustainability Matter	Impact on HRC's Business Model & Value Chain	UNSDGs Alignment
<b>Economic Performance</b>	Sustained financial growth enables strategic investments in infrastructure, technology, and sustainability initiatives, enhancing HRC's competitive position in the energy sector.	
<b>Product Quality</b>	High-quality products enhance customer confidence and market differentiation, driving business sustainability and regulatory compliance in an increasingly competitive landscape.	
<b>Customer Management</b>	Meeting customer expectations for product quality and reliability strengthens brand loyalty, market positioning, and revenue stability.	
<b>Reliable Operations &amp; Production</b>	Consistent operational performance minimises downtime, maximises asset efficiency, and ensures the timely delivery of products, strengthening HRC's position in the industry.	
<b>Supply Chain Management</b>	A resilient supply chain ensures operational efficiency, cost optimisation, and responsiveness to market fluctuations, enabling HRC to maintain production continuity and meet demand.	
<b>Ethics &amp; Integrity</b>	Strong governance practices and ethical business conduct reinforce HRC's credibility, regulatory compliance, and reputation as a responsible corporate citizen, ensuring business continuity and investor confidence.	



# Materiality



## ENVIRONMENT

Material Sustainability Matter	Impact on HRC's Business Model & Value Chain	UNSDGs Alignment
<b>Climate Change &amp; Greenhouse Gas Emissions</b>	Transitioning towards lower-carbon operations reduces regulatory risks, enhances energy efficiency, and positions HRC as an industry leader in sustainable refining practices.	
<b>Energy Management</b>	Improved energy efficiency and adoption of cleaner energy sources support HRC's cost optimisation strategy, reducing carbon footprint while enhancing long-term operational stability.	
<b>Waste Management</b>	Effective adoption of the Reduce, Reuse, Recycle (3R) framework minimises environmental impact, optimises waste disposal costs, and strengthens HRC's commitment to sustainable operations.	
<b>Water &amp; Effluent Management</b>	Responsible water usage and proper effluent treatment ensure regulatory compliance, mitigate environmental risks, and support long-term operational sustainability. Efficient water management also enhances HRC's resource resilience.	
<b>Biodiversity</b>	Integrating biodiversity risk assessments into project planning and implementing mitigation measures to minimise disruption to marine life, coastal habitats, and terrestrial ecosystems.	

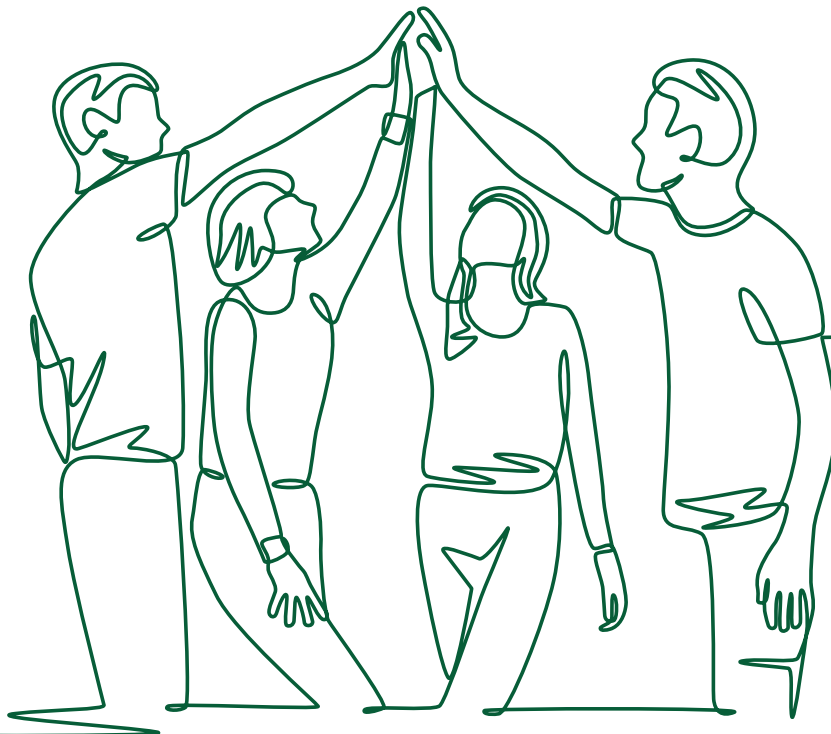


# Materiality



## SOCIAL

Material Sustainability Matter	Impact on HRC's Business Model & Value Chain	UNSDGs Alignment
<b>Equality &amp; Diversity</b>	An inclusive and diverse work environment that upholds human and labour rights enhances innovation, strengthens corporate culture, and supports workforce sustainability, contributing to long-term business success.	
<b>Employee Value Proposition</b>	A competitive employee value proposition attracts, retains, and engages top talent and equips them with the necessary skills to ensure HRC maintains a high-performing and agile workforce.	
<b>Occupational Health &amp; Safety</b>	A strong safety culture safeguards employees, contractors, and stakeholders, reducing risks, enhancing workforce productivity, and ensuring compliance with occupational health regulations.	
<b>Local Community</b>	Active involvement in community initiatives enhances social license to operate, fosters trust, and strengthens relationships with local stakeholders, ensuring HRC's long-term social impact.	



# Economic Sustainability

Our commitment to economic sustainability is defined by a holistic focus on value creation, corporate stewardship, and long-term financial resilience. Acting as a conscientious corporate citizen, we direct our commercial efforts toward generating revenues that support both our organisational growth and our sustainability agenda.

For HRC, economic sustainability means safeguarding the livelihoods of those who depend on us. We stay resilient in the face of market volatility and disruption to ensure we can provide continuous economic contributions to our stakeholders.

To support our strategic growth objectives, we actively manage material sustainability matters that impact our ability to navigate a changing landscape. Integrating these factors into our economic framework empowers us to drive innovation and maintain the operational excellence required to serve our communities effectively.

## Material topics



Economic Performance



Supply Chain Management



Product Quality



Reliable Operations & Production



Customer Management



Ethics & Integrity

## Alignment of UNSDGs



# Economic Sustainability



## ECONOMIC PERFORMANCE

**We demonstrate our ongoing commitment to sustainable growth by proactively managing risks and channelling investments into infrastructure that secures our long-term business continuity.**

Building on this foundation, HRC delivers robust economic performance by combining financial prudence with operational rigour within an evolving energy landscape. Standing firm in the refining industry, our strategy prioritises optimising production efficiency and maintaining cost competitiveness, while actively leveraging market opportunities to maximise stakeholder value.

## SUSTAINING POSITIVE PERFORMANCE

### Business Improvement Plan (BIP)

The Business Improvement Plan (BIP) serves as our primary annual initiative for embedding sustainability and efficiency into our daily operations. These improvement efforts comprise targeted initiatives aimed at enhancing overall production performance and cost efficiency. Following the execution of our strategic roadmap in the previous financial year, the initiatives launched in FY2024 delivered USD3.5 million in annual margin improvements during FY2025.

Building on this momentum, we continued our improvement programme in FY2025 by successfully executing a total of 10 BIPs, focused on capacity enhancement, plant optimisation, energy savings, cost efficiency, and crude oil diversification. Key projects included heat loss reduction and power optimisation, product purity enhancement, modernisation of site processes to reduce manual intervention and error, tank retractable ground assembly improvements, lightning strike mitigation measures, Jet A1 microfilter installation, and water storage tank capacity expansion. These measures are anticipated to generate further value, with a projected USD3.5 million in annual margin improvements commencing in FY2026. Overall, our BIP programme reflects our ongoing commitment to continuous optimisation of plant operations and operational efficiency.

# Economic Sustainability

## FINANCIALS

In FY2025, HRC delivered resilient financial performance despite a challenging and volatile market environment. Revenue declined by 24% year-on-year to RM13.2 billion; however, gross profit more than doubled to RM414.0 million, up 110.5% from FY2024 while further narrowing its net loss position, with losses after tax reduced by 27.2% to RM260.2 million, driven by stronger crack margins across all key products, enhanced operational efficiency alongside disciplined cost management and the continued execution of prudent financial risk management strategies that mitigated market volatility. The breakdown of economic value generated and distributed in FY2025 is provided below:

FY2025 Financial Performance	RM'000
Economic Value Generated	<b>13,172,194</b>
Economic Value Distributed	<b>13,260,300</b>
Economic Value Retained	<b>(88,106)</b>

HRC is dedicated to securing long-term economic sustainability by implementing targeted initiatives designed to bolster our financial resilience and ensure business continuity. As we move into 2026, our strategic priorities include:

- Maintaining vigilance over geopolitical shifts and market trends to facilitate data-driven decision-making, allowing us to seize emerging opportunities while neutralising potential threats.
- Focusing on refining operational efficiencies and upholding product quality, ensuring our output remains perfectly aligned with shifting customer requirements.
- Leveraging dynamic planning capabilities to maximise margins by responding swiftly to demand variations and product pricing volatility.
- Strengthening our risk management frameworks to effectively shield the business from exposure to foreign currency and interest rate volatility.



## CUSTOMER MANAGEMENT

**We are committed to understanding and meeting customer expectations by enforcing strict quality controls and embracing continuous improvement across our value chain.**

Our operating model prioritises transparency, responsiveness, and operational excellence, ensuring we consistently deliver the value required to maintain superior customer satisfaction. This disciplined focus not only strengthens our brand loyalty and market competitiveness but also serves as a pillar of our sustainable business strategy.

## UNDERSTANDING OUR CUSTOMER

HRC relies on the insights from the annual Customer Satisfaction Survey to drive our continuous improvement agenda. By evaluating our performance in delivery, product quality, order accuracy, compliance, and responsiveness, we obtain the objective feedback necessary to refine our operations. This process directly supports our goal of enhancing service standards and delivering a superior customer experience.

## CUSTOMER SATISFACTION

In FY2025, HRC maintained customer satisfaction as a central pillar of our operational excellence. We achieved a robust external customer score of 4.9, showing an improvement from previous years and reflecting our sustained focus on service delivery and responsiveness. Internally, our service quality score was recorded at 4.9, compared to 4.5 in FY2024, marking a significant improvement.

We remain vigilant regarding service quality, zero customer complaints was lodged throughout the year. This reflects our efforts towards consistent service delivery and the effectiveness of our customer feedback and monitoring mechanisms.

Customer Satisfaction Performance	FY2023	FY2024	FY2025
Customer Satisfaction Score	4.9/5	4.5/5	<b>4.9/5</b>
Customer Complaints Received	1	0	<b>0</b>
Customer Complaints Resolved	1	0	<b>0</b>
Regulatory Body Complaints Received	0	0	<b>0</b>

# Economic Sustainability



## PRODUCT QUALITY

**HRC remains steadfast in its commitment to delivering products that adhere strictly to customer requirements and the industry standards defined in our Product Supply Specifications (PSS).**

To ensure no product leaves the refinery without meeting these intended specifications, we maintain a rigorous quality control framework. This involves a multi-tiered system of barriers and checks designed to identify and prevent any non-compliant materials from entering the supply chain.

Our governance structure relies on a cross-functional Product Quality team, consisting of the Technology, Laboratory, Operations, and Instrument QMI departments. This group oversees comprehensive quality assurance and product management. To drive continuous improvement, findings from our monthly product quality reviews are cascaded to key refinery teams. Furthermore, a designated Product Quality Focal is tasked with ensuring full alignment between our output, customer expectations, and regulatory mandates.

### LABORATORY ASSURANCE PROGRAMME (LAP)

HRC maintains a high standard of product integrity through our laboratory’s ISO 17025:2017 accreditation. We have successfully navigated the assessment requirements set by the Department of Standards Malaysia (DSM), ensuring our testing and calibration capabilities remain world-class. This accreditation serves as a testament to our dedication to delivering precision and reliability in every aspect of product quality management.

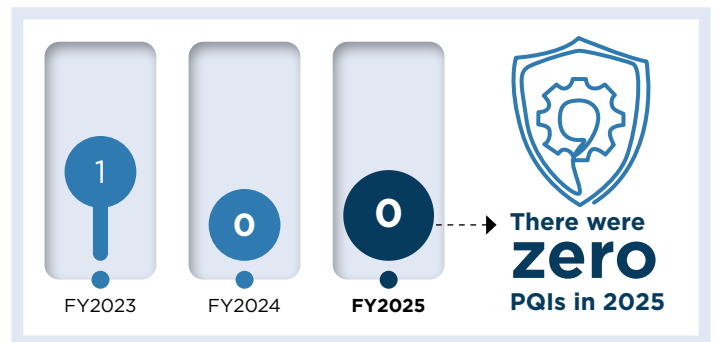
#### Key Laboratory and Testing Activities in FY2025 include

- 1 Continuing participation in the assurance programme with good performance all round to provide assurance to customers on the accuracy of testing and hence, the quality of our products
- 2 Continuous learning and development to maintain required competencies and ensuring personnel are appropriately trained to perform testing accurately
- 3 Maintained the existing good collaboration with other refineries to leverage synergies such as knowledge sharing and testing support
- 4 Supported all related Performance Guarantee Test Runs, process related test-runs, optimisation studies and testing requirements

### QUALITY AUDITS

Upholding our rigorous standards, we successfully conducted our internal ISO/IEC 17025:2017 audit in Q1 2025. This was followed by the external assessment by DSM in Q2 2025, ensuring our laboratory practices remain fully accredited and compliant.

### PRODUCT QUALITY INCIDENTS (PQIs)



In FY2025, we implemented the following initiatives to reinforce our product quality standards:

- Implemented a structured monthly reporting process to monitor product quality, with key updates and meeting minutes shared systematically with all designated Product Quality (PQ) focal points.
- Every product quality incident was thoroughly investigated, and root causes with key learnings were shared transparently with stakeholders to prevent recurrence.

# Economic Sustainability



## SUPPLY CHAIN MANAGEMENT

**We recognise that the seamless coordination of our supply chain is critical for maintaining operational reliability and ensuring business continuity in a volatile market. A highly optimised supply chain improves our agility in responding to price fluctuations, mitigating risks, and refining the accuracy of our production planning.**

To achieve this, we partner with our supply chain partners, working in unison to drive results by fostering efficiency, sustainability, and resilience. By integrating these sustainability goals into our supply chain management, we not only drive business value but also significantly improve predictability and risk management across the organisation.

### CONTRACTS WITH SUPPLIERS AND BUSINESS PARTNERS

Our approach to the supply chain is built on strong partnerships that strictly adhere to responsible and ethical practices, consistent with our internal COC and HGBP. We extend our corporate values by engaging only with contractors and suppliers who share our dedication to sustainable development and uphold high standards of economic, environmental, and social responsibility.

We believe transparency and fairness are the cornerstones of effective procurement. Consequently, all contracting and procurement activities are strictly guided by HRC's Contracting and Procurement Procedures Manual (CPPM). This policy regulates supplier selection and engagement, supported by Integrity Due Diligence (IDD) screening. It is overseen by our Procurement Governance Team, to ensure our operations are defined by equitable, transparent, and ethical business dealings.

Following the improved reporting standards implemented in FY2024, our FY2025 disclosure continues to encompass hydrocarbon purchases within total procurement spending, offering stakeholders a comprehensive view of our financial ecosystem. A new addition to FY2025 is the disclosure of supplier assessment data. This enhances the visibility of our governance framework, providing stakeholders with tangible evidence of our rigorous screening processes and our active monitoring of supply chain compliance.

In FY2025, total procurement spending decreased, while procurement from local suppliers increased materially, indicating a clear shift towards localisation despite a lower overall spend. Total procurement spending declined to RM12.3 billion from RM15.7 billion in FY2024.



# Economic Sustainability

Over the same period, local procurement spending rose to RM6.1 billion from RM4.1 billion, lifting the share of spend on local suppliers to 49.6%. This procurement mix supported greater participation of local businesses in our supply chain, contributing to domestic economic activity while meeting operational requirements.

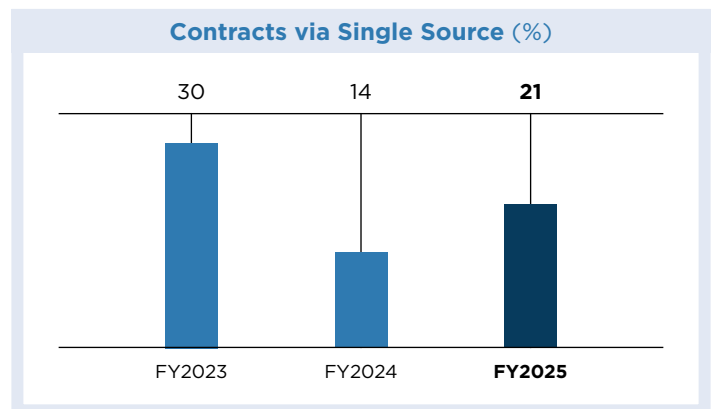
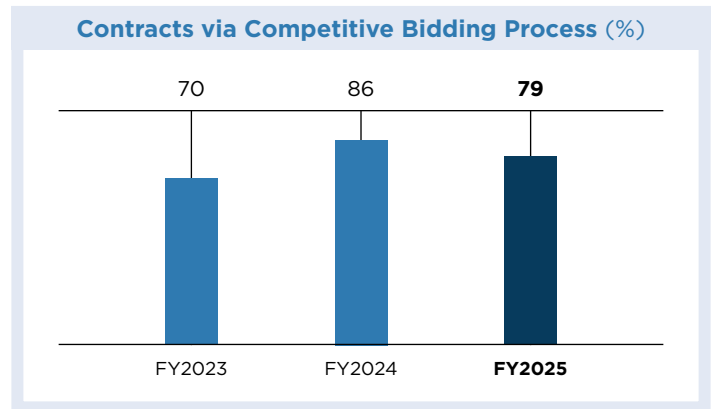
Procurement Data	FY2023	FY2024	FY2025
Total Procurement Spending (RM billion)	15.3	15.7	<b>12.3</b>
Total Local Procurement Spending (RM billion)	4.0	4.1	<b>6.1</b>
Total Foreign Procurement Spending (RM billion)	11.3	11.7	<b>6.2</b>
Proportion of spending on local suppliers (%)	26.1*	26.1*	<b>49.6</b>
Total Number of Suppliers	418	335	<b>201</b>
Total Number of Local Suppliers	315	264	<b>149</b>
Total Number of Foreign Suppliers	103	71	<b>52</b>
Percentage of Local Suppliers Hydrocarbon Material (%)	25.0	24.8	<b>49.8</b>
Percentage of Local Suppliers Non-hydrocarbon Material (%)	79.0	89.1	<b>62.0</b>

\* Note: The proportion of spending on local suppliers in FY2023 and FY2024 has been restated due to a revision and streamlining of data calculation methodology.

## COMPETITIVE AND SINGLE SOURCING

To uphold cost efficiency and transparency, HRC strictly prioritises competitive bidding in procurement. We view single or sole sourcing as an exception rather than the norm, permitting it only when open tendering is impractical, specifically in instances requiring specialised expertise or proprietary technology that is exclusively available from one provider. This rigorous approach allows us to promote fair competition while ensuring we secure the best value for our operations.

The proportion of contracts awarded through competitive bidding stood at 79% in FY2025, building upon the strong foundations of 86% in FY2024 and 70% in FY2023. Conversely, we have successfully limited our exposure to single-source awards, which accounted for only 21% of contracts in FY2025, compared to 14% in the previous year.



# Economic Sustainability



## RELIABLE OPERATIONS AND PRODUCTION

Sustaining competitiveness in our industry requires more than just production; it demands unwavering operational reliability. HRC continues to prioritise the optimisation of our assets, employing innovative strategies to enhance facility efficiency. This commitment to reliability is central to our broader resilience strategy, enabling the Group to withstand market volatility while retaining the flexibility to adapt to changing dynamics and leverage commercial opportunities for maximum value.

### RELIABILITY MANAGEMENT FRAMEWORK (RMF)

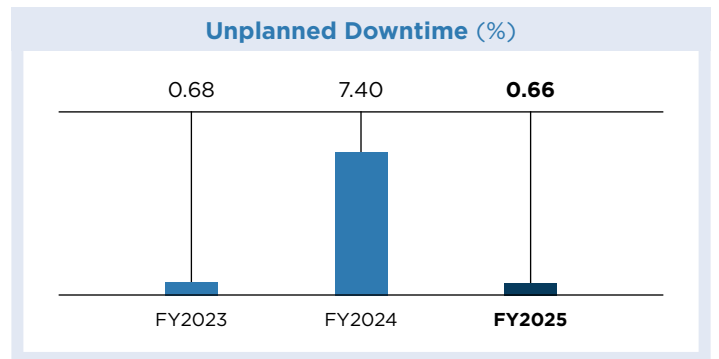


Our operational resilience is built on the Site Committed as One (SCONE) culture, which instils a reliability-focused mindset in every employee. This cultural foundation encourages active participation in asset integrity management, ensuring that safety and efficiency are shared responsibilities.

This workforce dedication is supported by technical rigour. Our Mitigate Threats to Availability procedures, guided by the RMF, are designed for the early identification of risks to maintain optimal efficiency. Since the RMF governs our day-to-day maintenance practices, we can ensure early detection and swift remediation, thereby upholding high standards of equipment availability and production reliability.

### UNPLANNED DOWNTIME

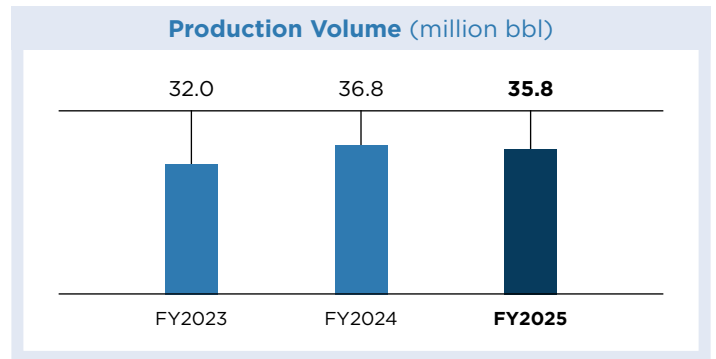
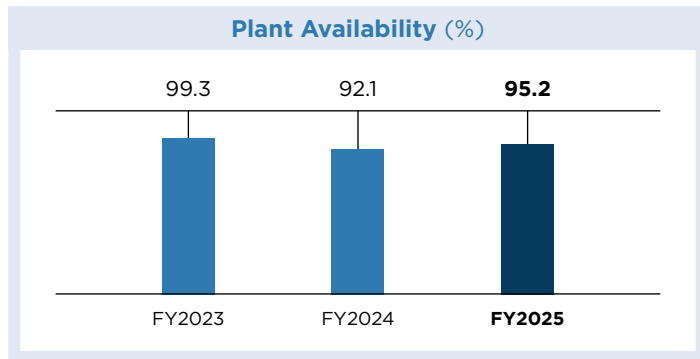
Unplanned downtime remained low and well-controlled in FY2025, improving significantly from the spike recorded in FY2024 and returning to a level broadly consistent with FY2023. This trend indicates that operational reliability strengthened with fewer disruptive events and better containment of unforeseen interruptions, it supports more stable refinery performance and continuity of supply.



# Economic Sustainability

## PLANT AVAILABILITY AND UTILISATION

Following a softer FY2024, plant availability improved in FY2025, reflecting a recovery in operating stability and overall asset reliability. In parallel, production volume remained strong, moderating slightly from the FY2024 peak but staying above FY2023 levels. Overall, the combined trend suggests that FY2025 performance was supported by improved operational discipline, achieving higher availability while sustaining a relatively high level of production output.



HRC Hydrogen Manufacturing Unit

# Economic Sustainability



## ETHICS AND INTEGRITY

**At HRC, we believe that strong ethics and integrity are more than just compliance requirements; they are the bedrock of our commitment to good corporate governance and responsible business conduct. Operating at the heart of the refining industry, we understand that ethical leadership is the defining factor in our ability to protect stakeholder trust, navigate complex regulatory compliance, and secure our long-term business resilience.**

Guided by our ICARE values—Integrity, Collaboration, Accountability, Respect, and Entrepreneurial Spirit—HRC fosters a corporate culture that prioritises ethical decision-making and risk mitigation. These values form the foundation of our Code of Conduct (COC), which mandates strict ethical standards for all directors, employees, and associates.

The Board of Directors periodically reviews the Code of Conduct to ensure it remains relevant to emerging ethical risks and regulatory developments. In FY2025, HRC reinforced ethics and integrity through annual declarations by employees and active business associates covering the Anti-Bribery and Corruption and Anti-Money Laundering Manual, the Code of Conduct and Conflict of Interest. Furthermore, HRC strictly adheres to the T.R.U.S.T principles outlined in the Guidelines on Adequate Procedures, ensuring robust management of bribery and corruption risks. Through proactive monitoring and continuous training, we ensure that ethical principles are deeply embedded in our day-to-day operations and strategic decisions.

### ANTI-CORRUPTION

HRC upholds a definitive zero-tolerance stance on bribery and corruption. We mandate that all employees, officers, directors, and business associates strictly observe the highest ethical standards in every aspect of their professional conduct. This commitment to integrity and transparency is central to our corporate culture, cementing our reputation as a responsible and principled organisation.

HRC has institutionalised a robust Anti-Bribery and Corruption (ABC) framework. This system integrates international best practices, including the ISO 37001:2016 Anti-Bribery Management System (ABMS), ensuring full compliance with the Malaysian Anti-Corruption Commission Act (MACC) 2009. In FY2025, HRC underwent an external audit of the Anti-Bribery Management System (ABMS) aligned to International Organization for Standardization (ISO) 37001:2016, with no non-conformities reported.

HRC’s anti-corruption management is anchored by several policies and guidelines, compliance with which is mandatory for all personnel and business associates without exception:

#### Anti-Bribery & Corruption Policy (ABC Policy)

- Mandates compliance with all anti-bribery and anti-corruption laws and explicitly prohibits facilitation payments.
- “No Gift” Policy - Prohibits the exchange of gifts, hospitality, or donations that may compromise business integrity. Any unavoidable gifts or hospitality must be formally declared to HRC’s Risk & Integrity (R&I) Department.

#### Anti-Bribery & Corruption (ABC) and Anti-Money Laundering (AML) Manual

- Establishes compliance processes to prevent bribery, corruption, and financial crime risks.

#### Whistleblowing Policy

- Ensures confidential reporting mechanisms for employees and external stakeholders.
- Overseen by the Board Whistleblowing Committee (BWC) to safeguard against retaliation.

## Economic Sustainability

To ensure the effective operationalisation of our ethical standards, HRC employs a suite of robust internal controls designed to facilitate incident reporting and enforce strict compliance. Key components of this ecosystem include:

### Conflict of Interest Declarations

- All employees and business associates are required to submit these conflict of interest declarations annually. Furthermore, to mitigate risk during procurement, additional disclosures are mandatory prior to any tender exercises.

### Whistleblowing Mechanisms

- We provide secure, dedicated channels that empower both internal and external stakeholders to report suspected corruption or ethical lapses. These mechanisms guarantee anonymity and protect reporters against any form of reprisal.

### Independent Investigation Process

- To ensure impartiality, the Board Whistleblowing Committee (BWC) maintains direct oversight of this process, guaranteeing that all allegations of corruption are investigated fairly and transparently.

### Commitment to remain Apolitical

- HRC upholds a strict stance of neutrality. We do not engage in political activities nor do we provide financial or in-kind support to any political parties or candidates. While we respect the right of employees to participate in personal political activities, these must remain entirely independent of the Company and must not generate conflicts of interest. This prohibition on corporate political contributions is codified in HRC's Anti-Bribery and Corruption (ABC) Policy.

Political Contributions	FY2023	FY2024	FY2025
Total amount of political contributions made (RM)	0	0	0

### ABC TRAINING & AWARENESS

HRC is committed to strengthening our corporate defence against malpractice through continuous education. We view training as a vital tool to deepen employees' understanding of our anti-corruption policies and ethical expectations.

As part of our induction programme, strict adherence to ethical standards is emphasised immediately. New employees are required to complete mandatory anti-bribery and corruption training, equipping them with the necessary tools to detect, prevent, and report misconduct. This early intervention is critical for sustaining our culture of integrity.

Anti-Corruption Training and Communication	FY2023	FY2024	FY2025
Percentage of employees that have received training and communication on the organisation's anti-corruption policies and procedures, by employee category (%):			
a. Management staff	75	100	100
b. Executive staff	100	100	100
c. Non-executive staff/Technical	69	100	100

# Economic Sustainability

## ABC DUE DILIGENCE & RISK ASSESSMENT

HRC manages third-party risk through a comprehensive due diligence regime targeting suppliers, partners, and intermediaries. Key components of this risk mitigation strategy include:

<b>▶ Pre-Contract Due Diligence</b>	<b>▶ Declaration Reviews</b>
Comprehensive screening of new business entities to identify bribery, corruption, or compliance risks.	Periodic review of Gift and Hospitality as well as Conflict of Interest declarations to identify potential red flags.
<b>▶ Corruption Risk Assessment</b>	<b>▶ Incident and Allegation Tracking</b>
Regular, structured evaluations of our operational and partnership risk exposure, governed by a dedicated internal framework.	Monitoring and documentation of any reported incidents or allegations, where applicable.
<b>▶ Intermediary Risk Screening</b>	<b>▶ Governance and Reporting</b>
A vetting process ensuring that agents, intermediaries, and third-party representatives are compliant with HRC's ethical standards before engagement.	Structured internal reporting of findings and risk matters to Management and the Board Risk Management Committee.
<b>▶ Policy Compliance Monitoring</b>	
Regular monitoring of adherence to the Anti-Bribery and Corruption Policy and related controls.	

In FY2025, all of HRC's operations were assessed for corruption-related risks and none were deemed as "high" corruption risk. We are also proud to announce that there were zero confirmed incidents of corruption for FY2025.

All reported data has been verified by both internal auditors and an external Anti-Bribery Management Systems (ABMS) auditor certified by SIRIM. Findings from internal audits, Recertification Audit and investigations are used to evaluate the adequacy and effectiveness of existing controls.

Corruption Risk Assessment	FY2023	FY2024	FY2025
Percentage of Operations assessed for corruption-related risks (%)	100	100	<b>100</b>
Total number of confirmed incidents of corruption	0	0	<b>0</b>
Total number of staff disciplined or dismissed due to non-compliance with ABC policy	0	0	<b>0</b>
Cost of fines, penalties or settlements in relation to corruption (RM)	0	0	<b>0</b>

## DATA PRIVACY AND CUSTOMER INFORMATION PROTECTION

HRC maintains controls and monitoring mechanisms to safeguard customer information and support the secure handling of data across our operations, in compliance with Malaysia's Personal Data Protection Act 2010 (PDPA). We also adopt Secure Sockets Layer (SSL) encryption to protect data transmitted over the internet by enabling secure communication and supporting privacy, authentication and data integrity.

In FY2025, we further strengthened our information security governance through the continued maintenance and upgrade of our Information Security Management System to ISO/IEC 27001:2022, alongside the implementation of our IT Security Policy and Procedures in November 2025. Our approach includes the protection of information assets and structured incident handling, supported by periodic security risk assessments and independent testing where applicable, as well as key baseline controls such as device security management, data encryption and access controls, and secure remote access arrangements to reduce cybersecurity risks and protect the confidentiality of data within HRC.

Data Privacy	FY2023	FY2024	FY2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (%)	0	0	<b>0</b>

# Environmental Sustainability

HRC is committed to minimising the environmental impact of its business activities while supporting sustainable economic growth. Guided by our Environmental Policy, we focus on the evaluation of environmental aspects to mitigate adverse effects and maintain strict compliance with regulatory and sustainability frameworks.

As a refinery in operation for over 60 years, we have institutionalised sustainability by setting measurable environmental targets. We ensure accountability through regular assessments and reporting mechanisms, continuously monitoring, assessing, and reporting our performance.

By adopting best practices and innovative solutions, HRC strikes a vital balance between industrial efficiency and environmental responsibility. Our commitment to responsible resource management and emissions reduction demonstrates our pledge to long-term environmental stewardship in the competitive refining sector.

## Material topics



Climate Change & Greenhouse Gas Emissions



Water & Effluent Management



Energy Management



Biodiversity Management



Waste Management

## Alignment of UNSDGs



# Environmental Sustainability



## CLIMATE CHANGE AND GREENHOUSE GAS (GHG) EMISSIONS

HRC is dedicated to the global effort to combat climate change and protect the environment. As a responsible energy company, we are committed to actively reducing GHG emissions and harmonising our growth with global climate objectives.

Moving beyond standard regulatory compliance, our strategy prioritises accelerated decarbonisation to reduce overall emissions of the refinery. We understand that addressing climate change demands adaptation. Therefore, we actively collaborate with stakeholders to refine our business model and implement low-carbon solutions. This trajectory towards decarbonisation validates our commitment to responsible energy production.

### CLIMATE CHANGE

In FY2025, HRC took a significant step forward in its climate governance by commissioning a formal Climate Risk Assessment (CRA) conducted in December 2025. The CRA was prepared in alignment with the International Financial Reporting Standards (IFRS) S2 Climate-related Disclosures framework and the Task Force on Climate-related Financial

Disclosures (TCFD) recommendations, providing a structured, scenario-based assessment of its climate risk exposure. The CRA is currently undergoing internal review and is subject to Board approval; findings presented in this report accordingly reflect preliminary conclusions.

This section is structured in accordance with IFRS S2's four core disclosure pillars: Governance, Strategy, Risk Management, and Metrics & Targets.

# Environmental Sustainability

## Climate Governance

HRC ensures a proactive sustainability posture by integrating climate-related considerations into its strategic planning and governance framework.

- The Board of Directors provides oversight of climate-related risks and opportunities, and ensures these considerations are integrated into our business planning, strategy formulation and resource allocation.
- The Board Risk Management Committee (BRMC) provides additional oversight regarding climate-related risks and opportunities.
- The Environmental Regulatory Compliance Monitoring Committee (ERCMC) leads the charge in managing environmental matters and monitoring regulatory compliance. The committee meets quarterly to drive improvements and ensure environmental obligations are fulfilled.
- The Quality, Health, Safety, Security, and Environment (QHSSSE) Department manages these aspects operationally. Crucially, they update the Risk Register on a quarterly basis as part of the governance process, ensuring we stay ahead of evolving climate risks.

## Environmental Policy

Our Environmental Policy establishes the baseline commitments and responsibilities for environmental management across HRC. The policy affirms our commitment to protecting the environment and minimising our environmental footprint, including compliance with the Environmental Quality Act 1974 and other applicable legal requirements, systematic evaluation of environmental aspects to reduce adverse impacts, and the integration of environmental risks and opportunities into business strategies and initiatives. It provides a consistent framework for embedding environmental requirements into day-to-day practices, supported by performance tracking, reporting, and continuous improvement to strengthen our overall environmental performance.

## Environmental Management System

HRC is fully certified to ISO 14001:2015 - Environmental Management System, a global benchmark that underscores our commitment to effective environmental management. We uphold this standard through a disciplined regime of regular audits and assessments. These evaluations ensure that our environmental management practices strictly

adhere to international standards, covering an operational footprint that includes the production of petroleum and its by-products, comprising processes such as refining, blending, storing, receipt, and dispatch.

As part of the 2025 Integrated Management System (IMS) audit conducted by SIRIM, HRC achieved zero non-conformity reports (NCR) and zero opportunities for improvement (OFI). As a result of our continued vigilance and compliance, we successfully maintained our certification status throughout FY2025.

HRC systematically monitors and manage our climate impact. We achieve this through the implementation of the following key measures:

	<b>Incorporating Environmental Sustainability into Strategy</b>	»	Aligning business model with sustainability frameworks to support long-term resilience
	<b>Risk Identification and Assessment</b>	»	Evaluating climate-related risk that may impact our operation and value chain
	<b>Implementation and Execution</b>	»	Developing and identifying mitigation strategies and energy reduction initiatives
	<b>Monitoring and Reporting</b>	»	Closely monitoring performance of the key metrics and reporting on the progress

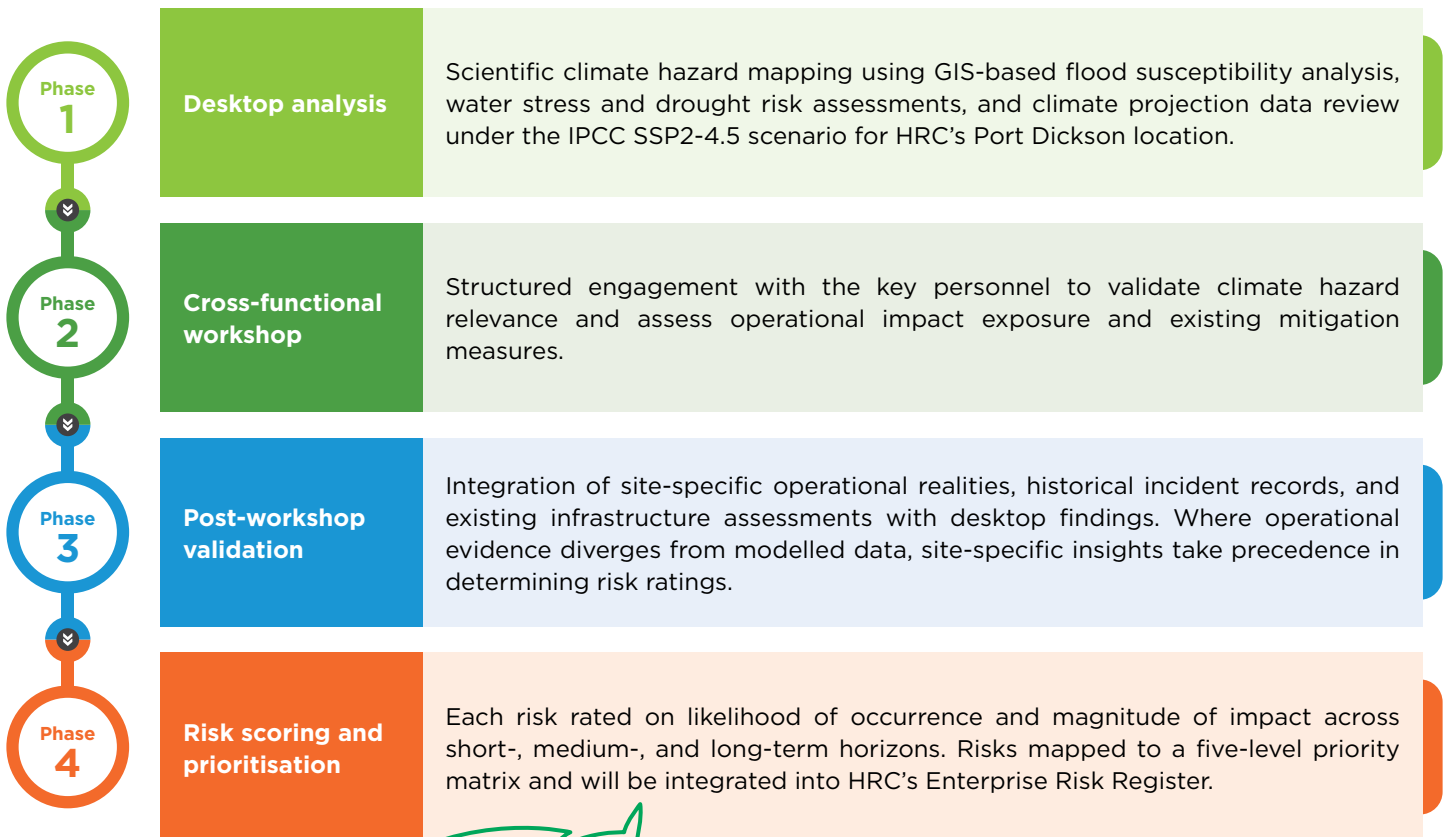


# Environmental Sustainability

## Risk Management

In December 2025, HRC conducted a formal CRA workshop involving approximately 20 personnel drawn from various corporate functions. The workshop was facilitated by an external ESG advisory firm, combining HRC’s internal operational knowledge with independent climate expertise to ensure a holistic and balanced assessment. It provides a structured, scenario-based foundation for HRC’s strategic climate planning, identifying material climate-related risks and opportunities (CRROs) and informing how they are integrated into capital allocation and business planning.

The CRA was conducted through a structured four-phase methodology, integrating scientific climate data with operational insights from HRC’s cross-functional management team:



# Environmental Sustainability

## Strategy

### Preliminary Climate-Related Risk and Scenario Analysis

The CRA assessed HRC’s climate risk exposure against two internationally recognised scenarios, applied across defined short-, medium-, and long-term time horizons:

Shared Socio-economic Pathways (SSPs)	The Network for Greening the Financial System (NGFS)
Physical risk assessment — projects how climate hazards (flooding, heat, drought) evolve across HRC’s operational location under a moderate emissions pathway.	Transition risk assessment — reflects the policy, market, and regulatory implications of a global net-zero transition limiting warming to 1.5°C.

Time Horizons		
<span style="background-color: #FFC107; border-radius: 50%; padding: 2px 5px;">S</span> <b>Short Term</b> 2025 - 2027	<span style="background-color: #17A2B8; border-radius: 50%; padding: 2px 5px;">M</span> <b>Medium Term</b> 2027 - 2035	<span style="background-color: #28A745; border-radius: 50%; padding: 2px 5px;">L</span> <b>Long Term</b> 2035 - 2050

Based on preliminary CRA findings, HRC has identified climate-related risks across two primary categories, including physical and transition risks. The descriptions below reflect high-level conclusions, detailed risk ratings remain subject to Board review and approval.

Physical Risks	Preliminary Assessment
<b>Extreme Weather Events</b>	<span style="background-color: #FFC107; border-radius: 50%; padding: 2px 5px;">S</span> HRC’s coastal location and reliance on maritime infrastructure expose the Company to tropical storms, flash floods, and lightning. The November 2025 Tropical Storm Senyar caused damage to HRC’s jetty infrastructure, demonstrating the material operational and financial consequences of such events. However, swift rectification works were carried out, enabling the jetty to resume operations promptly and continue supporting daily activities.
<b>Droughts and Water Scarcity</b>	<span style="background-color: #17A2B8; border-radius: 50%; padding: 2px 5px;">M</span> <span style="background-color: #28A745; border-radius: 50%; padding: 2px 5px;">L</span> HRC’s refinery operations depend on consistent daily water volumes for cooling, steam generation, and key process functions. Recurring water supply interruptions from the municipal supplier (SAINS) in 2023 and 2024 resulted in production slowdowns and revenue losses, underscoring the operational vulnerability.
<b>Rising Temperatures and Heatwaves</b>	<span style="background-color: #28A745; border-radius: 50%; padding: 2px 5px;">L</span> Rising ambient temperatures present risks to worker health and productivity, equipment cooling efficiency, and raw material quality. Days with a heat index above 35°C are projected to increase substantially through 2050 under SSP2-4.5. HRC has reduced contractor productivity during heatwaves to protect workers’ health.

## Environmental Sustainability

Transition Risks	Preliminary Assessment
<b>Environmental and Energy Policy Shifts</b>	<p><b>S</b></p> <p>The introduction of carbon pricing in Malaysia represents a potentially significant cost exposure for HRC given its emissions profile. Fuel subsidy rationalisation and evolving clean fuel regulations, including the transition from Euro 4 to Euro 5 Mogas standards, are also reshaping HRC's operating cost structure and product portfolio requirements. HRC is proactively engaging with regulators and incorporating projected carbon costs into financial planning.</p>
<b>Compliance and Legal Risks</b>	<p><b>S M L</b></p> <p>Tightening ESG disclosure obligations, including mandatory IFRS S2 reporting under Bursa Malaysia's National Sustainability Reporting Framework (NSRF) effective January 2026, increase the requirements and resources needed for climate-related reporting. Non-compliance carries potential regulatory censure and reputational consequences. HRC has proactively commenced its IFRS S2 alignment journey, with this CRA forming the foundation of its disclosure framework.</p>
<b>Market and Reputation Risks</b>	<p><b>S M</b></p> <p>Investor expectations around ESG performance and climate alignment are increasingly influencing access to capital and financing terms. Customers, particularly in export markets, are progressively demanding low-carbon supply chain credentials. HRC recognises that sustained underperformance on ESG metrics could affect its competitive positioning, ability to retain key contracts, and access to sustainable financing.</p>
<b>Transition to a Low-Carbon Business Model</b>	<p><b>M L</b></p> <p>The broader decarbonisation imperative requires HRC to invest in cleaner technologies, operational efficiency improvements, and eventually lower-carbon energy sources. While these investments carry upfront capital costs, they are expected to deliver long-term financial resilience, operational savings, and enhanced ESG credentials. HRC's Energy Masterplan and development of its Flare Gas Recovery Unit represent tangible steps in this direction.</p>

### Preliminary Climate-Related Opportunities

Alongside risks, HRC has identified several preliminary strategic opportunities arising from the transition to a low-carbon economy.

Opportunities	Preliminary Assessment
<b>Renewable Energy Adoption</b>	<p><b>S M L</b></p> <p>Integrating solar energy and, over the longer term, green hydrogen into HRC's energy mix offers meaningful opportunities to reduce Scope 2 emissions, lower energy costs, and decrease exposure to carbon tax liabilities. HRC is currently conducting feasibility and commercial viability studies for solar installation and green hydrogen integration.</p>
<b>Carbon Market Participation</b>	<p><b>M</b></p> <p>The expansion of Malaysia's voluntary carbon market via the Bursa Carbon Exchange, combined with the anticipated introduction of a national carbon tax, creates strategic pathways for HRC to manage residual emissions through carbon credit purchases and, as decarbonisation advances, to potentially generate and sell verified emission reductions.</p>
<b>Diversification of Business Activities</b>	<p><b>S M L</b></p> <p>Demonstrated progress on ESG and climate performance strengthens HRC's eligibility for ESG-linked financing instruments, green loans, and sustainability-linked capital market transactions, potentially reducing financing costs and broadening HRC's investor base.</p>

# Environmental Sustainability



HRC Plat 2 Plant

## Metrics and Targets

HRC monitors and discloses climate-related metrics in accordance with IFRS S2, Bursa Malaysia sustainability reporting requirements, and the SASB Refining & Marketing industry standard. These metrics enable stakeholders to assess HRC’s GHG performance and progress toward its emissions reduction commitments.

HRC’s emissions scope and boundary stated as below:

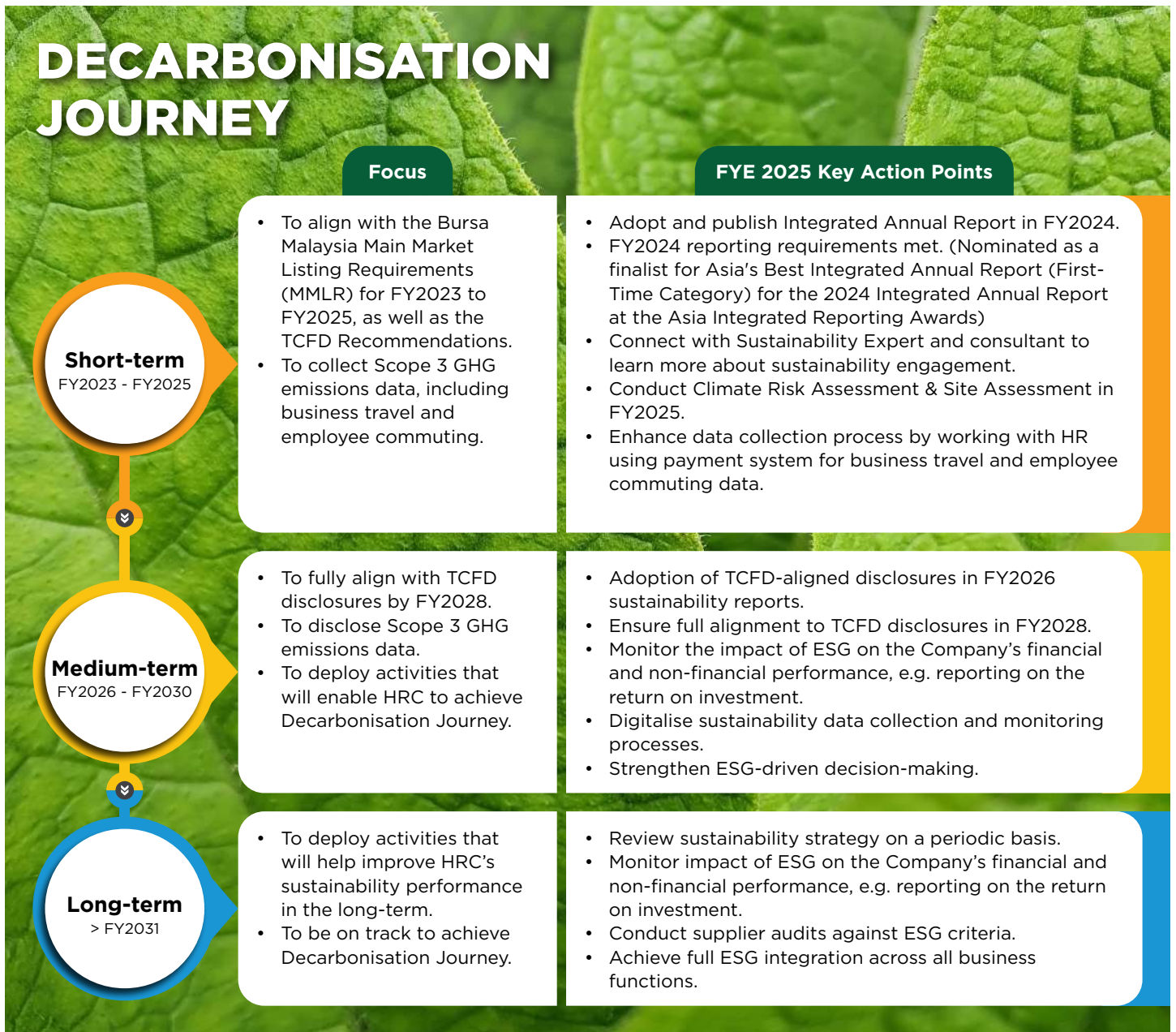
EMISSIONS SCOPE	ENERGY SOURCES	BOUNDARY
<b>Scope 1</b>	Fossil fuel consumption comprising gasoil, mogas (U95/U97), both for stationary and mobile combustion from vehicles and mobile equipment.	Sites of HRC
<b>Scope 2</b>	Primarily purchased energy, sourced from the national energy utility provider consumed by HRC	HRC head office, sites, and company assets
<b>Scope 3</b>	Employee commuting and business travel	HRC head office, sites, and company assets

# Environmental Sustainability

## Decarbonisation Roadmap

To guide our transition toward a low-carbon economy, HRC has established a structured decarbonisation roadmap that categorises our strategic objectives into distinct time horizons. This framework serves as a disciplined blueprint for enhancing our climate-related disclosures and operational efficiency, ensuring that every milestone supports our decarbonisation efforts.

By identifying specific focal areas and key action points for the coming years, we maintain a clear trajectory for integrating ESG considerations into our core financial and non-financial performance metrics. This roadmap is periodically reviewed to ensure alignment with business priorities, industry developments, and regulatory requirements.



## Environmental Sustainability

### Prime Minister's Hibiscus Award 2024/2025 Recognition

In FY2025, HRC's environmental management efforts were recognised at the national level through the Prime Minister's Hibiscus Award (PMHA) 2024/2025, Malaysia's premier private-sector environmental award established in 1996 to recognise leadership and excellence in environmental performance. HRC was conferred the Exceptional Achievement in Environmental Performance recognition, this reflects HRC's strong environmental governance, consistent implementation of environmental management practices, and demonstrated commitment to sustainable operations through a structured assessment process.

### GHG EMISSIONS MANAGEMENT

HRC acknowledges the critical need for environmental protection and supports the National Policy on Climate Change 2.0. We are committed to managing our GHG emissions through improved energy efficiency and strict GHG emissions management. To effectively monitor and manage our impact, we track the primary constituents of our emissions profile: carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), and methane (CH<sub>4</sub>).

We prioritise data integrity. HRC underwent an independent third-party verification of its Greenhouse Gas (GHG) emissions data for FY2025 which met the requirement of ISO14064-1:2018. The verification was conducted by third-party auditor in Q1 2026 in accordance with ISO 14064-3:2019, under a limited assurance engagement. The verification process assessed the accuracy, completeness, consistency and transparency of the reported greenhouse gas emissions. The independent assurance enhances the credibility of HRC's climate disclosures and demonstrates our continued commitment to robust governance, transparency and continuous improvement in GHG management and reporting.

HRC has implemented several significant updates to its GHG accounting approach in 2025, including:

- Adoption of the American Petroleum Institute (API) Compendium of GHG Methodologies for the Natural Gas and Oil Industry (2021);
- Inclusion of additional emission sources under Scope 1 (Direct Emissions), namely Mobile Combustion and Natural Gas Combustion.

- Update of Global Warming Potential (GWP) values in accordance with the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6); and
- Revision of the grid emission factor applied to Scope 2 (Energy Indirect Emissions).

These methodological enhancements and boundary expansions that are more comprehensive have resulted in a material impact of approximately 11% increment on total reported emissions. As these enhancements affect the basis of measurement, FY2025 results are not directly comparable with prior-year information, HRC has established FY2025 as the new base year to ensure a consistent and comparable emissions baseline going forward.

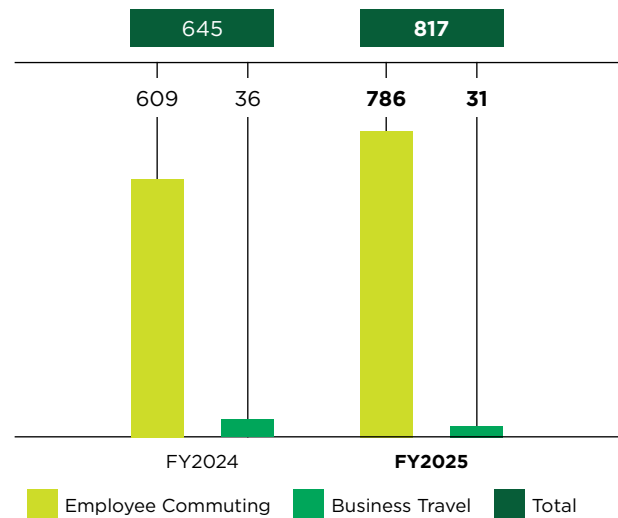
In FY2025, the total GHG emissions covering Scope 1 and Scope 2 only is 1,301,350 tonnes CO<sub>2</sub>e. Direct GHG emissions (Scope 1) which covers stationary combustion, flaring, process, storage, fugitive emissions and mobile combustion are 1,125,718 tonnes CO<sub>2</sub>e whilst indirect GHG emissions from electricity (Scope 2) are 175,632 tonnes CO<sub>2</sub>e. As for carbon efficiency, GHG emissions per unit of output are 34,610 tonnes CO<sub>2</sub>e per mil barrels in FY2025. There was no distinctive comparison generated that can be meaningful as FY2025 is the new base year due to the changes in methodology.

# Environmental Sustainability

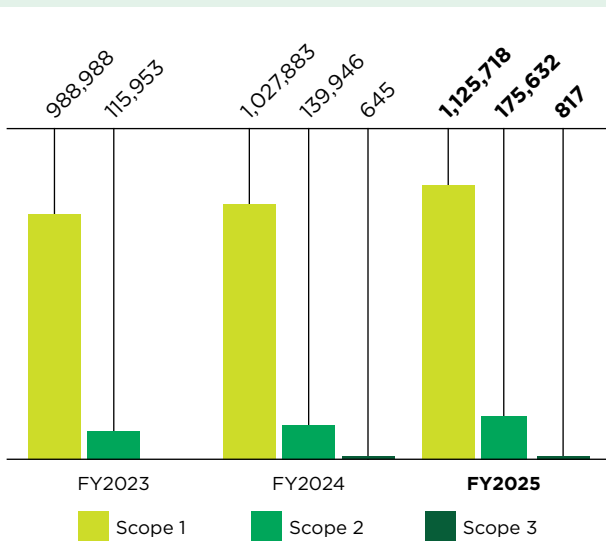
In FY2025, we expanded our emissions reporting to include Scope 3 emissions, focusing on employee commuting and business travel. Employee commuting emissions were extrapolated from an internal survey involving 420 employees, while business travel emissions were calculated based on verified travel claims. We are enhancing our data collection and analytical capabilities to broaden coverage of upstream and downstream Scope 3 emission categories. These sources will be progressively incorporated into future reporting years as sufficient, reliable and verifiable data becomes available.

This year, HRC recorded a total Scope 3 output of 817 tonnes CO<sub>2</sub>-eq. This aggregate comprises 786 tonnes CO<sub>2</sub>-eq attributed to employee commuting, with the remainder driven by business travel, specifically 27 tonnes CO<sub>2</sub>-eq from land transport and 4 tonnes CO<sub>2</sub>-eq from air travel.

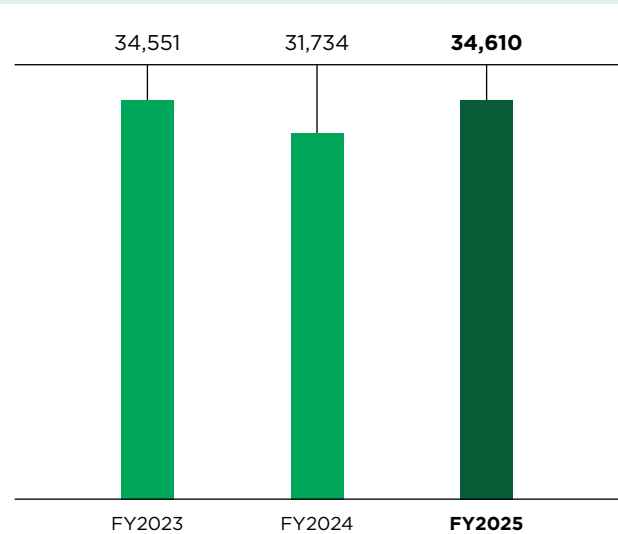
**Scope 3 Emissions Breakdown (tonnes CO<sub>2</sub>-eq)**



**GHG Emission (tonnes CO<sub>2</sub>-eq)**



**GHG Emission Intensity (tonnes CO<sub>2</sub>-eq/mil bbl)**



**Note:**

- As FY2025 emissions reflect updated methodology and expanded reporting boundaries, FY2025 results are not directly comparable with prior years. FY2025 has therefore been established as the new base year for future comparisons.
- Scope 3 emissions are not presented for FY2023, as data collection for Scope 3 categories commenced in FY2024.



# Environmental Sustainability

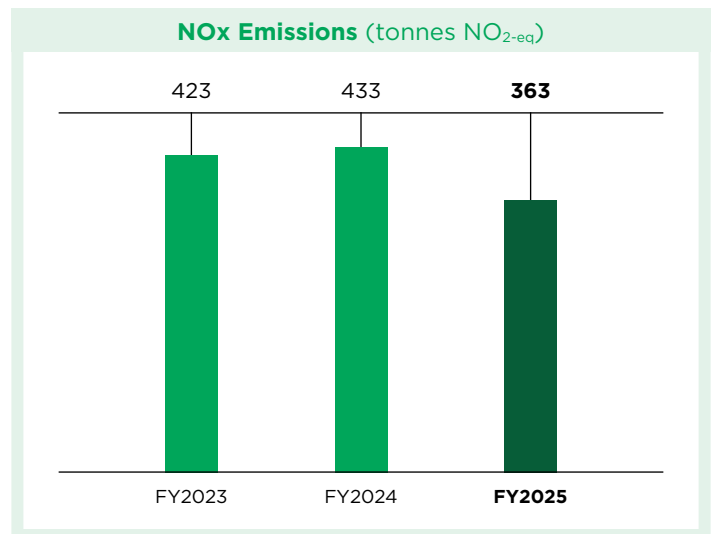
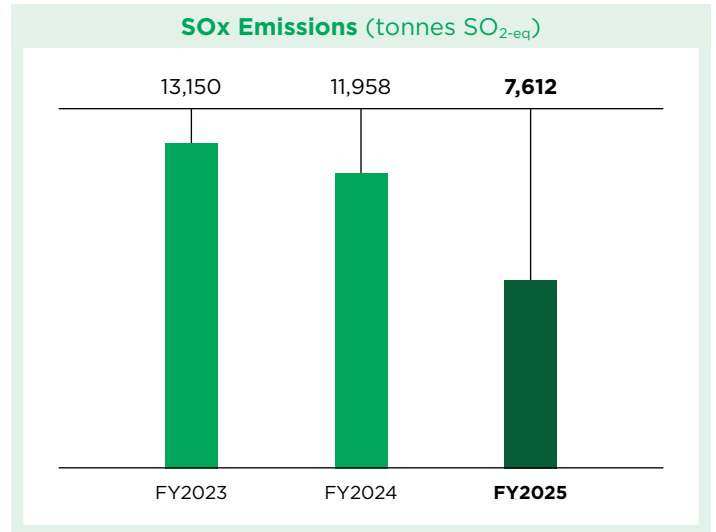
## Sulphur Oxides (SOx), Nitrogen Oxides (NOx) and Methane (CH4) Emissions Management

Safeguarding local air quality is a top priority for HRC. We are committed to minimising the environmental impact of our operations, specifically regarding Sulphur Oxides (SOx), Nitrogen Oxides (NOx), and Methane (CH<sub>4</sub>) emissions.

Our strategy relies on industry best practices within our refining units. By optimising combustion efficiency and deploying advanced emission controls, we effectively reduce the generation of these pollutants at the source. Furthermore, we enforce rigorous containment protocols to prevent any leakages, serving as a daily reinforcement of our commitment to the core environmental principle of “no leak to the environment.”

SOx and NOx emissions both trended downward in FY2025 due to the improvement in operating stability and lower fuel consumption. SOx emissions decreased to 7,612 tonnes from 11,958 tonnes in FY2024, mainly due to lower fuel oil consumption and reduced sulphur emissions from the Sulphur Recovery Unit (SRU). NOx emissions fell to 363 tonnes from 433 tonnes in FY2024, supported by lower flaring and reduced consumption of fuel oil, fuel gas and LPG.

In FY2025, methane emissions were reported at 70,037 tonnes CO<sub>2</sub>e, reflecting a material increase from prior-year figures. This movement was driven primarily by enhancements to our GHG accounting approach, including the adoption of the API Compendium for GHG Methodologies (2021) and the expansion of Scope 1 coverage to improve completeness. As the underlying methodology and reporting boundary were updated, FY2025 methane data is not directly comparable with previously reported years. Accordingly, FY2025 is treated as the new baseline year for methane reporting, and future trend analysis will be based on this updated approach.

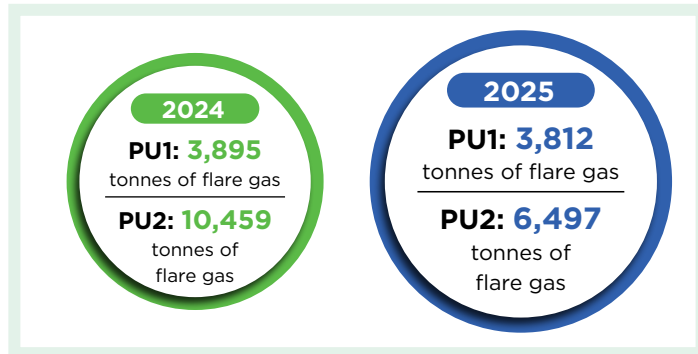


### Flaring Emissions

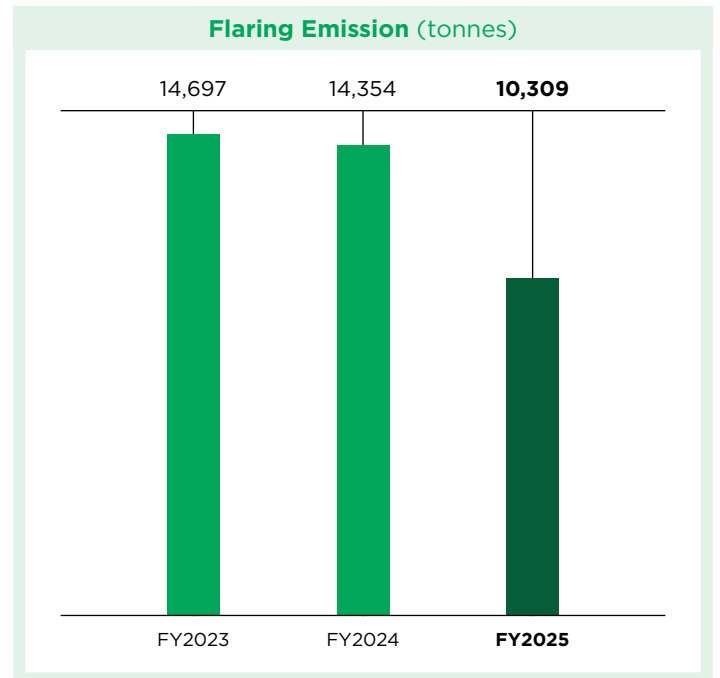
The “Stop Flare Subheader Sweep Gas Purge” initiative aims to optimise fuel gas consumption by reducing sweep gas purges in the flare subheader systems of Production Unit 2 (E4M, HDS2 and LRCC). By identifying and shutting down unnecessary purge points, the refinery achieves operational cost savings without compromising the safety or integrity of the flare system. In addition, lowering the volume of continuous sweep gas sent to the flare reduces CO<sub>2</sub> emissions, supporting the refinery’s decarbonisation targets.

## Environmental Sustainability

While this project progresses, we continue to manage current flaring levels through operational control. In FY2025, total flaring emissions were 10,309 tonnes. The specific performance of our flare headers is as follows:



Lower flaring was observed from PU2 flare in FY2025 at 6,497 tonnes, as compared with 10,459 tonnes in FY2024 due to multiple LRCC plant trips in mid-2024 caused by equipment integrity issues.



### OVERALL GHG INVENTORY AND EMISSIONS PROFILE

Emissions Scope	TOTAL EMISSIONS (tonnes CO <sub>2</sub> -eq)		
	FY2023	FY2024	FY2025
Scope 1	988,988	1,027,883	<b>1,125,718</b>
Scope 2	115,953	139,946	<b>175,632</b>
Scope 3	NA	645	<b>817</b>
Total Scope 1 & 2	1,104,941	1,167,829	<b>1,301,350</b>
Total Scope 1, 2 & 3	NA	1,168,474	<b>1,302,167</b>

Note:

- As FY2025 emissions reflect updated methodology and expanded reporting boundaries, FY2025 results are not directly comparable with prior years. FY2025 has therefore been established as the new base year for future comparisons.
- Scope 3 emissions are not presented for FY2023, as data collection for Scope 3 categories commenced in FY2024.

### MITIGATION STRATEGIES

We maintain a robust regime of GHG emissions accounting. This allows us to accurately track emissions trends for compliance and strategy, and it strengthens our internal data collection practices, ensuring our reduction roadmaps are based on high-quality operational data.

By optimising energy use and minimising waste, we are simultaneously enhancing operational processes. This synergy is central to our goal of running a refinery operation that is both environmentally and economically sustainable.

# Environmental Sustainability



## ENERGY MANAGEMENT

**Effective energy management is central to HRC's broader sustainability vision and supports our goal of evolving into a leading global energy and petrochemical company.**

We are committed to reducing energy consumption, improving efficiency, and minimising greenhouse gas (GHG) emissions. Our tactic for delivering on this promise involves a rigorous focus on internal resource optimisation. By prioritising the use of waste energy streams and low-value fuel sources, we significantly lower our carbon footprint and minimise reliance on external energy imports. Simultaneously, our engineering teams work continuously to optimise refinery configurations. This includes the strategic integration of energy-efficient technologies and targeted initiatives to reduce flaring, ensuring our facility operates at peak environmental efficiency.

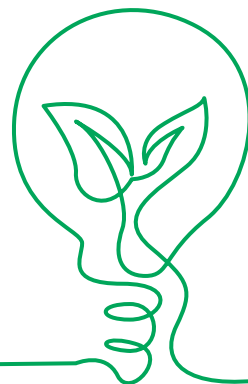
### ENERGY INTENSITY

HRC manages refinery's energy performance through the Solomon Associates Energy Intensity Index (EII), a definitive key metric for energy efficiency and optimising operational processes. The EII is calculated as actual energy consumption divided by standard energy (a value defined by Solomon Associates using our actual unit production and operating conditions). This serves as a vital benchmark to compare actual and standard energy performance, where a lower EII confirms higher energy efficiency.

We ensure accountability by having an EII target that is set annually. This allows us to minimise fuel oil for power generation and systematically reduce CO<sub>2</sub> emissions year-on-year.

For FY2025, HRC established an EII target of 107.1. This benchmark reflected our expectation of improved stability following the rectification of capacity control issues in December 2024.

HRC recorded an actual EII of 107.3 for FY2025. This enhanced performance is primarily attributed to higher capacity utilisation and the successful optimisation of unit operations following our scheduled equipment upgrades.



The main initiatives that drove improvements were:

- Shutting down the LRCC cracked gasoline rundown cooler, which saved power and allowed the E4M unit to handle higher temperatures.
- Rerouting C-190 to the middle circulating reflux instead of the slop tank, which resulted in cost savings.
- Replacing the catalyst cooler during the planned pitstop, which eliminated the need for additional natural gas or liquefied petroleum gas to produce excess steam, leading to more efficient operation and reduced energy consumption.
- Maintaining high uptime of advanced process control to ensure efficient energy usage, which involved the implementation of several new Advanced Process Control (APC) tactics in PU2 to optimise energy consumption and minimise flaring:
  - Utility boiler APC: This system uses excess gas from the process to generate power and cut down on unnecessary gas being released.
  - E4M medium cut naphtha APC: This system helps reduce fuel use in the E4M furnace by adjusting the process to keep the furnace running with minimal fuel.
  - E4M and HDS2 Product Sulphur APC: This system helps control the amount of sulphur in the product, ensuring less gas is used to meet the required specifications.

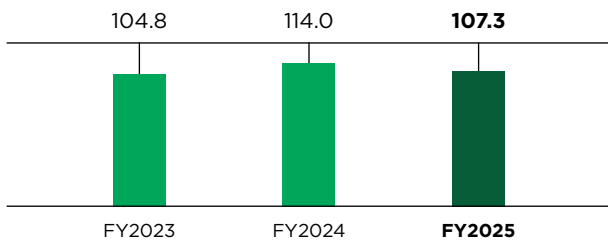
# Environmental Sustainability

## CO Boiler Efficiency Boost



In October 2025, we carried out chemical cleaning of the CO Boiler (COB) during the scheduled safety inspection. Following the cleaning, boiler performance improved, with steam generation increasing to approximately **270 tonnes** per day after normalisation to standard unit operating conditions and intake. This improvement supported more efficient steam production without additional fuel input.

## Energy Intensity Index

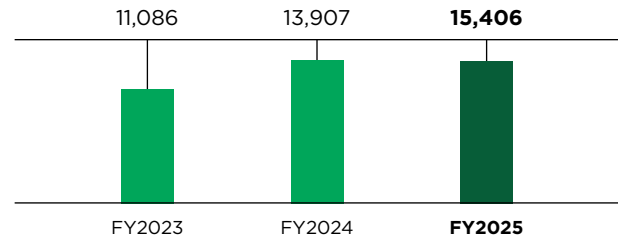


## ENERGY CONSUMPTION

Demand Energy consumption in refinery operations is non-linear, fluctuating in response to refinery throughput and equipment performance. Operational intensity is the primary driver; as we process higher volumes of crude, our baseline energy requirement expands.

However, process efficiency acts as the counter-balance. Issues such as equipment fouling can artificially inflate energy demand by reducing the thermal efficiency of our units. To combat this, HRC employs a rigorous regime of process optimisation and scheduled maintenance. These interventions are critical for ensuring that any increase in energy use is driven by productive output rather than mechanical inefficiency.

## Energy Consumption (TJ)



In FY2025, HRC's total energy consumption stood at 15,406 TJ, slight increase as compared to energy consumption in FY2024 at 13,907 TJ.

## ENERGY REDUCTION INITIATIVES

We maintain tight control over our utility usage through a structured regime designed to monitor and manage energy consumption. Central to this strategy is the definition of clear targets for high-impact areas such as fuel oil firing, power generation, and LPG vaporisation.

The execution of this strategy lies with the Operations team, who play a frontline role in translating these targets into reality. Their primary mechanism for control is the daily alignment meetings conducted every morning. During these briefings, the Operations team scrutinises real-time performance data to drive energy reduction. By keeping a close watch on these key parameters, we can rapidly correct deviations, ensuring our facility consistently runs at optimal efficiency.

## Energy Masterplan



The current Energy Masterplan sets a target to reduce CO<sub>2</sub> emissions of **62,000 tonnes** by 2029

HRC remains steadfast in its commitment to mitigating greenhouse gas ("GHG") emissions. This commitment is operationalised through our Energy Masterplan, a dynamic blueprint originally revised in FY2022 to provide a structured approach to managing energy consumption and reducing carbon emissions.

# Environmental Sustainability

Our strategy is strictly aligned with Malaysia's Nationally Determined Contribution ("NDC") under the Paris Agreement. We are dedicated to supporting the national goal to reduce GHG emissions intensity by 45% by 2030 (relative to the emissions intensity of GDP in 2005). To drive this, we prioritise capital allocation towards energy-efficient technologies and emission-reduction initiatives, ensuring that every investment optimises resource utilisation and process efficiency.

HRC has made significant strides in reducing CO<sub>2</sub> emissions. Building on the reduction of 38,000 tonnes/year achieved by 2024, our sustained efforts in FY2025 have led to a reduction of 17,000 tonnes/year.

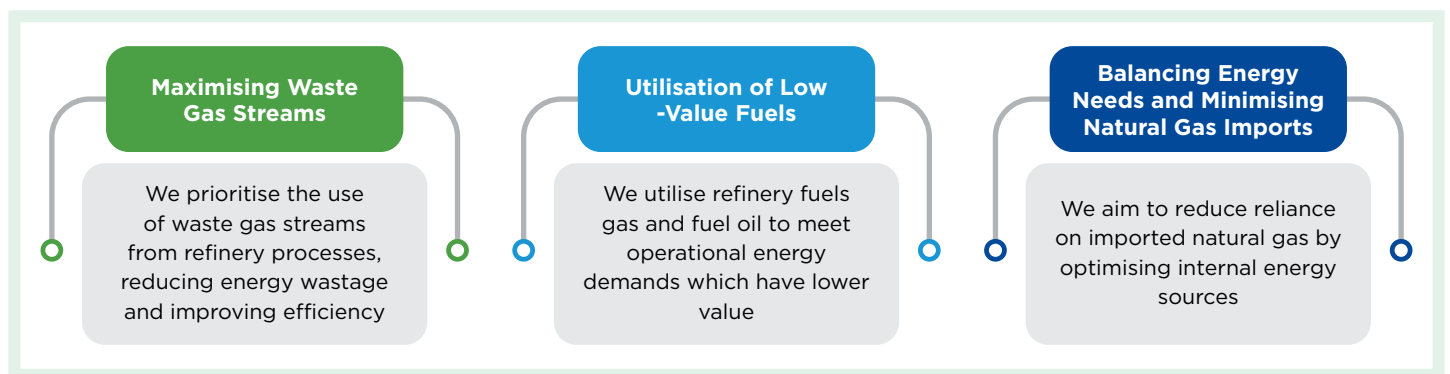
This progress is underpinned by high-impact engineering projects aimed at improving overall energy efficiency and operational reliability. The LRCCU cat cooler was successfully replaced and brought to full-load operation, enhancing overall unit performance and stability. Under safe operating conditions, eight fuel gas purge points across the LRCCU, HDS-2, and HMU & E4M units were eliminated, resulting in a significant reduction in fuel gas consumption. In addition, cleaning of surface fouling in air cooler E-3272 improved heat transfer efficiency and ensured the system consistently maintained the required negative pressure. A newly implemented CO boiler chemical cleaning initiative has also proven effective in enhancing heat transfer performance and increasing steam generation capacity. Furthermore, a sitewide steam trap optimisation effort reduced overall steam losses, contributing to improved energy efficiency across the refinery.

Installation of a high-efficiency Texas Tower (Feed Effluent Exchanger) in the Platforming unit and the chemical cleaning of Carbon Monoxide Boilers in the catalytic cracker unit. Furthermore, the complete retubing of the utility reboiler and the implementation of automatic process control on the fuel gas system continue to deliver dividends by preventing excessive flaring and ensuring reduced emissions.

As a result of these cumulative efforts, CO<sub>2</sub> emissions for FY2025 were recorded at 862,000 tonnes (FY2024: 879,000K tonnes; FY2023: 917,000K tonnes). moving forward, we will continue to make efforts in reducing energy consumption and CO<sub>2</sub> emission in coming year. we have several important projects in development. These include the heat integration project between main fractionator reflux and demineralised water preheat train and 1 MW solar plant project and via reducing furnace stack temperature project which initiatives are expected to be the final levers.

## Fuel Optimisation

HRC prioritises fuel optimisation as a cornerstone of responsible energy management. This practice is essential for enhancing energy efficiency, reducing costs, and achieving total resources optimisation. It also guarantees our continued alignment with complex industry regulations and environmental standards. In parallel, we are actively exploring alternative energy sources to reduce our dependency on conventional fossil fuels. This shift is critical for lowering GHG emissions and enhancing the long-term resilience of our business model.



# Environmental Sustainability

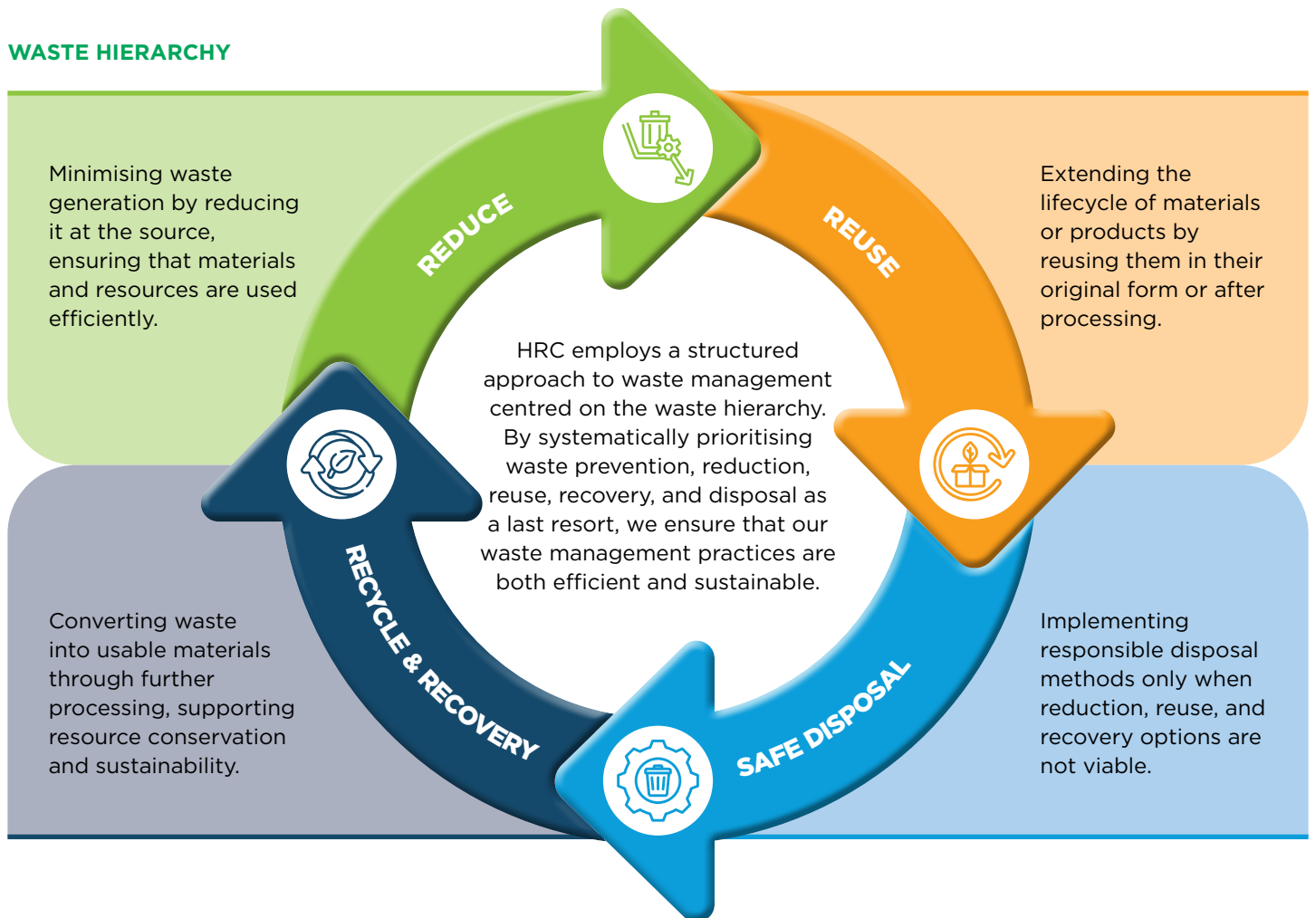


## WASTE MANAGEMENT

HRC prioritises effective waste management as a cornerstone of sustainable refinery operations. This focus ensures strict compliance with environmental regulations while controlling the impact of industrial by-products.

Given that refining generates hazardous and non-hazardous materials, process residues, and wastewater, our management strategies must be robust and efficient. We remain committed to minimising its environmental footprint by systematically reducing waste generation and enforcing waste management practices that meet the highest industry standards.

### WASTE HIERARCHY



This approach is operationalised through strict adherence to HRC's Waste Management Procedure, guaranteeing alignment with regulatory and industry best practices. Additionally, our commitment to environmental sustainability is reinforced by our Integrated Management System (IMS) certification, which validates that all (100%) of our site operations are covered and are in full compliance with ISO 14001:2015 Environmental Management Systems standards.

# Environmental Sustainability

## LIFE CYCLE ANALYSIS (LCA)

HRC applies Life Cycle Analysis (LCA) as part of its environmental management approach to systematically identify and evaluate potential environmental impacts associated with proposed projects and system changes. The use of LCA supports informed decision-making during project planning by highlighting areas where environmental risks and improvement opportunities may arise.

Within the Environmental Impact Assessment (EIA) framework, LCA considerations span key stages of the project life cycle, including raw material inputs, construction activities, operational processes, waste generation, emissions and end-of-life management.

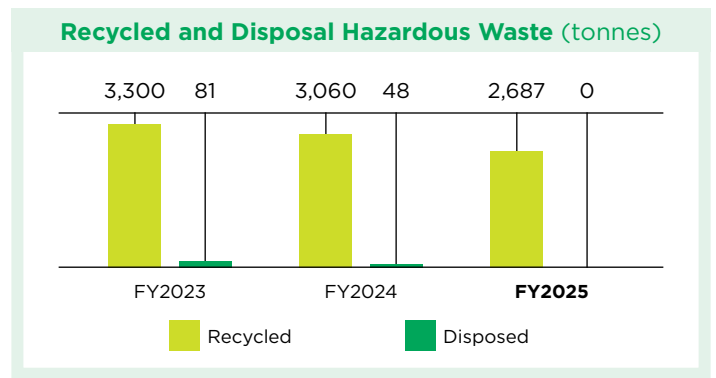
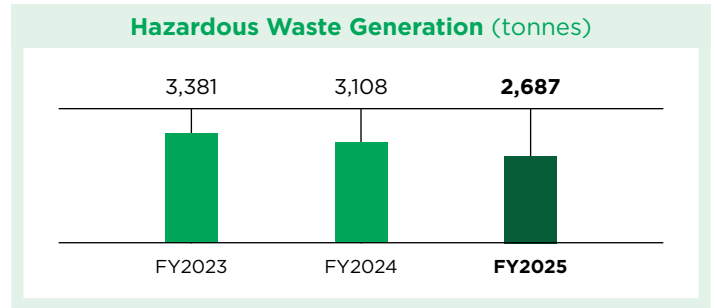
Insights derived from LCA assessments inform the selection of pollution control technologies, waste management strategies and operational controls, supporting the Group’s commitment to minimising environmental impacts while maintaining safe and efficient refinery operations.

## HAZARDOUS WASTE

To guarantee public safety and ecological integrity, the management of hazardous waste within our refinery is subject to rigorous operational oversight. HRC operates in full compliance with all applicable regulatory requirements, specifically the strict mandates of the Environmental Quality (Scheduled Wastes) Regulations 2005. These regulations provide the essential framework for our end-to-end protocols, governing the meticulous handling, storage, transportation, and disposal of hazardous waste generated by our daily operations.

Total hazardous waste generation at HRC had reduced by 13.55% from 3,108 tonnes in FY2024 to 2,687 tonnes in FY2025 primarily due to the reduction of spent oil water emulsion and maintenance sludge.

All hazardous waste was diverted from disposal and managed through recycling and recovery routes. The majority of hazardous waste comprised spent FCC catalyst, with 91.3% sent to cement plants for recycling as filler material. The remaining hazardous waste was sent for recovery, undergoing thermal treatment. Following thermal treatment, the resulting material was subsequently processed for use as raw material in cement manufacturing.



## RECYCLED PAPER

HRC continues to drive sustainability within its daily office operations through aggressive paper conservation measures. Our primary strategy involves the mandatory implementation of double-sided printing, which has successfully reduced our per-sheet usage by up to 50%. Residual paper waste is captured through our extensive recycling network. In FY2025, this initiative resulted in the collection of 204,723 pieces of paper, totalling 1,023.615 kg.

## WASTE MANAGEMENT PROGRAMME

HRC collaborated with SWM Environment to implement the KITARecycle Programme in FY2025 as part of its ongoing waste management and environmental stewardship efforts. The initiative features a recycling drive-through centre that enables employees and surrounding fenceline communities to conveniently drop off recyclable materials, including paper, plastics, glass, metal and electronic waste.

The programme promotes proper waste segregation and responsible recycling practices while supporting HRC’s objective of reducing waste sent to landfill and lowering its overall carbon footprint. By extending participation beyond the workplace to neighbouring communities, the initiative also strengthens environmental awareness and shared responsibility for sustainable waste management.

# Environmental Sustainability



## WATER AND EFFLUENT MANAGEMENT

**Operational reliability in refinery operations relies on effective water and effluent management. Water is the lifeblood of our activities, essential for key processes such as cooling, steam generation, and crude oil processing. Because these processes result in wastewater, it is pivotal that all effluent must be treated before discharge.**

We address the challenge of industrial effluents by deploying advanced monitoring, treatment, and conservation measures. By prioritising sustainable water use, we ensure regulatory compliance and environmental protection, while striving to minimise water pollution and optimise resource efficiency across our footprint.

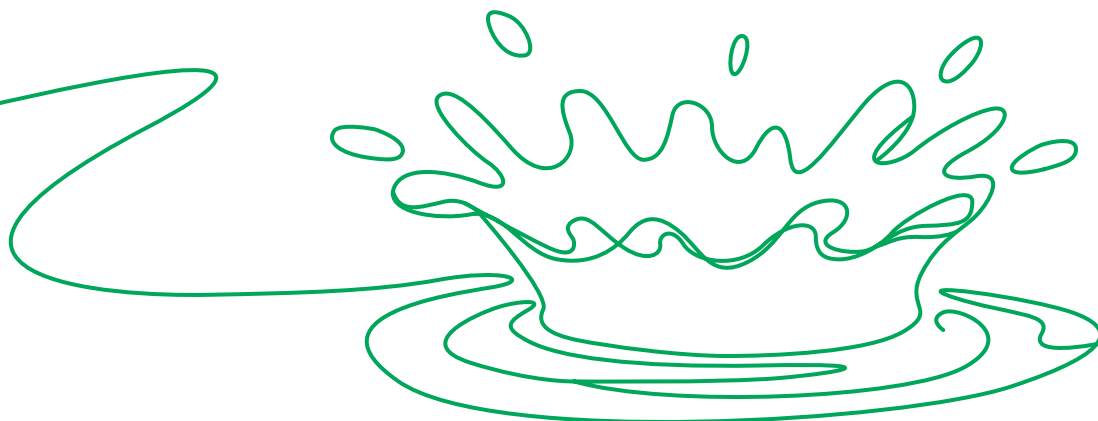
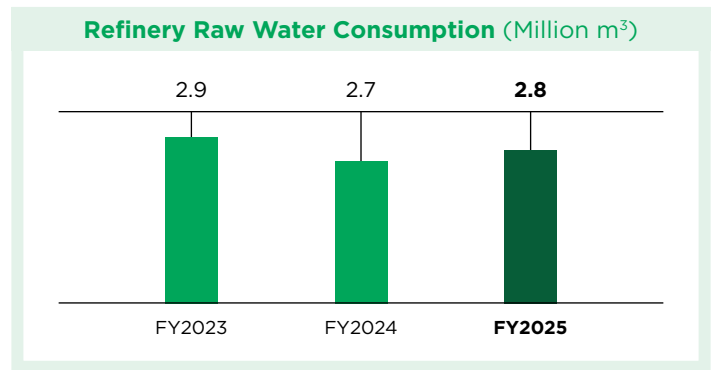
### WATER CONSUMPTION

We recognise that water is a critical resource in our refining operations. Therefore, we are committed to managing our intake and discharge responsibly, ensuring compliance with regulatory standards. We recognise that as our refinery capacity and operational complexity grow, so too does our water footprint. However, we have proactively integrated effective water management practices to counterbalance this demand, aiming to optimise usage and ensure our operations remain environmentally sustainable.

HRC's water supply is secured entirely through public infrastructure, with 100% of our withdrawal sourced from municipal providers. To ensure long-term resilience, we continuously evaluate our exposure to water scarcity risks.

According to the World Resources Institute's Aqueduct Water Risk Atlas Tool, this specific locale is not classified as a water-stressed region. Therefore, none (0%) of HRC's operations are in water-stressed areas, and there is zero water withdrawal from such regions.

In FY2025, our refinery raw water consumption remained broadly stable, returning to a level comparable to FY2023 after a lower withdrawal in FY2024. Overall water use increased from 2,702 megalitres in FY2024 to 2,835 megalitres in FY2025, indicating a year-on-year rise but still within a narrow historical range.



## Environmental Sustainability

Water Consumption Data (Megalitres)	FY2023	FY2024	FY2025
Water Withdrawal by Source:			
i. Surface water	0	0	0
ii. Groundwater	0	0	0
iii. Used Quarry Water	0	0	0
iv. Municipal potable water withdrawal	2,880*	2,702*	2,835
v. External Wastewater	0	0	0
vi. Harvested Rainwater	0	0	0
Total Water Withdrawal	2,880*	2,702*	2,835
Water Withdrawal from Water-stressed Region	0	0	0
Percentage of Water Withdrawal from Water-stressed Region (%)	0	0	0
Total Water Use/Consumption	2,880*	2,702*	2,835
Water Consumption Intensity to Refine Oil (m <sup>3</sup> /boe)	0.0900	0.0832	0.0802
<b>Total Cost of Water Consumption (RM)</b>	<b>7,787,420</b>	<b>7,537,817</b>	<b>8,027,728</b>

\* Note: The water consumption and withdrawal data has been restated due to a revision and streamlining of data collection methodology.

### EFFLUENT MANAGEMENT

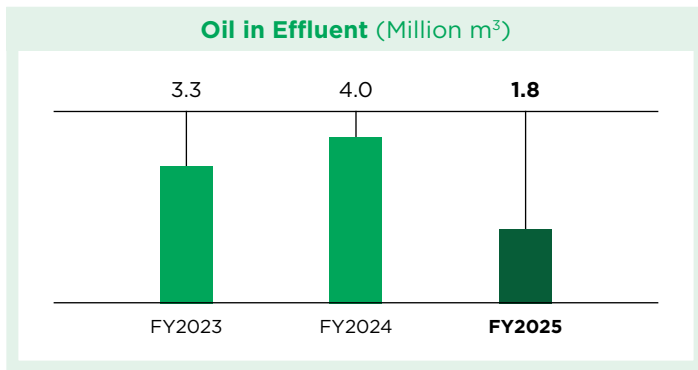
We continue to strictly adhere to the Department of Environment (DoE) Effluent Water Standard B. We enforce a regime of daily sampling and monitoring at the jetty pump sump, enabling precise tracking of water quality that ensures our wastewater discharge meets all environmental quality standards and allows for immediate corrective actions if required.

In FY2025, our effluent discharge profile remained stable and well-controlled, with total water (effluent) discharged held at 2.4 mega m<sup>3</sup>, consistent with FY2024. Importantly, we maintained our efforts to achieve zero incidents of non-compliance with water quality or quantity permits, standards, and regulations, reflecting the continued effectiveness of our effluent management controls and monitoring practices.

Water/Effluent Discharge Data (Megalitres)	FY2023	FY2024	FY2025
Water Discharged by Destination:			
i. Ocean water total discharge	2.5	2.4	2.4
ii. Surface water total discharge	0	0	0
iii. Subsurface water/well total discharge	0		0
iv. Off-site water treatment total discharge	0	0	0
v. Beneficial/other use total discharge	0	0	0
Total Water/Effluent Discharged	2.5	2.4	2.4
Number of Incidents of Non-compliance with Water Quality/ Quantity Permits, Standards and Regulations	0	0	0

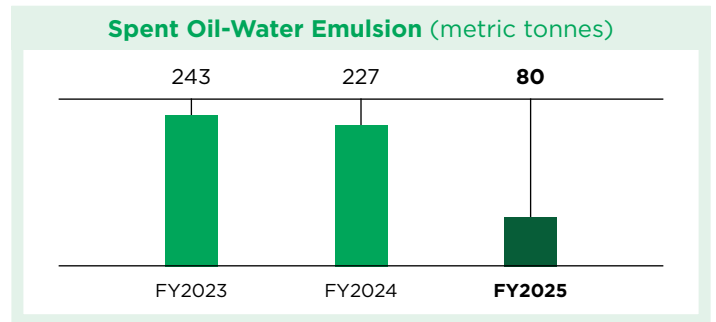
# Environmental Sustainability

In FY2025, oil in effluent decreased significantly, reversing the increase seen in FY2024 and indicating improved control over oil carryover in wastewater streams. This reduction is due to the effective segregation and treatment performance across the effluent management system, helping to reduce the risk of oil-related exceedances.



## Spent Oil-Water Emulsion

A year-on-year reduction was recorded, mainly due to the treatment of spent caustic through the ETP, which in turn reduced the generation of spent oil-water emulsion. Spent oil-water emulsion from the refining process decreased by 65% in FY2025 to 80 metric tonnes, compared to 227 metric tonnes in FY2024.



HRC Jetty Pipeline

# Environmental Sustainability



## BIODIVERSITY MANAGEMENT

**HRC upholds a definitive commitment to minimise and avoid negative impact to the natural ecosystem. This pledge is central to our operational philosophy and guides our stewardship of the unique environment in which we operate.**

Our facility is strategically located in Port Dickson, Malaysia, a coastal region teeming with marine and terrestrial ecosystems. Given our proximity to adjacent natural landscapes and the Strait of Malacca, one of the world’s busiest maritime routes, we recognise that preserving biodiversity and minimising the environmental impact of its operations are critical responsibilities.

To operationalise this commitment, we integrate biodiversity risk assessments into our Environmental Impact Assessment (EIA) process whenever new projects are undertaken. This systematic approach enables us to accurately evaluate potential ecological impacts and implement necessary mitigation measures effectively, ensuring we protect local marine life, coastal habitats, and terrestrial biodiversity.

Furthermore, we maintain a rigorous oversight mechanism where biodiversity risks are integrated in HRC’s Environmental Aspect and Impact Register. This register is reviewed and audited annually, ensuring continued ISO 14001 Environmental Management Systems compliance and driving the continuous improvement of our environmental performance.

### BIODIVERSITY RISK ASSESSMENT

HRC integrates biodiversity conservation directly into its development lifecycle. Our standard operating procedure dictates that biodiversity risk assessments must be conducted by external consultants before any construction begins, serving as a prerequisite for submissions to the Department of Environment (DOE).

This methodology has been proven effective in past projects, including the Euro 4M and the Hydrogen Manufacturing Unit (HMU). In both instances, our assessments successfully identified potential ecological impacts, enabling the deployment of targeted mitigation measures to protect the surrounding environment.

To ensure these standards are maintained year-round, biodiversity risks are embedded within HRC’s Environmental Aspect and Impact Register. This document undergoes an annual review and audit by Accredited Certification Body, certifying our alignment with the ISO 14001 Environmental Management Systems.

Project/Operational Breakdown	Assessed for Biodiversity Risks (Assessment Year)	In/Adjacent to Sites with High Biodiversity Value
Euro 4M	Yes (2017)	No
HMU	Yes (2019)	No
<b>Total no. of Locations = 2</b>	<b>No. of Yes = 2 (100%)</b>	<b>No. of Yes = 0 (0%)</b>

Total Number of IUCN Red List of Threatened Species	IUCN Red List of Threatened Categories				
	Least Concern	Near Threatened	Vulnerable	Endangered	Critically Endangered
Euro 4M	68	2	1	0	0

## Environmental Sustainability



### myUNJAM

In line with HRC's commitment to sustainability and environmental stewardship, HRC collaborated with the Department of Fisheries (DOF) Negeri Sembilan as the strategic partner for the Marine Conservation CSR Programme 2025, titled "Program Pengurusan Perikanan Melalui Pendekatan Ekosistem Bersama Nelayan Negeri Sembilan dengan Kerjasama Hengyuan Refining Company Berhad."

The programme comprised the release of fish seeds and the deployment of seven (7) sets of unjam, traditional fish aggregating devices intended to support ecosystem-based fisheries management. These unjam are designed to provide structured habitats that function as shelter, breeding

and feeding areas for marine species, contributing to the enhancement of local marine biodiversity at Pantai Bagan Pinang. The initiative is implemented in coordination with DOF Negeri Sembilan, including guidance on site selection and follow-up observation to assess ecological response and ensure responsible management of the installations.

In parallel, first-aid kits were provided to the local fishing community to enhance safety and preparedness at sea. Implemented with the involvement of local fishermen and in collaboration with DOF Negeri Sembilan, the programme received coverage in local media. Collectively, the initiative reflects HRC's efforts to conserve marine ecosystems, support community livelihoods and strengthen collaboration with relevant government agencies.

# Social Sustainability

HRC's approach to social sustainability is rooted in the belief that our long-term resilience is inseparable from the well-being of our people and the prosperity of the society in which we operate. We are committed to fostering an inclusive and safe environment where our employees are empowered through continuous development and fair labour practices, ensuring they remain the primary drivers of our operational excellence. Beyond our refinery gates, we actively nurture our social licence to operate by building transparent, trust-based relationships with the Port Dickson community and our broader stakeholders through strategic outreach and meaningful engagement. By integrating these social priorities into our core business strategy, HRC ensures that our growth contributes to a sustainable future and lasting value for all.

## Material topics



Equality & Diversity



Training and Development



Benefits and Engagement



Community Outreach



Labour and Human Rights



Occupational Health & Safety

## Alignment of UNSDGs



## Social Sustainability



### EQUALITY AND DIVERSITY

**Driven by a deep-seated belief in treating every member of its team and the wider community with inclusivity and fairness, HRC positions equality and inclusion as fundamental to its workforce management strategy. The Group ensures equal opportunities for all, irrespective of race, creed, class, or any other form of difference.**

HRC understands that diversity brings a rich array of viewpoints and working styles, which undeniably fuels greater innovation and creativity – key elements for HRC’s distinctiveness. Moreover, inclusivity is seen as vital to cultivating and strengthening the sense of unity and teamwork that underpins the “One Hengyuan” ethos. Across all its activities, HRC actively promotes diversity, inclusion, and equality, making these efforts transparent to both its employees and stakeholders.

### TALENT MANAGEMENT

HRC recognises our human capital as the definitive catalyst for the Group’s long-term success and operational resilience. To ensure the sustainability of our technical and leadership pipelines, the Board of Directors maintains oversight of talent management and development frameworks, including the strategic review of staff retention and succession planning. The Human Resources (HR) department executes this vision through a comprehensive lifecycle approach that spans from recruitment to professional growth. By integrating competitive compensation and rewards with the core principles of equality, diversity, and inclusivity, we

ensure that HRC remains an employer of choice capable of attracting and nurturing top-tier energy professionals.

While executive remuneration is not explicitly tied to talent management KPIs, the successful achievement of human capital targets is an essential consideration within overall performance evaluations. We understand that effective talent initiatives are direct contributors to a productive work environment, a strengthened corporate reputation, and superior organisational performance. The Board and management ensure that HRC’s talent strategy remains aligned with the Group’s strategic objectives and long-term value creation for all stakeholders.

# Social Sustainability

## WORKFORCE DIVERSITY

At HRC, we recognise that a diverse workforce is essential for driving innovation and long-term resilience in a complex refining landscape. Our commitment to Diversity, Equity, and Inclusion (DEI) is formalised within the HRC Code of Conduct, which serves as our governing framework for all people-related practices. We strictly adhere to the principle of merit based to ensure that all recruitment, promotions, and career development opportunities are based solely on an individual's skills, experience, and performance.

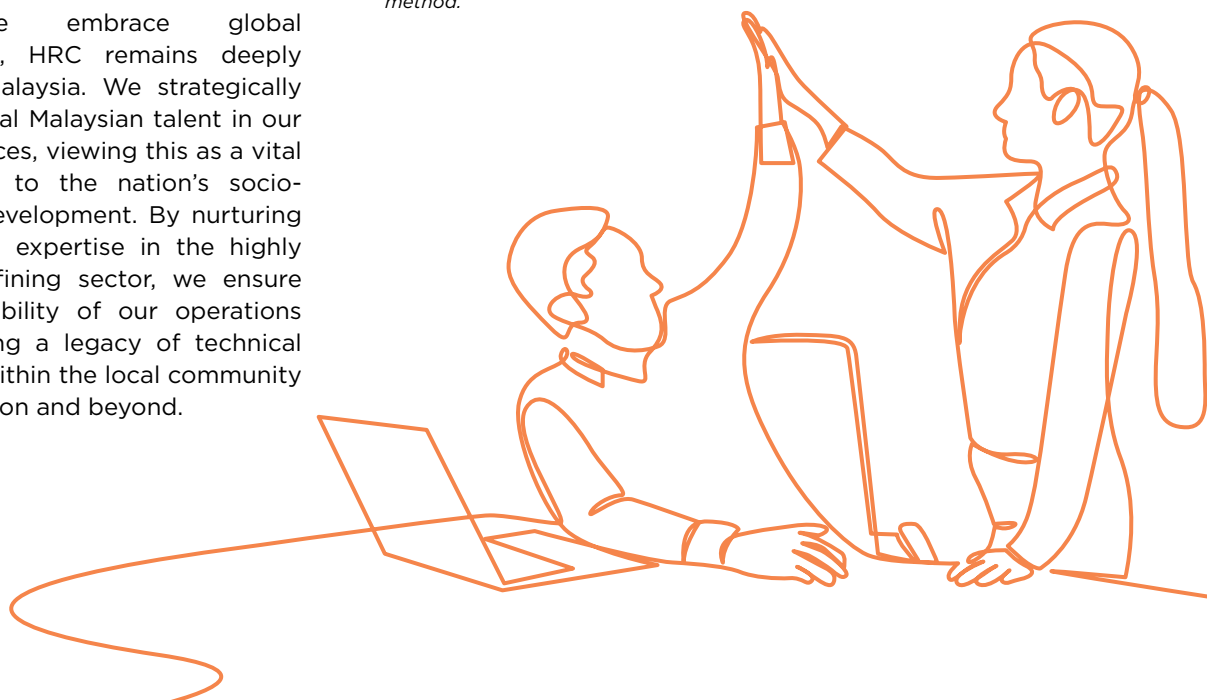
We maintain zero-tolerance toward any form of discrimination or harassment. Our hiring and operational processes are designed to eliminate bias based on race, colour, religion, age, gender, sexual orientation, gender identity, marital status, disability, ethnic origin, or nationality. By stripping away discriminatory barriers, we ensure that job requirements are met by the most qualified talent to foster a workplace where every employee feels safe, respected, and empowered to contribute their best.

While we embrace global perspectives, HRC remains deeply rooted in Malaysia. We strategically prioritise local Malaysian talent in our hiring practices, viewing this as a vital contribution to the nation's socio-economic development. By nurturing home-grown expertise in the highly technical refining sector, we ensure the sustainability of our operations while building a legacy of technical excellence within the local community in Port Dickson and beyond.

Board of Directors Composition	FY2023	FY2024	FY2025
Total	6	4	5
<b>Gender</b>			
Female	33.0%	50.0%	40.0%
Male	67.0%	50.0%	60.0%
<b>Age</b>			
< 30 years old	0	0	0
30 - 50 years old	0	0	0
> 50 years old and above	100.0%	100.0%	100.0%
<b>Ethnicity</b>			
Malay	16.7%	0	0
Chinese	16.7%	25.0%	40.0%
Indian	16.7%	25.0%	20.0%
Others	49.9%	50.0%	40.0%
<b>Nationality</b>			
Malaysian	50.0%	50.0%	60.0%
Non-Malaysian	50.0%	50.0%	40.0%

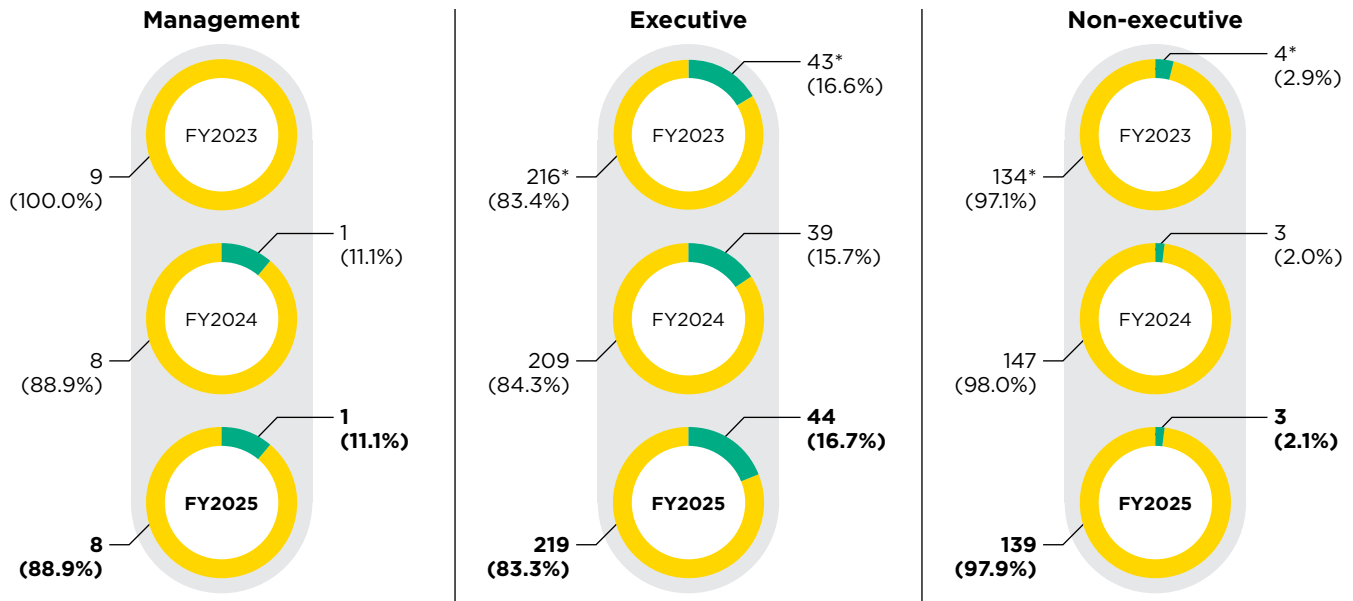
Workforce Data	FY2023	FY2024	FY2025
Total workforce	406*	407	414
Permanent	340* (83.7%)	328* (80.6%)	343 (82.9%)
Temporary staff/contractors	66* (16.3%)	79* (19.4%)	71 (17.1%)

\* Note: Workforce data in FY2023 and FY2024 has been restated due to the revision of calculation method.



# Social Sustainability

## Gender Diversity



\* Note: Gender diversity data in FY2023 has been restated due to the revision of calculation method.

Female Male

### The Site Women Action Network (SWAN) Platform

In a traditionally male-dominated industry, HRC is dedicated to championing women’s empowerment. Central to this commitment is the SWAN, a platform established in 2018 that continues to thrive as a cornerstone of our gender diversity strategy. SWAN provides HRC’s female employees with a dedicated avenue for:

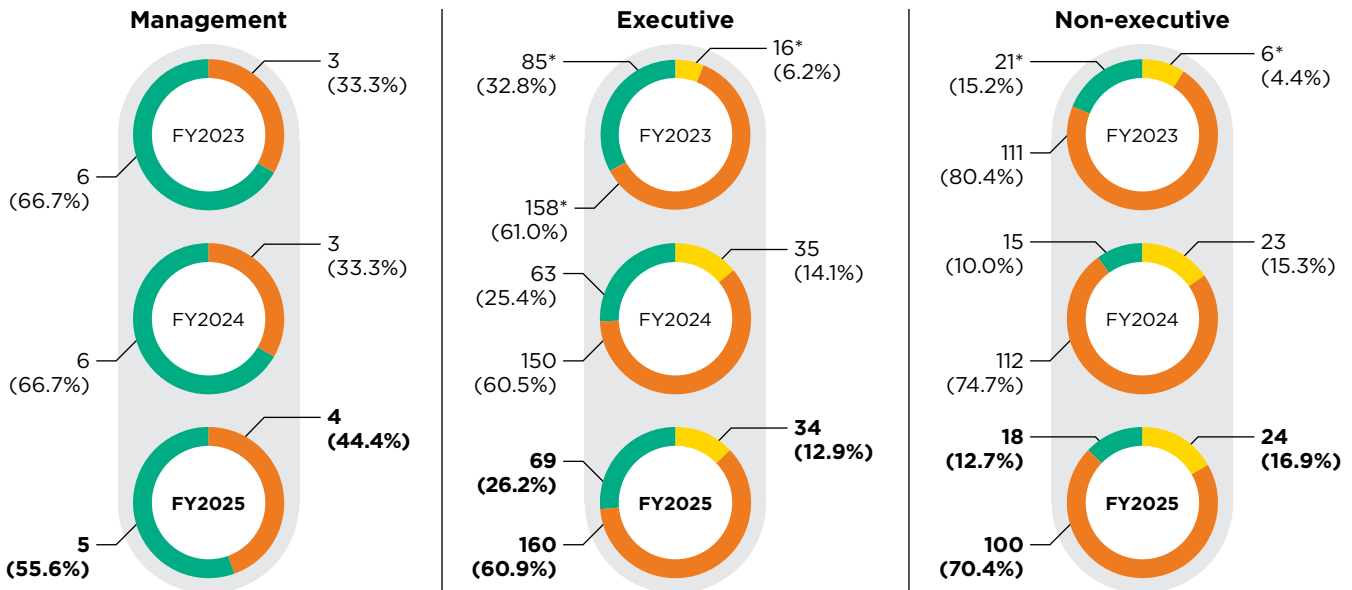


In FY2025, initiatives implemented under SWAN included a Career Talk by our CFO, titled “Navigating The Maze: Personal Career Map”, which focused on career planning and long-term growth. We also organised engagement and wellbeing activities such as baking class, Be Well X SWAN: Race Escape, and a colour analysis session, which encouraged personal development, team bonding and stronger community among participants.



# Social Sustainability

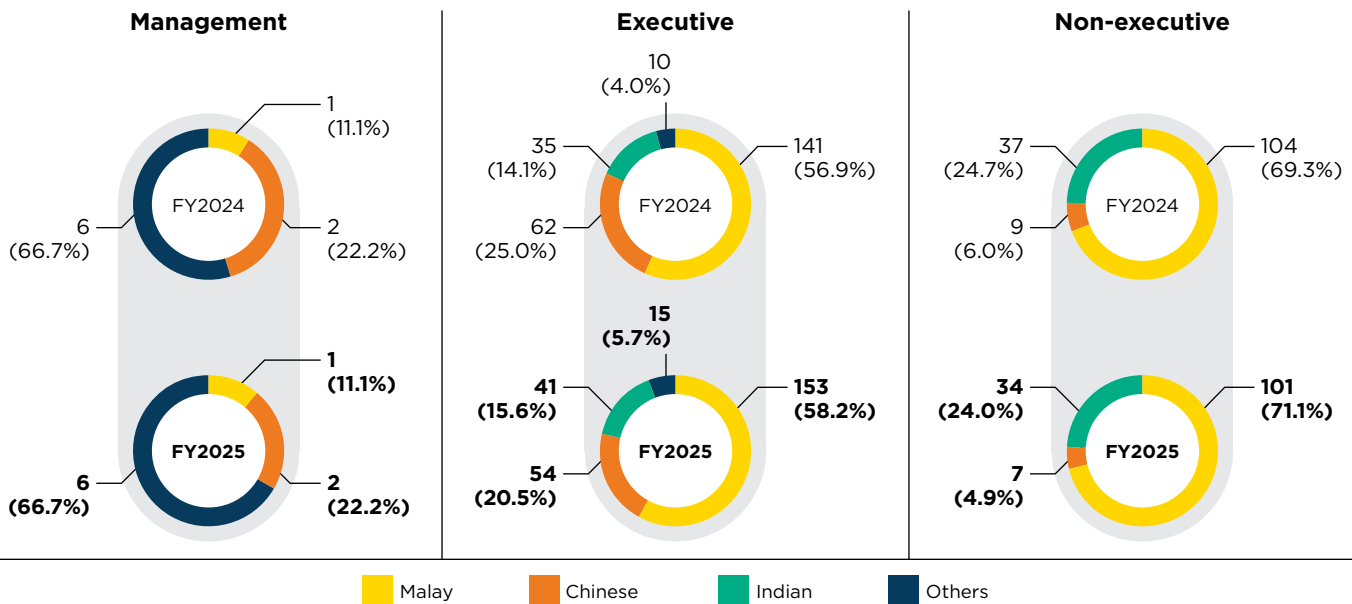
## Age Diversity



\* Note: Age diversity data in FY2023 has been restated due to the revision of calculation method.

■ < 30 years old    
 ■ 30 - 50 years old    
 ■ > 50 years old

## Ethnicity Diversity



■ Malay    
 ■ Chinese    
 ■ Indian    
 ■ Others

# Social Sustainability

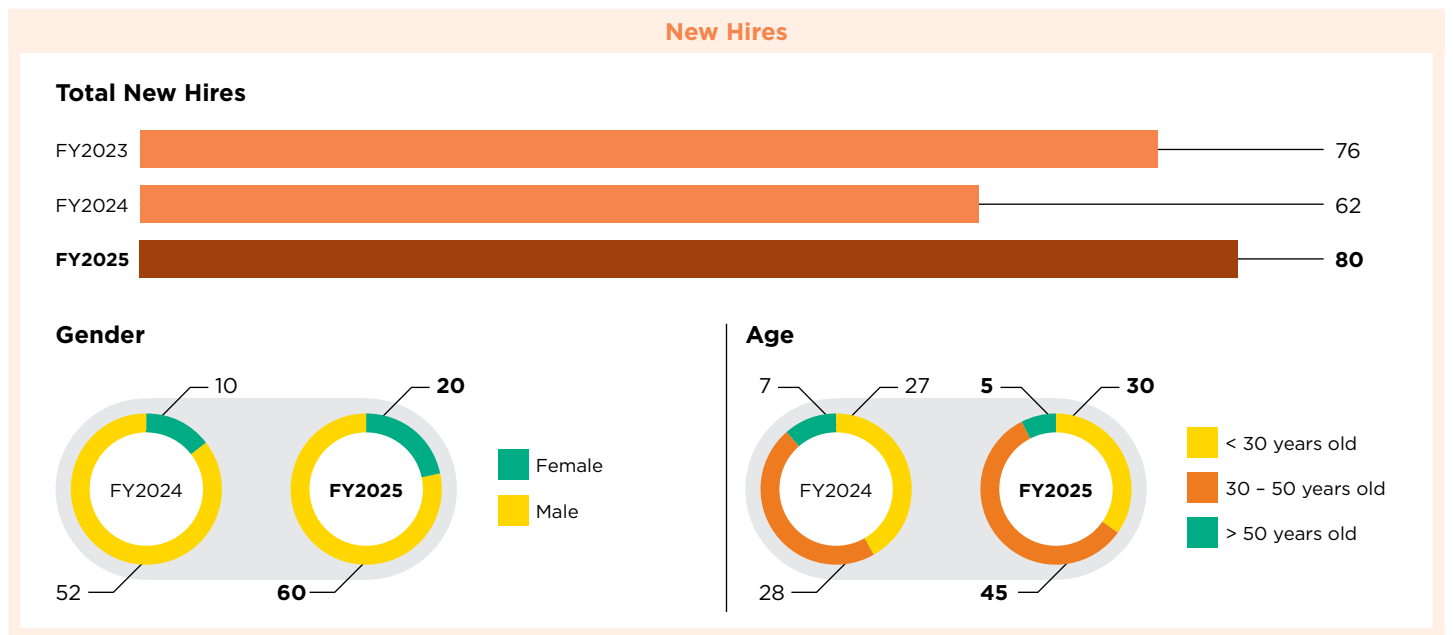


Disability	FY2024	FY2025
<b>Management</b>		
Disabled	0 (0.0%)	<b>0 (0.0%)</b>
Non-disabled	9 (100.0%)	<b>9 (100.0%)</b>
<b>Executive</b>		
Disabled	0 (0.0%)	<b>0 (0.0%)</b>
Non-disabled	248 (100.0%)	<b>263 (100.0%)</b>
<b>Ethnicity</b>		
Disabled	0 (0.0%)	<b>0 (0.0%)</b>
Non-disabled	150 (100.0%)	<b>142 (100.0%)</b>

## HIRING AND ATTRITION

HRC’s ability to maintain its competitive edge in the refining industry begins with a structured and merit-based hiring framework. To ensure we secure the highest quality of talent while maintaining the integrity of our “Equal Opportunity” commitment, every candidate undergoes a multi-tiered evaluation. This process is overseen by a diverse interview panel consisting of the departmental leadership team, the hiring manager, and a Human Resources representative.

Reflecting our commitment to fair employment and ethical governance, all successful candidates are provided with comprehensive employment contracts. These documents offer full transparency regarding terms and conditions, ensuring that new joiners enter the organisation with a clear and fair understanding of their professional relationship with HRC.




HRC’s recruitment momentum has strengthened over the past three financial years, with total new hires showing a clear upward trend from FY2023 to FY2025. The overall hiring profile remained broadly consistent year-on-year.

# Social Sustainability

We view recruitment as a strategic investment in our future. Beyond filling immediate vacancies, HRC is focused on enhancing our talent pipeline and succession planning. By identifying and nurturing high-potential employees early in their tenure, we ensure a steady supply of "leadership-ready" individuals capable of stepping into critical roles. This structured approach to succession planning is vital for maintaining operational continuity to ensure the transitions in key technical and managerial positions are seamless and do not disrupt our core refining activities.


To ensure our human capital agenda remains effective, we analyse exit trends and qualitative employee feedback to enhance the overall workplace experience. Additionally, we implemented three key retention strategies below to elevate employee value proposition:

**Continuous Engagement**




Maintaining open channels of communication between management and the workforce to ensure employee voices are heard and valued.

**Learning and Development**



Providing robust technical and soft-skills training that allows our staff to remain at the forefront of the refining industry.

**Structured Career Pathways**



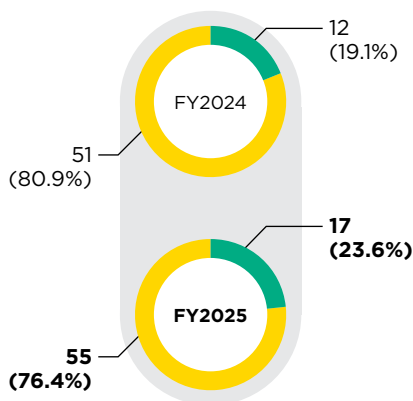
Offering clear, merit-based growth trajectories that align individual aspirations with the company's long-term strategic goals.

## Turnover

### Total Turnover

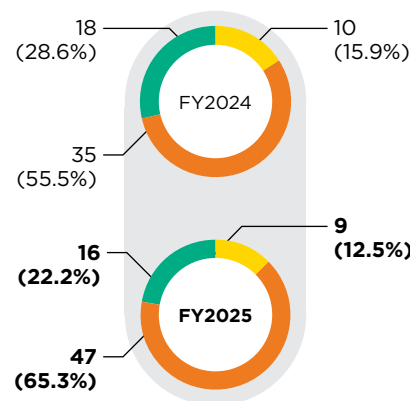


### Gender



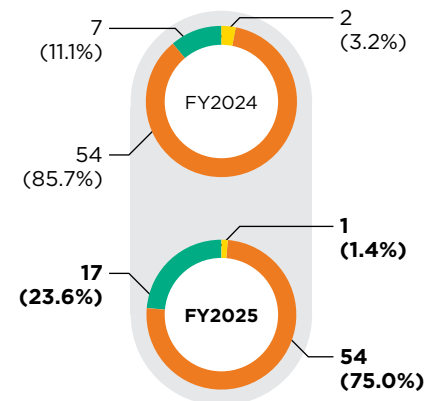
Female  
Male

### Age



< 30 years old  
30 - 50 years old  
> 50 years old

### Employee Category



Management  
Executive  
Non-executive

# Social Sustainability



## BENEFITS AND ENGAGEMENT

At HRC, we believe that our long-term success is linked to the well-being of our people and the strength of the communities in which we operate. We adopt an integrated approach to value creation. By prioritising open communication, collaborative partnerships, and shared goals, we strive to build trust, enhance our operational environment, and create a culture of mutual respect.

Through comprehensive benefit frameworks that support our employees' livelihoods and impactful outreach initiatives that empower the Port Dickson community, HRC remains committed to fostering an inclusive ecosystem where all stakeholders can thrive.

### KEY HUMAN RESOURCE PRINCIPLE

#### Grievance Mechanism

Our grievance mechanism under the employee Code of Conduct provides a formal avenue for our employees to register complaints or any dissatisfaction faced by them. This mechanism is an internal avenue for confidential discussions in a formal or informal manner through line managers or escalated to the Head of HR, CEO, or both, if issues cannot be resolved. The reporting channels under the Whistleblowing Policy also allow employees to report any potential violation of policies or procedures in a safe and secure environment.

#### Working Hours

In compliance with the Employment Act 1955, HRC ensures working hours for employees are in line with employment laws and labour standards. We encourage work-life balance and do not encourage excessive working hours. HRC maintains and practices in-house health and safety standards such as the Fatigue Management that ensures employees stop work and rest after working more than 16 hours. The Inconvenience Allowance and Time Off In Lieu Policy were established to facilitate the offer of compensatory time off for long hours of work or for work on rest days and public holidays.

#### Harassment or Bullying

HRC addresses bullying and workplace harassment by providing a confidential reporting channel and point of contact for whistleblowing and via the grievance mechanism mentioned above. We are guided by our established policies, consequence management framework, the Employment Act 1955 and the Industrial Act 1995. The Industrial Relations or the Employee Relations advisor will provide updates to the line managers on the status of the bullying or harassment cases.

#### Human Rights

HRC subscribes to internationally recognised human rights standards through our existing framework, manuals and policies. These include but are not limited to ensuring:

- a all major projects and facilities must have a social performance plan and address social impacts of our operations on local communities;
- b company-wide security requirements help keep staff, contractors and facilities safe in a way that respects human rights and the security of local communities;
- c our policies and standards help us establish fair labour practices and positive environment
- d we seek to work with contractors and suppliers who contribute to sustainable development and are economically, environmentally and socially responsible.

The Industrial Relations or the Employee Relations Advisor is the key focal person responsible to monitor any human rights matters in HRC. These can include labour issues raised by the Trade Union, or health and safety standards for workers as well as ensuring a safe, inclusive and conducive workplace for all. We are serious about how our employees are treated and the fundamental human rights principles expressed in the Universal Declaration of Human Rights and the UN Guiding Principles on Business and Human Rights must be upheld at all times.

## Social Sustainability

### Fair Wages, Forced and Child Labour

Although no specific policy is established on forced or child labour, HRC strives to adhere to all applicable Malaysian laws and regulations and the spirit of relevant international conventions to ensure that our employees are protected by, amongst others, meeting minimum wages, and prevention of forced or child labour. We also determine the wages paid by third party contractors for our contract workers to ensure they are paid fairly.

### Freedom of Association

HRC provides freedom for all employees to participate in any associations or political party as long as they comply with Malaysian laws, does not lead to any conflict of interest, or negatively impact the Company's reputation. This voluntary freedom of association is demonstrated by the establishment of the Trade Union and their rights to organise and bargain collectively under the CBA.

### EMPLOYEE BENEFITS

HRC provides attractive yet competitive remuneration packages specifically designed to recognise the expertise and commitment of our full-time employees. We understand that a high-performance culture is sustained when employees feel secure and valued; therefore, our benefits framework extends beyond the individual to offer meaningful support for immediate family members. By integrating robust leave entitlements with continuous investments in employee well-being, HRC ensures that our human capital remains motivated and resilient. These benefits include:

- Flexible working arrangements available for non-shift employees
- Leave (annual, medical, prolonged, illness, compassionate leave, examination)
- Parental leave, both maternity and paternity
- Employee's Provident Fund (EPF) contribution includes a top-up from the company on the employer's portion, determined by years of service
- Monthly transportation allowance
- Childcare support (3 months to 6 years old)
- Wellness support
- Dental and optical care support
- Medical health provider (inpatient, outpatient & specialist care)
- Professional fees
- Survivor's benefit covering permanent disability, invalidity or death
- Performance-based bonus with annual increment
- Inconvenience allowance and time-off in lieu compensation provided to employees (senior employees with P6 and below) who return to work on rest days, off days and public holidays
- Long-service award
- Holiday re-imbusement
- Shift allowance for employees working shift
- Funeral assistance for immediate family members
- Housing loan interest subsidy
- Other employee benefits include pre-employment medical checkup, birthday voucher, festive celebrations, away day and training



## Social Sustainability

Parental Leave	FY2023	FY2024	FY2025
Employees entitled to maternity and paternity leave	340* (100.0%)	337 (100.0%)	<b>332</b> <b>(100.0%)</b>
Employees who took maternity leave	3 (1.0%)	6 (2.0%)	<b>5</b> <b>(1.0%)</b>
Employees who took paternity leave	42 (12.0%)	34 (10.0%)	<b>21</b> <b>(6.0%)</b>

\* Employees entitled to maternity and paternity leave data in FY2023 has been restated to conform with current year presentations.

Return to Work Post Parental Leave	FY2023	FY2024	FY2025
<b>Return to work rates (return to work after parental leave period) (%)</b>			
Female	100	100	<b>100</b>
Male	100	100	<b>100</b>
<b>Retention rates (remain with the organisation for 12 months or more post parental leave) (%)</b>			
Female	100	100	<b>100</b>
Male	96	100	<b>100</b>

### EMPLOYEE ENGAGEMENT

HRC prioritises employee engagement to foster stronger connections between all employees. Throughout the year, a range of initiatives and programmes were implemented to foster a sense of belonging, strengthen two-way communication between leadership and staff, and align the workforce with our strategic goals. Highlights of employee engagements that were carried out in FY2025 include:

#### » Town Hall 2025

Our Town Hall sessions serve as a key platform for employee engagement and organisational transparency, providing updates on business and operational performance, enabling two-way dialogue between employees and management. In FY2025, one Town Hall was held, giving employees the opportunity to raise questions directly and share feedback in an open setting. To ensure information reaches employees consistently across functions and work schedules, key updates are also communicated through Employee Information (EI) emails, supporting timely and inclusive access to operational information for all employees regardless of role, seniority, age group, or background.

#### » Onboarding Programme

We conduct onboarding sessions to support new employees in integrating smoothly into the organisation. The programme introduces our workplace expectations, policies, and key procedures, including conduct-related requirements that reinforce respectful behaviour and non-discrimination. By establishing clear expectations early, we aim to support a welcoming workplace where employees are treated fairly regardless of race, religion, age, gender, or other personal characteristics, and where everyone can contribute effectively from day one.

## Social Sustainability

### » Festive Celebrations

We marked major cultural and religious festivals through on-site celebrations that brought together employees and management. By celebrating Chinese New Year, Hari Raya, and Deepavali, we are committed to build an inclusive workplace that respects Malaysia's diversity and promotes mutual understanding across teams. These events provide informal opportunities for employees of different backgrounds and age groups to connect, strengthen relationships, and foster a culture of respect.

- a. Chinese New Year Celebration:  
Hosted a site-based celebration to recognise cultural traditions and strengthen team camaraderie across departments.



- b. Hari Raya Celebration:  
Organised a Hari Raya gathering that encouraged cross-team connection and strengthened a culture of inclusivity and respect.

- c. Deepavali Celebration:  
Conducted Deepavali celebration to acknowledge cultural diversity and promote shared appreciation among employees.



# Social Sustainability

## » Away Day

Departments organised Away Day programmes at different locations to strengthen teamwork and collaboration. These sessions provided employees with a structured yet informal space to build trust and improve coordination across roles and seniority levels. Where applicable, teams were encouraged to structure activities in a way that supports inclusive participation across different ages and backgrounds.



## » Safety Day

Safety Day is one of our key employee engagement events and supports a strong HSSE culture through shared learning and participation. Activities are designed to reinforce safe work practices, raise awareness, and strengthen individual accountability in identifying hazards and preventing incidents. The event reflects our belief that a safe workplace is built through collective responsibility, where every employee has a part to play in maintaining safe and healthy operations.



## » Process Safety Campaign

Our Process Safety Campaign focused on strengthening employee awareness and understanding of the Process Safety 9 Fundamentals (PS9F), supporting our commitment to preventing unplanned releases and high-severity process safety events. Through awareness and knowledge-sharing activities, employees were reminded of the importance of consistently following procedures, recognising risks, and avoiding unsafe shortcuts. The campaign reinforces that process safety requires disciplined behaviours from everyone at every level.



## Social Sustainability

### » HRC Health Day 2025

HRC Health Day 2025 was organised to promote wellbeing, preventive health awareness, and positive team participation in a supportive environment. Activities were designed to be accessible and inclusive, supporting participation across different employee groups and age ranges. Key activities included:

- a. A Blood Donation Campaign, supported by the Hospital Tuanku Jaafar mobile team from Seremban, with a target of around 80 donors.
- b. PERKESO Health Screening Programme 3.0 for employees aged 40 and above, utilising free health screening vouchers provided by SOCSO Malaysia, conducted by a medical team from UCSI Hospital.
- c. A guided physio stretching session led by the UCSI Physiotherapy Team using resistance bands to encourage active lifestyles and reduce strain-related risks.
- d. A creative art therapy activity to provide a relaxed platform for employees to connect and manage stress.



- b. PERKESO Health Screening Programme 3.0 for employees aged 40 and above, utilising free health screening vouchers provided by SOCSO Malaysia, conducted by a medical team from UCSI Hospital.
- d. A creative art therapy activity to provide a relaxed platform for employees to connect and manage stress.



Overall, the programme strengthened health awareness and encouraged employees to take practical steps towards wellbeing, while building a more connected workplace culture.

# Social Sustainability



## LABOUR AND HUMAN RIGHTS

HRC is committed to operating a business that is fair, responsible, and equitable. We recognise that respecting human rights is fundamental to our social licence to operate and is a core component of our long-term sustainability. Our approach is guided by internationally recognised human rights standards, including the United Nations (UN) Guiding Principles on Business and Human Rights and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

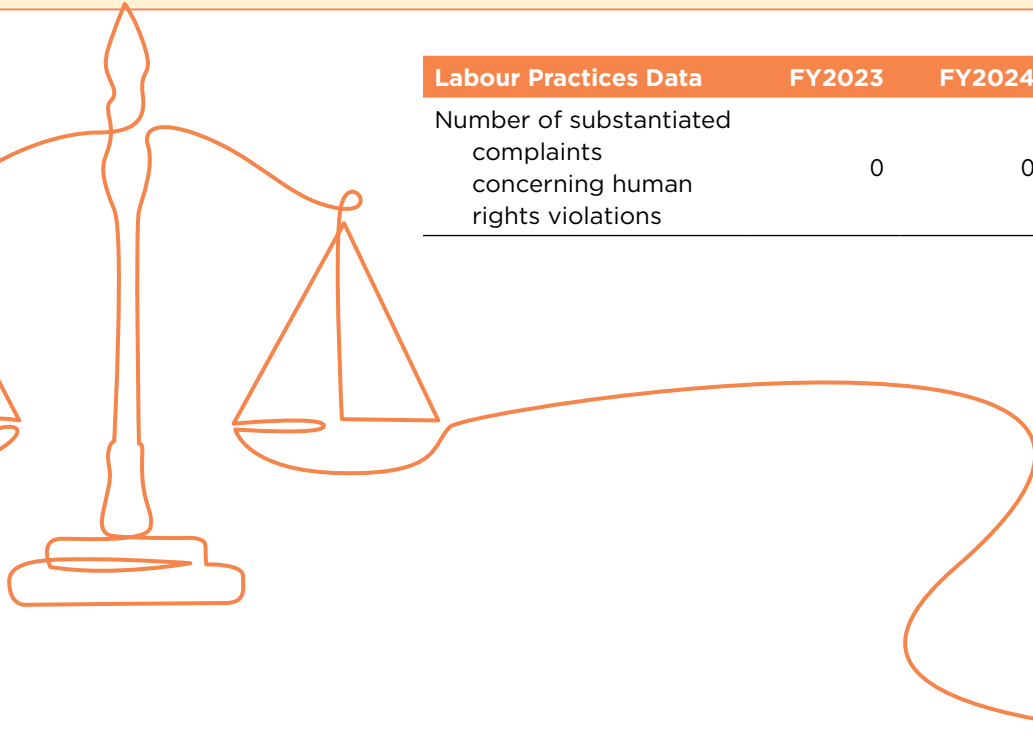
Our dedication to ethical conduct is reinforced by our ISO 37001:2016 Anti-Bribery Management System, which was implemented in 2019. This certification serves as an internal control and our proactive stance against corruption, ensuring that our business practices align with the highest global integrity standards. By integrating these principles into our daily operations, we safeguard the dignity and rights of our employees, partners, and the broader community.

The fundamentals of HRC's Collective Agreement are firmly grounded in Malaysia's robust legal framework, including the Employment Act 1955, Industrial Relations Act 1967, Employee's Provident Fund (EPF) Act 1991 and the Social Security Organization (SOCSO) Act 1969.

Our commitment to human rights extends beyond our internal operations. We prioritise collaboration with contractors and business partners who demonstrate a clear commitment to sustainable development and ESG principles. Furthermore, all major projects and facilities under HRC incorporate a Social Performance Plan. This ensures that we systematically identify, address, and mitigate any potential social impacts our operations may have on local communities in Port Dickson to ensure we remain a responsible and supportive neighbour.

To ensure ongoing vigilance and accountability, HRC has appointed an Industrial Relations (IR) or Employee Relations Advisor to act as the key focal point for human rights matters. This role is essential for:

-  Monitoring labour Issues
-  Health and Safety Standards
-  Conducive Workplace



Labour Practices Data	FY2023	FY2024	FY2025
Number of substantiated complaints concerning human rights violations	0	0	0

## Social Sustainability



### TRAINING AND DEVELOPMENT

HRC actively cultivates its workforce through comprehensive training and development initiatives throughout their employment journey. Recognising continuous learning as a vital mechanism, HRC invests in a wide array of programmes, encompassing both technical and non-technical skills, with on-the-job training as a routine practice.

Employees are empowered to take ownership of their career paths and training, collaborating with management to identify specific development needs through annual Individual Development Plans, while leadership provides strategic input to ensure training aligns with HRC's evolving business objectives and competitive landscape, fostering a professional, high-performing workforce and supporting the personal and professional growth aspirations of every employee.

#### EMPLOYEE TRAINING

In FY2025, the key focus areas of employee training at HRC include strengthening technical and operational competencies to support safe, reliable and efficient refinery operations, enhancing safety, health and environmental (HSE) practices to reinforce a strong safety culture and minimise operational risks, ensuring full compliance with regulatory, legal and industry standards, developing leadership and supervisory capabilities to build a sustainable and future-ready talent pipeline, advancing digitalisation and analytical capabilities to support data-driven decision making and operational optimisation, promoting sustainability and ESG-related initiatives including energy efficiency, carbon management and environmental stewardship, as well as fostering employee well-being and mental health to cultivate a resilient, engaged and high-performing workforce.

#### Technical Skills

- Materials Selection for Project Cost Viability & Operation Integrity
- VCAT II Intermediate Vibration Analysis Certification
- Advanced Training for Chemical Tanker Cargo Operation
- Measurement Uncertainty in Chemical Analysis
- Basic Laboratory Skills & Techniques
- Statistical Methods for Chemists
- TUV/IICS 2.4 Certified Refractory Inspector (API 936 & API 982)
- Reciprocating Compressor & LTSA Programme
- Application of MS Excel for Data Analysis in Analytical Chemistry
- Honeywell Advanced Process Control: Fundamentals - Process Controller Implementation
- Level 1 Partial Discharge Course
- Infrared Thermographer Course
- Steam Boiler Engineer Grade 2
- Karl Fischer & Titration Troubleshooting
- Partial Discharge Assessment & Survey Techniques
- API 653 Above Ground Storage Tank
- Level 1 Partial Discharge Assessment & Survey Technique Training Course
- Materials Failure Analysis for Technical Personnel
- Bearing Technology and Maintenance Course
- Forensic Analysis on the Wastewater Operational Upset

#### HSSE

- Fire Fighting
- Authorised Gas Tester and Entry Supervisor
- OSH Train the Trainer Competency Based Programme
- Customised Advanced Industrial First Aid, CPR & AED
- Program Menyelamat di Ruang Terkurung & Tindakan Awalan
- NEBOSH International General Certificate in Occupational Safety & Health
- Lifting Supervisor
- Authorised Entrant and Standby Person (Refresher & New)
- Management of Chemicals & Chemical/Lab Wastes
- Authorised Entrant & Standby Person for Confined Space
- On Scene Commander
- First Aid, CPR and AED Basic Life Support
- Authorised Gas Tester & Entry Supervisor - Refresher
- Seminar KKP 2025
- Beyond Compliance: Elevating Workplace Safety, Health & Human Potential

# Social Sustainability

## Sustainability and Environmental Management

- Industrial Thermal Energy Audit & Analysis (ITEA)
- Bengkel Buangan Terjadual melalui Electronic Scheduled Waste Information System
- Procedure for the Establishment of an Energy Management System (EMS)
- BSI Greenhouse Gas Practitioner Qualification - GHG Quantification & Emissions Management
- THE SIGNIFICANCE OF ENERGY EFFICIENCY & KEY TIPS TO BOOST IT
- IFRS S2 Climate Risk Assessment Workshop

## IT and Digital Skills

- SAP S/4HANA Overview
- UAS Pilot Training
- ITIL 4 Foundation
- CITM - Certified IT Manager (CITM®)

## Leadership and Management

- Certified Construction Project Manager
- Effective Management of Delay Analysis and EOT & Variation Claims
- Professional Development Award - Workplace Assessment (SCQF Level 8)

## Soft Skills

- Communication and Customer Service for Front Desk and Receptionist
- Kesihatan Mental: Kunci Keseimbangan Hidup & Kerjaya

## Workshops, Conferences, Seminars

- Hydrotreating & Hydrocracking Solutions Seminar by Topsoe (Pattaya)
- Jemputan Kursus Refresher Seminar Siri 4/2025
- Conference and Exhibition on Occupational Safety and Health (COSH)
- ACIIA Conference 2025
- AMPP East Asia & Pacific Area Conference 2025
- Data Owners' Briefing (Online)

## Audit and Compliance

- Integrated Thinking Workshop
- ISO 17025:2017 Awareness & Auditing Training
- Work Process Methodology Audit Refresher Training
- ISPS Auditor Training Certification
- Understanding the Elements of MS ISO/IEC 17025:2017 Training
- Understanding the Elements of MS ISO/IEC 17025:2017
- ISO 37001:2016 ABMS System Training

## Legal and Regulatory Compliance

- Pengurusan Penamatan Perkhidmatan & Pengiraan Upah di Bawah Akta Kerja 1955
- Understanding Trade Union Act 1959 (Amendment) 2024
- Dawn Raid Engagement Session
- Seminar Pengurusan Pekerja & Pemahaman Akta Kerja 1955

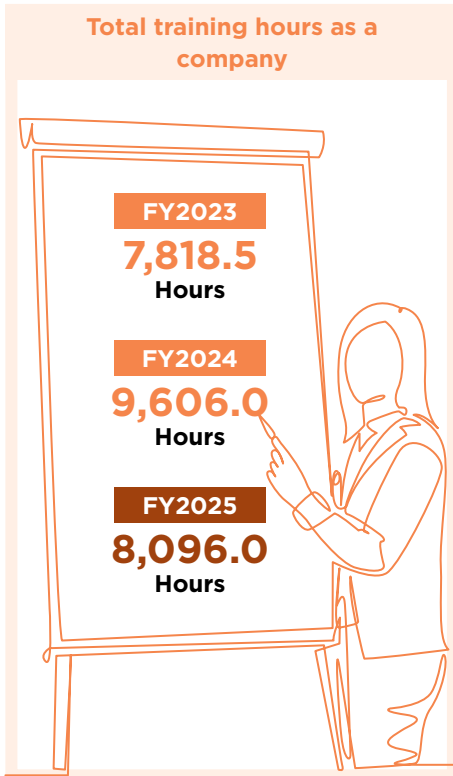


Climate Risk Assessment Workshop



Climate Risk Assessment Workshop

# Social Sustainability



Training Data (Hours)	FY2023	FY2024	FY2025
<b>Gender</b>			
Female	NA	1,372.5	<b>684.0</b>
Male	NA	8,233.5	<b>7,412.0</b>
<b>Employee category</b>			
Management	257.0	393.0	<b>112.0</b>
Executive	1,632.0	2,027.5	<b>3,584.0</b>
Non-executive	5,930.0	7,185.5	<b>4,400.0</b>

Training Data (Hours)	FY2023	FY2024	FY2025
<b>Average training hours per employee</b>			
	23.6	23.6	<b>19.6</b>
<b>Gender</b>			
Female	NA	31.9	<b>14.3</b>
Male	NA	22.6	<b>20.3</b>
<b>Employee category</b>			
Management	NA	43.7	<b>12.4</b>
Executive	NA	8.2	<b>13.6</b>
Non-executive	NA	47.9	<b>31.0</b>

*Note:*  
Some data is unavailable due to the expanded sustainability reporting disclosures in FY2024, which were implemented to enhance alignment with Bursa's Sustainability Reporting Guide 2022 and GRI.

## INTERNSHIP AND GRADUATE PROGRAMMES

HRC's Internship Programme remains important for our human capital strategy, serving as a vital pathway for nurturing high-potential talent and supporting the nation's professional development goals. Each year, we welcome a new cohort of interns into our operations, providing them with an immersive, hands-on learning experience that bridges the gap between academic theory and industrial application.

During their tenure, interns receive comprehensive, multi-disciplinary training across various functional units, including Engineering, QHSSE, Corporate Affairs, HR and IT departments. This structured exposure ensures that they gain a holistic understanding of operational excellence and safety leadership.

Building on the steady growth of our programme, we continued our commitment to youth empowerment in the current year. In FY2025, HRC successfully hosted 23 interns across our diverse functional units.



# Social Sustainability

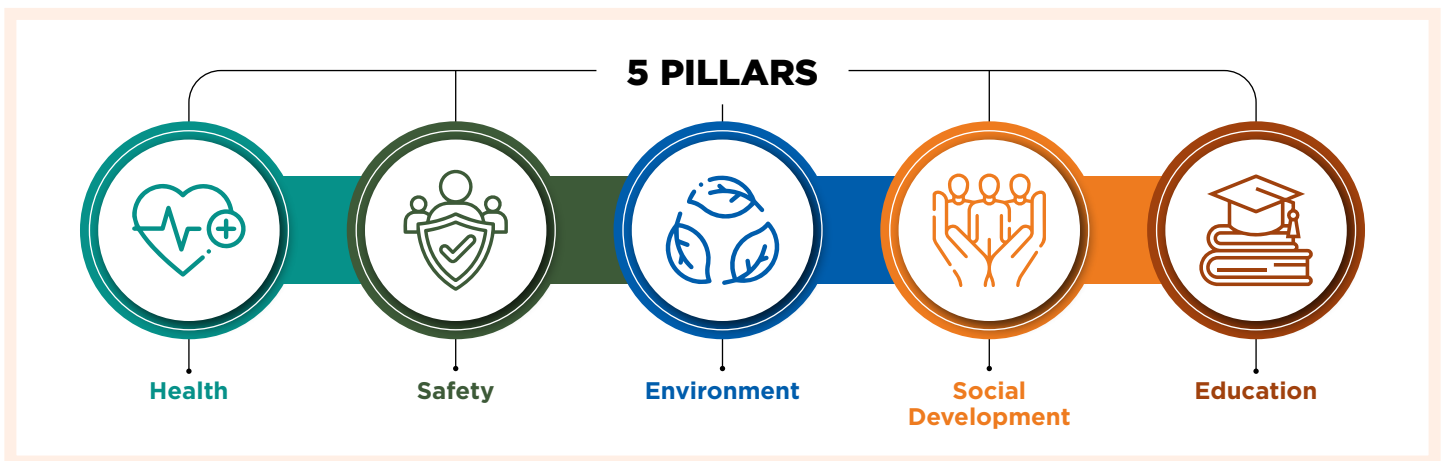


## COMMUNITY OUTREACH

HRC is dedicated to driving social progression and enhancing the standard of life for the communities where we operate. Our outreach strategy focuses on creating long-term value through purposeful support programmes that address key social needs. By aligning our corporate resources with community aspirations, we ensure that our presence contributes to a more resilient and inclusive society.

## COMMUNITY ENGAGEMENT

HRC's community investment strategy is anchored in a structured approach that seeks to drive meaningful social progression and enhance the quality of life for our stakeholders. Extending across five key pillars associated with the overall standard of life and social progression, these support programmes demonstrate HRC's commitment to its communities.



HRC's Corporate Social Responsibility (CSR) guidelines serve as the foundation for our community investment initiatives, and the guidelines focus on:

 <p><b>Operational footprint</b></p>	 <p><b>5 pillars of Health, Safety, Environment, Social Development and Education</b></p>
 <p><b>Prioritising activities benefiting social welfare for the local community in Port Dickson, Negeri Sembilan</b></p>	

## Social Sustainability

The following were the community engagements held in FY2025:

### » Hengyuan Berkat Chinese New Year 2025

In conjunction with the Chinese New Year 2025 celebration, HRC carried out its annual Mandarin orange distribution and community engagement session with the local community at Kampung Teck Lin. The programme involved the distribution of 200 boxes of Mandarin oranges and 60 cartons of canned drinks, benefitting approximately 200 families, alongside refreshments for residents as part of HRC's festive outreach initiative. This initiative reflects HRC's commitment to fostering good neighbour relations, strengthening community engagement, and sharing festive joy with the surrounding communities during the Chinese New Year celebration.



### » Hengyuan Community Lunch Gathering 2025

As part of HRC's Hari Bersama Komuniti initiative, HRC organised the Hengyuan Community Lunch Gathering Session 2025 to strengthen relationships with neighbouring communities and key stakeholders. The programme, held at the HRC Sports Club, provided a platform for engagement through a community lunch gathering, a corporate update by the CEO, and the handover of donations to four village committees mainly as JPKK and handover of adult diapers to underprivileged families in Port Dickson in collaboration with local ADUN office. This initiative demonstrated HRC's ongoing commitment to fostering good neighbour relations, supporting community well-being, and maintaining positive engagement with fenceline communities in a relaxed and inclusive setting.



## Social Sustainability

### » Hengyuan Berkat Ramadan Care Kit 2025

In conjunction with the month of Ramadan, HRC distributed the HRC Berkat Ramadan Care Kit 2025 as part of its annual community outreach programme for families within the HRC fenceline. The initiative involved the door-to-door distribution of food baskets and daily necessities to 20 underprivileged families (asnaf), with beneficiary identification supported by the JPKK Kampung. The programme was implemented with essential items and aimed to provide timely assistance ahead of the Hari Raya celebration. This initiative reflects HRC's continued commitment to supporting community well-being, strengthening good neighbour relations, and sharing festive care with the surrounding communities.



### » Hengyuan Berkat Deepavali 2025

HRC Berkat Deepavali Distribution Programme 2025 was implemented to continue the annual festive assistance provided in previous years. The programme involves door-to-door distribution of Deepavali festive goodies and shopping vouchers to 20 underprivileged families in Port Dickson, primarily single-parent households from the B40 group. This initiative aims to provide festive support to the community, strengthen good neighbour relations, and assist families in preparing for the Deepavali celebration.



Community Engagement Data	FY2023	FY2024	FY2025
Amount invested (RM'000)	26.6	36.9	<b>54.6</b>
No. of beneficiaries <sup>1</sup>	275	275	<b>365</b>

Note:

<sup>1</sup> Beneficiaries are defined as individuals, families and students.

### Employee Volunteerism

Our employee volunteerism initiatives are designed to channel the professional skills and personal passions of our workforce toward meaningful social and environmental causes. In FY2025, a total of 32 employees contributed a combined 120 hours across 5 different community engagement initiatives.

Employee Volunteerism Data	FY2024	FY2025
Number of employee volunteers	31	<b>32</b>
Amount of volunteering hours	88	<b>120</b>

Moving forward, HRC remains committed to expanding volunteerism opportunities for our employees to help addressing local challenges and drive sustainable social impact.

# Social Sustainability



## OCCUPATIONAL SAFETY AND HEALTH

The occupational safety and health (OSH) of our employees, contractors, and vendors remains HRC's highest priority. We uphold a rigorous duty of care to ensure the safety and well-being of every individual, recognising that our dedication is the primary driver of our operational resilience and long-term value creation. To support this, HRC maintains a safe and conducive work environment through targeted initiatives designed to safeguard our workforce and eliminate workplace hazards. HRC's OSH data is internally audited and certified by ISO 45001:2018 Occupational Health and Safety Management System.

To ensure workers' health and safety, safety risks are addressed from the early planning and design stages through formal hazard identification and risk assessments, with risk assessments conducted for all existing operations and projects, as well as for potential new operations through Hazard and Operability Studies (HAZOP). It is managed during execution and operations via established control measures, including permit-to-work systems, management of change processes, competency and training requirements, toolbox talks and continuous supervision. HSSE matters are reviewed through regular management forums, including monthly Tier 3 HSSE Steering Committee meetings, which provide a platform to review performance trends, emerging risks and improvement actions.

In FY2025, our commitment to excellence was reflected in several key Health, Safety, Security, and Environment (HSSE) milestones, including:

### » Safety Day & HSSE Campaigns

Organised Safety Day and delivered targeted campaigns, including the refreshed Nine Life Saving Rules (LSR), HSSE Infringement Code Refresher Roadshow, Bicycle Safety Campaign, and "Doctor in the House" talk.



### » Causal Learning Facilitator Training

Conducted facilitator training to strengthen internal capability in leading learning sessions and applying the Causal Investigation & Learning methodology, particularly for HSSE incident investigations.



# Social Sustainability

## » ICARE4SAFETY Back2Basic Pacemaker Engagement

Launched the Back2Basic programme to streamline HSSE programmes and reinforce safety fundamentals, supporting a stronger safety culture across HRC.



## » Be Well Programme

Continued the Be Well programme to support employee wellbeing and sustain performance.



## » Daily QHSE Site Walk Programme

Continued daily HSSE checks and site walks by the QHSE team for proactive hazard identification and coaching, with findings tracked and followed through closely.

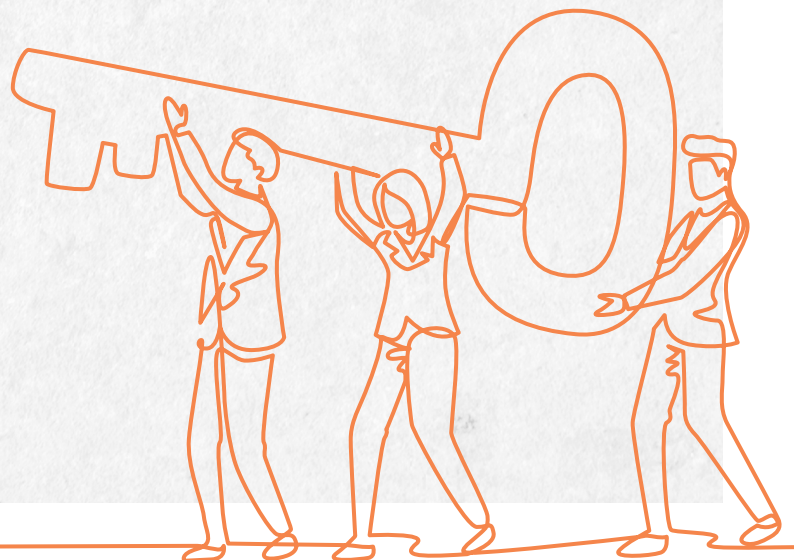


## » Intelligent Patrol Management System (IPMS)

Implemented IPMS to enhance Emergency Response and Security monitoring through real-time patrol tracking and automated reporting, supporting faster response, consistent monitoring of critical areas, and stronger compliance.

## » HSSE Training Series

Delivered structured HSSE training sessions to reinforce awareness, competency and consistent safe work practices.



# Social Sustainability

## HEALTH SAFETY SECURITY ENVIRONMENT AND SOCIAL PERFORMANCE POLICY

HRC’s Health Safety Security Environment and Social Performance (HSSE & SP) Policy sets out the Group’s commitments to responsible operations, people safety, environmental protection and positive social outcomes. The policy guides decision-making and behaviours across all business activities and applies to employees, contractors and business partners.

Under the HSSE & SP Policy, HRC is committed to:

- Pursue the goal of no harm to people, safeguard the health and safety of employees, contractors and business partners.
- Protect the environment, including preventing pollution and minimising environmental impact from operations.
- Use materials and energy efficiently to reduce resource consumption and environmental footprint.
- Operate the refinery safely and maintain asset integrity to ensure reliable and secure operations.
- Respect neighbouring communities and contribute positively to the wider community.
- Advocate industry best practices and demonstrate leadership through responsible conduct.
- Embed HSSE & SP performance as a core organisational value across all business activities.
- Deliver products and services responsibly, in line with HSSE and social objectives.
- Report HSSE & SP performance transparently to stakeholders.
- Promote a shared HSSE culture among employees and business partners.
- Provide a secure and respectful working environment that supports the wellbeing of all personnel.

## OSH TRAINING

HRC provides comprehensive OSH training as a core component of our commitment to maintaining a zero-harm operational environment. These programmes are designed to reinforce a "Safety First" mindset, ensuring that every employee is equipped to identify risks and prevent workplace injuries. In FY2025, we continued to deliver specialised training across critical operational areas to safeguard our workforce and ensure long-term productivity.

A total of 59 training courses (536 hours) were conducted in FY2025 with 373 participants. Over the years, the number of health and safety training courses provided has been maintained following the site’s needs, reflecting HRC’s commitment and care for its workforce’s safety and well-being.

OSH Training	FY2023	FY2024	FY2025
Total training hours	736	864	<b>536</b>
Average training hours	8	8	<b>8</b>
Number of training sessions	84	98	<b>59</b>
Number of participants	3,053	262	<b>373</b>

*Note:*  
 Due to data collection limitations, the number of participants reported for FY2023 includes both employees and contractors, with possible duplication where individuals attended multiple training sessions. Starting in FY2024, data collection has been improved to accurately track unique participants.

## Social Sustainability

### OSH PERFORMANCE

To support consistent oversight and accountability, OSH performance is monitored across projects and operational activities, including those involving contractors and suppliers through safety pre-qualification, induction and performance monitoring processes.

OSH Performance	FY2023	FY2024	FY2025
Total manhours worked (million hours)	2.7	1.8	<b>2.2</b>
No. of work-related fatalities	0	0	<b>0</b>
Employee	0	0	<b>0</b>
Contractor	0	0	<b>0</b>
No. of recordable work-related injuries	2	2	<b>1</b>
Total no. of lost days/LTI	0	0	<b>0</b>
No. of incident reports	91	43	<b>36</b>
Unsafe Act Unsafe Condition (UAUC)	1,201	1,828	<b>1,956</b>
Occupational diseases rate	0	0	<b>0</b>
Injury rate (including fatalities)	3.3	3.4	<b>0.9</b>
Fatality rate	0	0	<b>0</b>
Lost-Time Incident Rate (LTIR)	0	0	<b>0</b>
Total Recordable Case Frequency (TRCF)	0.7	1.1	<b>0.5</b>
Near Miss & Potential Incidents (NMPI)			
Closure rate	94.0%	92.0%	<b>91.0%</b>
Submissions	3,397	2,178	<b>2,125</b>
First Aid Cases (FAC)	7	4	<b>1</b>

# Statement of Assurance

To strengthen the credibility and reliability of the Sustainability Statement, selected disclosures were subjected to both internal and external assurance processes. Specifically, the Sustainability Statement underwent:

- an internal review performed by the Company's Internal Audit function; and
- independent assurance for selected indicators, conducted in accordance with recognised assurance standards.

The limited assurance reviews were approved by the Company's Board Audit Committee (BAC). A summary of the scope, subject matters and conclusions is provided below:

## ASSURANCE STATEMENT BY INTERNAL AUDIT DEPARTMENT

### Sustainability Matter

The subject matters covered by the limited internal assurance review include the following sustainability indicator reported in HRC's Sustainability Report:

Sustainability Matter		Scope
Community/Society	Total amount invested in the community where the target beneficiaries are external to listed issuer	HRC's refinery plant located at Jalan Pantai, Port Dickson, Negeri Sembilan.  [This excludes third party operating within HRC premises such as LPG bottling plant, Lube Oil Blending Plant (LOBP), fuel lorries, barges and ships berthing at Jetty.]
	Total number of beneficiaries of the investment in communities	
Diversity	Percentage of employees by gender and age group, for each category	
	Percentage of directors by gender and age group	
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	
Water	Total volume of water used	

Our assurance does not extend to any other information that may be included in the HRC's Sustainability Report for the current year or for previous periods unless otherwise indicated.

### Limited Assurance Conclusion

Based on work done and supporting evidence provided by HRC, nothing has come to our attention that causes us to believe that the Subject Matter information above is factually inaccurate.

# Statement of Assurance

## INDEPENDENT ASSURANCE STATEMENT



**SGS**

Statement No: MY26/00000216

### Greenhouse Gas Verification Statement

The inventory of Greenhouse Gas emissions in year 2025 of  
**Hengyuan Refining Company Berhad**  
1, Jalan Pantai, Port Dickson, 71000 Port Dickson,  
Negeri Sembilan, Malaysia

has been verified in accordance with ISO 14064-3:2019 as meeting the  
requirements of

### ISO 14064-1:2018

**Direct Emissions (Category 1)**  
1,125,717.93 tonnes of CO<sub>2</sub>e

**Energy Indirect Emissions (Category 2)**  
175,631.98 tonnes of CO<sub>2</sub>e

**Indirect Emissions (Category 3)**  
816.99 tonnes of CO<sub>2</sub>e

**Total Direct and Indirect Emissions**  
1,302,166.9 tonnes of CO<sub>2</sub>e

Authorized by



ChM. Dr. Kenny Looi

Date: March 30, 2026

SGS (Malaysia) Sdn. Bhd.  
Lot 3 & Lot, 4, Persiaran Jubli Perak, Seksyen 22, 40300  
Shah Alam, Selangor Darul Ehsan, Malaysia  
T: +6(03) 7627 0080 www.sgs.com

This Statement is not valid without the full verification scope, criteria and conclusion available on the Statement.

# Statement of Assurance



## Scope

SGS Malaysia Sdn. Bhd. (hereinafter referred to as "SGS") has been contracted by Hengyuan Refining Company Berhad ("HRC") (Company Registration No.: 0003926-U) located at 1, Jalan Pantai, Port Dickson, 71000, Port Dickson, Negeri Sembilan, Malaysia to verify the direct and indirect greenhouse gas (GHG) emissions in accordance with ISO 14064-3:2019 as provided by HRC, in the GHG assertion in the form of report covering GHG emissions of the period from 01 January 2025 to 31 December 2025.

The verification was conducted at a limited assurance level, applying a materiality threshold of  $\pm 10\%$  for potential errors or omissions.

## Reporting Criteria

Criteria against which the verification assessment was undertaken included the following:

- ISO 14064-1:2018 - Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals; and
- API Compendium of Greenhouse Gas Emissions Methodologies for the Natural Gas and Oil Industry (2021).

## Roles and Responsibilities

The management of HRC is responsible for the organisation's GHG information system, including the design, implementation, and maintenance of records, reporting procedures, and controls for the quantification and reporting of GHG emissions. This includes the preparation and presentation of GHG emissions in accordance with the established reporting criteria.

It is SGS's responsibility to express an independent GHG verification opinion on the GHG emissions as provided in the GHG assertion for the period 01 January 2025 to 31 December 2025.

The verification of HRC's GHG emissions was conducted based on the scope, objectives, and criteria agreed between HRC and SGS on 3 October 2025. The verification was carried out in accordance with ISO 14064-3:2019, covering the period from 6 November 2025 to 11 February 2026.

## Boundary

The organisational boundary for the verification is defined based on the operational control approach. HRC's organisational boundary includes process and utilities, oil movements, jetty operations, building facilities, and other assets owned or operated by HRC within the refinery premises.

This Statement is issued, on behalf of Client, by SGS Malaysia Sdn. Bhd. ("SGS") under its General Conditions for GHG Verification and Validation Services available in [http://www.sgs.com/terms\\_and\\_conditions.htm](http://www.sgs.com/terms_and_conditions.htm). A full copy of the report may be consulted at SGS. This Statement does not relieve Client from compliance with any regulations that applied to it. Stipulations to the contrary are not binding on SGS and therefore SGS shall have no responsibility vis-à-vis parties other than its Client.

This Statement is not valid without the full verification scope, criteria and conclusion available on the Statement.

# Statement of Assurance

 SGS

## Verification Methodology

We planned and performed our verification work to obtain the evidence we considered necessary to provide a limited level of verification, while adopting a risk-based approach towards selection of samples for assessing the robustness of the underlying data management system, information flow and controls. We carried out the following activities:

- Desk review and assessment of GHG data direct and indirect emissions for the reporting period (1 January – 31 December 2025), including evaluation of the HRC's GHG data management processes, data completeness, accuracy, reliability, and the aggregation system (forms, formats, assumptions, emission factors, methodologies, and supporting evidence).
- Sampling of activity data for verification in line with the requirements for a limited level of verification.
- Recalculation of emissions; and
- Conducted site visit at the facilities to:
  - Inspect and verify the on-site emission sources;
  - Assess the completeness of the inventory; and
  - interview site personnel to confirm operational conditions and standard operating procedures.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

## Limitations

The verification scope has the following limitations:

- The assessment is limited to information within the defined reporting period.
- Data outside the defined scope and boundary is excluded from verification.
- SGS has not reviewed HRC's financial performance or legal compliance; HRC remains responsible for adherence to relevant laws.

## Conclusion

HRC provided the GHG assertion based on the requirements of ISO 14064-1:2018. The GHG information for the period 01 January 2025 to 31 December 2025 disclosing emissions of 1,302,166.9 metric tonnes of CO<sub>2</sub> equivalent are verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

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This Statement is not valid without the full verification scope, criteria and conclusion available on the Statement.

# Statement of Assurance



The emission of each category is described as below: Unit: tonnes of CO<sub>2</sub>e

Reporting Boundaries			GHG Emissions
Inventory categories	Description		
Category 1: Direct emissions	Direct emissions from stationary combustion		559,463.50
	Direct emissions from mobile combustion		2,994.94
	Direct process emissions and removals from industrial processes		498,093.26
	Direct fugitive emissions arise from the release of GHGs in anthropogenic systems		
		<ul style="list-style-type: none"> <li>o Process Fugitive Emission</li> <li>o Storage Venting Emission</li> </ul>	65,118.84 37.19
	Direct emissions from stationary combustion (special case: combustion for disposal) - Flares		10.20
Category 2: Indirect emissions	Imported energy	Purchased Electricity	175,631.98
Category 3: Other Indirect emissions	Transportation	Employee Commuting	785.89
Category 3: Other Indirect emissions	Transportation	Business Travel	31.10
<b>Direct emissions and indirect emissions</b>			<b>1,302,166.9</b>

SGS’s approach is risk-based, drawing on an understanding of the risks associated with reporting GHG emissions information and the controls in place to mitigate these. Our examination includes assessment, on a test basis, of evidence relevant to the amounts and disclosures in relation to the HRC’s reported GHG emissions.

On the basis of the methodology described and the verification work performed, nothing has come to our attention that causes us to believe that indicate that HRC’s GHG report are not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria.

This statement shall be interpreted with the GHG assertion of HRC as a whole.

This Statement is issued, on behalf of Client, by SGS Malaysia Sdn. Bhd. ("SGS") under its General Conditions for GHG Verification and Validation Services available in [http://www.sgs.com/terms\\_and\\_conditions.htm](http://www.sgs.com/terms_and_conditions.htm). A full copy of the report may be consulted at SGS. This Statement does not relieve Client from compliance with any regulations that applied to it. Stipulations to the contrary are not binding on SGS and therefore SGS shall have no responsibility vis-à-vis parties other than its Client.

This Statement is not valid without the full verification scope, criteria and conclusion available on the Statement.

# Statement of Assurance



## Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification: quality, environmental, social and ethical auditing, and sustainability report assurance.

SGS operates under its own quality management system for assurance engagements. This system is designed to ensure the highest standards of quality, consistency, ethics, and integrity across all assurance activities. s

SGS affirm our independence, being free from bias and conflicts of interest with HRC, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and all team members have conducted the work in accordance with SGS's Code of Integrity, ensuring independence, objectivity, and professional ethical standards throughout the engagement.

Signed:

For and on behalf of SGS (Malaysia) Sdn. Bhd.



Nizam Richard  
Lead Verifier



Yien Xuan Foong  
Verifier

30 March 2026  
Malaysia  
[www.sgs.com](http://www.sgs.com)

This Statement is issued, on behalf of Client, by SGS Malaysia Sdn. Bhd. ("SGS") under its General Conditions for GHG Verification and Validation Services available in [http://www.sgs.com/terms\\_and\\_conditions.htm](http://www.sgs.com/terms_and_conditions.htm). A full copy of the report may be consulted at SGS. This Statement does not relieve Client from compliance with any regulations that applied to it. Stipulations to the contrary are not binding on SGS and therefore SGS shall have no responsibility vis-à-vis parties other than its Client.

This Statement is not valid without the full verification scope, criteria and conclusion available on the Statement.

# Bursa Malaysia's Performance Data Table

## 3-YEAR ESG PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management Staff	%	75.0	100.0	100.0
Executive Staff	%	100.0	100.0	100.0
Non-Executive/Technical Staff	%	69.0	100.0	100.0
Bursa C1(b) Percentage of operations assessed for corruption-related risks	%	100.0	100.0	100.0
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	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	26,600	36,850	54,621
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	275	275	365
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age				
Management Staff Aged <30	%	0.0	0.0	0.0
Management Staff Aged 31-50	%	33.3	33.3	44.4
Management Staff Aged >50	%	66.7	66.7	55.6
Executive Staff Aged <30	%	6.2	14.1	12.9
Executive Staff Aged 31-50	%	61.0	60.5	60.9
Executive Staff Aged >50	%	32.8	25.4	26.2
Non-Executive/Technical staff Aged <30	%	4.4	15.3	16.9
Non-Executive/Technical staff Aged 31-50	%	80.4	74.7	70.4
Non-Executive/Technical staff Aged >50	%	15.2	10.0	12.7
Gender				
Management Staff Male	%	100.0	88.9	88.9
Management Staff Female	%	0.0	11.1	11.1
Executive Staff Male	%	83.4	84.3	83.3
Executive Staff Female	%	16.6	15.7	16.7
Non-Executive/Technical Staff Male	%	97.1	98.0	97.9
Non-Executive/Technical Staff Female	%	2.9	2.0	2.1
Bursa C3(b) Percentage of directors by gender and age group				
Male	%	67.0	50.0	60.0
Female	%	33.0	50.0	40.0
Aged <30	%	0.0	0.0	0.0
Aged 31-50	%	0.0	0.0	0.0
Aged >50	%	100.0	100.0	100.0
<b>Bursa (Energy Management)</b>				
Bursa C4(a) Total energy consumption	TJ	11,086	13,907	15,406
	MWh	3,079,691	3,863,056	4,279,427
<b>Bursa (Health and Safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	3,053	262	373
<b>Bursa (Labour Practices and Standards)</b>				
Bursa C6(a) Total hours of training by employee category				
Management Staff	Hour	257	393	112
Executive Staff	Hour	1,632	2,027	3,584
Non-Executive/Technical Staff	Hour	5,930	7,186	4,400
Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	16.3	19.4	17.1
Bursa C6(c) Total number of employee turnover by employee category				
Management Staff	Number	3	2	1
Executive Staff	Number	63	54	54
Non-Executive/Technical Staff	Number	5	7	17
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0

## Bursa Malaysia's Performance Data Table

Indicator	Measurement Unit	2023	2024	2025
<b>Bursa (Supply Chain Management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	%	26.1	26.1	49.6
<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	0	0
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	2,880	2,702	2,835
<b>Bursa (Waste Management)</b>				
Bursa C10(a) Total waste generated, and a breakdown of the following:	Tonnes			
(i) total waste diverted from disposal	Tonnes	3,381	3,108	2,687
(ii) total waste directed to disposal	Tonnes	81	48	0
<b>Bursa (Emissions Management)</b>				
Bursa C11(a) Scope 1 emissions	tCO <sub>2</sub> e	988,988	1,027,883	1,125,718
Bursa C11(b) Scope 2 emissions	tCO <sub>2</sub> e	115,953	139,946	175,632
Bursa C11(c): Scope 3 emissions	tCO <sub>2</sub> e	-	645	817

# Bursa Malaysia CSI Platform Prescribed Table

Date & Time: 2026-04-22\_21:37:14  
FYE 31/12/2025

Hengyuan Refining Company Berhad  
IFRS S2

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	1125,718	—	External (Limited)
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	175,632	—	External (Limited)
GHG emissions	Total Scope 3	Metric tonnes of carbon dioxide equivalents	817	—	External (Limited)
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	31	—	External (Limited)
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	786	—	External (Limited)

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-22\_21:37:14

Page 1 of 1

# GRI Index

<b>STATEMENT OF USE:</b>	Hengyuan Refining Company Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
<b>GRI 1 USED:</b>	GRI 1: Foundation 2021

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 2: General Disclosures 2021</b>	2-1	Organisational details	-			Principle 10	About HRC (SR page 3-6); Corporate Information (SR page 7)
	2-2	Entities included in the organisation's sustainability reporting	Scope and Basis of Scope				Scope & Boundary (SR page 1)
	2-3	Reporting period, frequency and contact point					Scope & Boundary (SR page 1-2)
	2-4	Restatements of information					Supply Chain Management (SR page 28-29); Water and Effluent Management (SR page 52-54); Equality and Diversity (SR page 58-63)
	2-5	External assurance	Assurance				Statement of Assurance (SR page 81)
	2-6	Activities, value chain and other business relationships	-				Value Creation Model (SR page 8-9)
	2-7	Employees	Labour Practices & Standards C6(b)	Labour Standards	SDG5, 8	Principle 6	Equality and Diversity (SR page 58-63)
	2-8	Workers who are not employees					
	2-9	Governance structure and composition	Sustainability Governance	Corporate Governance	SDG16, 17	Principle 10	Sustainability Governance & Oversight (SR page 13-16); Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)
	2-10	Nomination and selection of the highest governance body					Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 2: General Disclosures 2021</b>	2-11	Chair of the highest governance body	Sustainability Governance	Corporate Governance	SDG16, 17	Principle 10	Profile of Directors (IAR page 60-63); Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)
	2-12	Role of the highest governance body in overseeing the management of impacts					Sustainability Governance & Oversight (SR page 13-16); Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)
	2-13	Delegation of responsibility for managing impacts					
	2-14	Role of the highest governance body in sustainability reporting					
	2-15	Conflicts of interest					Profile of Directors (IAR page 60-63); Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)
	2-16	Communication of critical concerns					Stakeholder Engagement (SR page 17-19); Materiality (SR page 20-23); Ethics and Integrity (SR page 32-34); Benefits and Engagement (SR page 64-69)
	2-17	Collective knowledge of the highest governance body					Additional Corporate Governance Disclosures - Directors' Training (IAR page 161-162)
	2-18	Evaluation of the performance of the highest governance body					Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)
	2-19	Remuneration policies					Corporate Governance Overview Statement ("CGOS") (IAR page 68-81); Directors' Remuneration Policy ( <a href="https://hengyuanrefining.listedcompany.com/misc/Remuneration_Policy_20221103.pdf">https://hengyuanrefining.listedcompany.com/misc/Remuneration_Policy_20221103.pdf</a> )
	2-20	Process to determine remuneration					
	2-21	Annual total compensation ratio					

# GRI Index

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 2: General Disclosures 2021</b>	2-22	Statement on sustainable development strategy	Sustainability Governance	Risk Management; Human Rights & Community	SDG16, 17	Principle 1, 2, 3, 7, 10	Message from Our Board (SR page 10-11)
	2-23	Policy commitments					Sustainability Governance & Oversight (SR page 13-16)
	2-24	Embedding policy commitments					About This Report (SR page 2); Ethics and Integrity (SR page 32-34); Benefits and Engagement (SR page 64-69)
	2-25	Processes to remediate negative impacts					
	2-26	Mechanisms for seeking advice and raising concerns					
	2-27	Compliance with laws and regulations					Advancing Climate Governance and Strengthening Emissions Reporting (SR page 10-11)
	2-28	Membership associations					Stakeholder Engagement (SR page 17-19)
	2-29	Approach to stakeholder engagement					
	2-30	Collective bargaining agreements					
<b>GRI 3: Material Topics 2021</b>	3-1	Process to determine material topics	Materiality Assessment				Materiality (SR page 20-23)
	3-2	List of material topics	Management Approach	-	-	-	Economic Sustainability (SR page 26-36); Environmental Sustainability (SR page 37-51); Social Sustainability (SR page 52-79)
	3-3	Management of material topics					
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	-				Economic Performance (SR page 25-26)
	201-2	Financial implications and other risks and opportunities due to climate change	TCFD Aligned Disclosure				SRRO and CRRO Identification (IAR 46-55); Climate Change and Greenhouse Emissions (SR page 36-43)
	201-3	Defined benefit plan obligations and other retirement plans	-	-	SDG1, 8, 10, 13	-	All retirement benefits are provided through Malaysia's statutory Employee's Provident Fund (EPF) and Social Security Organisation (SOCSSO) schemes. See Benefits and Engagement (SR page 64-70).
	201-4	Financial assistance received from government	-				Not applicable

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	Human Rights & Community	SDG5, 8, 10	Principle 6	Not disclosed due to the commercial sensitivity of wage-related data. All entry-level salaries at the Malaysian operations comply with or exceed the statutory minimum wage.
	202-2	Proportion of senior management hired from the local community					Workforce Diversity (SR page 59-63); Corporate Governance Overview Statement ("CGOS") (IAR page 68-81)
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	-	Human Rights & Community	SDG5, 8, 10	Principle 6	Value Creation Model - Manufactured and Social Capital (SR page 8-9)
		Significant indirect economic impacts					Supply Chain Management (SR page 28-29)
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supply Chain Management C7(a)	Human Rights & Community	SDG8 SDG17	-	Supply Chain Management (SR page 28-29)
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Anti-Corruption C1(a) C1(b) C1(c)	Anti-Corruption	SDG4 SDG16	Principle 10	Ethics and Integrity (SR page 32-34)
	205-2	Communication and training about anti-corruption policies and procedures					Ethics and Integrity (SR page 32-34)
		Confirmed incidents of corruption and actions taken					Ethics and Integrity (SR page 32-34)
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	-	-	SDG8, 10, 16	Principle 10	No incidents in the reporting year. See also Supply Chain Management (SR page 28-29)
GRI 207: Tax 2019	207-1	Approach to tax	-	Tax Transparency	SDG10, 16, 17	-	Statement on Risk Management and Internal Control (IAR page 82-89); Notes to the Financial Statements - Tax Income (IAR page 124)
	207-2	Tax governance, control, and risk management					
	207-3	Stakeholder engagement and management of concerns related to tax					
	207-4	Country-by-country reporting					

# GRI Index

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 301: Materials 2016</b>	301-1	Materials used by weight or volume	Materials S5(a)	Pollution & Resources	SDG12	Principle 7, 8, 9	Not applicable as HRC's operations centre on the refining and processing of crude oil feedstock. All feedstock volumes are reported under Reliable Operations and Production - Production Volume chart (SR page 31)
	301-2	Recycled input materials used					
	301-3	Reclaimed products and their packaging materials					
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	Energy Management C4(a)	Climate Change	SDG7, 12, 13	Principle 7, 8, 9	Energy Management (SR page 47-49)
	302-2	Energy consumption outside of the organisation					
	302-3	Energy intensity					
	302-4	Reduction of energy consumption					
		Reductions in energy requirements of products and services					
<b>GRI 303: Water and Effluents 2018</b>	303-1	Interactions with water as a shared resource	Water C9(a)	Water Use Pollution & Resources	SDG6, 12	Principle 7, 8, 9	Water and Effluent Management (SR page 52-54)
	303-2	Management of water discharge-related impacts					
	303-3	Water withdrawal	Effluents S8(a)				
	303-4	Water discharge					
	303-5	Water consumption					
<b>GRI 304: Biodiversity 2016</b>	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Biodiversity S1(a) S1(b) S1(c)	Biodiversity	SDG14, 15	Principle 7, 8, 9	Biodiversity Management (SR page 55-56)
	304-2	Significant impacts of activities, products and services on biodiversity					
	304-3	Habitats protected or restored					
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations					

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	Emissions Management C11(a) C11(b) C11(c)	Climate Change	SDG7, 12, 13	Principle 7, 8, 9	Climate Change and Greenhouse Gas ("GHG") Emissions (SR page 36-46)
	305-2	Energy indirect (Scope 2) GHG emissions					
	305-3	Other indirect (Scope 3) GHG emissions					
	305-4	GHG emissions intensity					
	305-5	Reduction of GHG emissions					
	305-6	Emissions of ozone-depleting substances (ODS)	Emissions - Air Quality/ Pollution S4(a)	Pollution & Resources			Not applicable
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions					Climate Change and Greenhouse Gas ("GHG") Emissions (SR page 36-46)
<b>GRI 306: Waste 2020</b>	306-1	Waste generation and significant waste-related impacts	Waste Management C10(a) C10(a)(i) C10(a)(ii)	Pollution & Resources	SDG6, 12	Principle 7, 8, 9	Waste Management (SR page 50-51)
	306-2	Management of significant waste-related impacts					
	306-3	Waste generated					
	306-4	Waste diverted from disposal					
		Waste directed to disposal					
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	Supply Chain (Env) S6(a) S6(b)	Supply Chain (Environment)	SDG8, 11, 12, 16	Principle 7, 8	Due diligence was conducted for all contracting and procurement activities. See Supply Chain Management - Contracts with Supplier and Business Partner (SR page 28-29)
	308-2	Negative environmental impacts in the supply chain and actions taken					

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GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	Labour Practices and Standards C6(c)	Labour Standards	SDG5, 8	Principle 6	Equality and Diversity (SR page 57-58)
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees					
	401-3	Parental leave					
<b>GRI 402: Labour/ Management Relations 2016</b>	402-1	Minimum notice periods regarding operational changes	-	-	SDG8	-	Not disclosed. HRC subscribes to internationally recognised human rights standards, see Key Human Resource Principles (SR page 64-64) and Labour and Human Rights (SR page 70)
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	Health and Safety C5(a) C5(b) C5(c)	Health & Safety	SDG3, 4, 8	-	Occupational Safety and Health (SR page 77-80)
	403-2	Hazard identification, risk assessment, and incident investigation					Occupational Safety and Health (SR page 77-80)
	403-3	Occupational health services					Benefits and Engagement (SR page 64-69); Occupational Safety and Health (SR page 77-80)
	403-4	Worker participation, consultation, and communication on occupational health and safety					Occupational Safety and Health (SR page 77-80)
	403-5	Worker training on occupational health and safety					Occupational Safety and Health - OSH Training (SR page 79)
	403-6	Promotion of worker health					
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships					Benefits and Engagement (SR page 64-69) and Working Hours (SR page 64)
	403-8	Workers covered by an occupational health and safety management system					Occupational Safety and Health (SR page 77-80)
	403-9	Work-related injuries					
	403-10	Work-related ill health					Occupational Safety and Health - OSH Performance (SR page 80)

GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Labour Practices and Standards C6(a)	Labour Standards	SDG4, 5, 8	-	Training Data (SR page 73)
	404-2	Programmes for upgrading employee skills and transition assistance programmes					Training and Development (SR page 71-73); People & Leadership - Succession Planning (IAR page 23)
	404-3	Percentage of employees receiving regular performance and career development reviews					
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Diversity C3(a) C3(b)	Labour Standards	SDG5, 8, 10	Principle 6	Equality and Diversity (SR page 57-63); Board and Senior Management Diversity (IAR page 73-74)
	405-2	Ratio of basic salary and remuneration of women to men					Not disclosed due to the commercial sensitivity of wage-related data.
<b>GRI 406: Non-discrimination 2016</b>	406-1	Incidents of discrimination and corrective actions taken	-	Labour Standards	SDG5, 8, 10, 16	Principle 6	Equality and Diversity (SR page 57-63); Labour and Human Rights (SR page 70)
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	-	Labour Standards	SDG8, 10, 16	Principle 1, 2, 3	Freedom of Association (SR page 65)
<b>GRI 408: Child Labour 2016</b>	408-1	Operations and suppliers at significant risk for incidents of child labour	-	Labour Standards	SDG8, 10, 16	Principle 1, 2, 5	Fair Wages, Forced and Child Labour (SR page 65)
<b>GRI 409: Forced or Compulsory Labour 2016</b>	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	-	Labour Standards	SDG8, 10, 16	Principle 1, 2, 4	Fair Wages, Forced and Child Labour (SR page 65)
<b>GRI 410: Security Practices 2016</b>	410-1	Security personnel trained in human rights policies or procedures	-	-	SDG4, 16	Principle 1, 2	HRC does not currently track this indicator. However, HRC has appointed the Industrial Relations / Employee Relations Advisor as the key focal person responsible to monitor any human rights matters in HRC, including those arising from security requirements.

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GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
<b>GRI 411: Rights of Indigenous Peoples 2016</b>	411-1	Incidents of violations involving rights of indigenous peoples	-	Human Rights & Community	SDG10, 16	Principle 1, 2	Not applicable as HRC's operations are not located in or near indigenous settlements
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programmes	Community/ Society C2(a) C2(b)	Human Rights & Community	SDG11, 16, 17	-	Community Engagement (SR page 74-76); Stakeholder Engagement (SR page 17-23); Waste Management - Hazardous Waste (SR page 51); Water and Effluent Management - Effluent Management (SR page 53-54); Biodiversity Management (SR page 55-56); Grievance Mechanism (SR page 64)
	413-2	Operations with significant actual and potential negative impacts on local communities					
<b>GRI 414: Supplier Social Assessment 2016</b>	414-1	New suppliers that were screened using social criteria	Supply Chain (Social) S7(a) S7(b)	Supply Chain (Social)	SDG8, 10, 11, 16	Principle 1, 2	Supply Chain Management - Contracts with Supplier and Business Partner (SR page 28-29)
	414-2	Negative social impacts in the supply chain and actions taken					
<b>GRI 415: Public Policy 2016</b>	415-1	Political contributions	-	Anti-Corruption	SDG16	Principle 10	Total amount of political contributions made is zero in FY2025, see Anti-Corruption (SR page 33)
<b>GRI 416: Customer Health and Safety 2016</b>	416-1	Assessment of the health and safety impacts of product and service categories	Customer Health & Safety/ Product Responsibility S3(a) S3(b) S3(c)	Customer Responsibility	SDG3, 16	-	Not applicable as HRC sells bulk petroleum products exclusively via B2B supply agreements. There were zero incidents of product quality incidents recorded in FY2024, with all shipments adhering to our ISO 17025-accredited laboratory programme (see Product Quality, SR page 27)
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services					

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GRI STANDARD	GRI CODE	GRI ISCLOSURE	BURSA SRG3 ALIGNMENT	F4GBM ALIGNMENT	UNSDG ALIGNMENT	UNGC ALIGNMENT	PAGE REFERENCE AND REASONS FOR OMISSIONS, IF APPLICABLE
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling					Not applicable as HRC sells refined petroleum products in bulk under business-to-business supply agreements and does not engage in consumer-facing marketing, packaging or labelling activities
	417-2	Incidents of non-compliance concerning product and service information and labeling	-	Customer Responsibility	SDG16	-	
	417-3	Incidents of non-compliance concerning marketing communications					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security C8(a)	Human Rights & Community	SDG16	-	Data Privacy and Customer Information Protection (SR page 34)

# SASB Index

Topic	Code	Metric	Page Reference
Greenhouse Gas Emissions	EM-RM-110a.1 EM-MD-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	GHG Emissions Management (SR page 43-46)
	EM-RM-110a.2 EM-MD-110a.2	Discussion of long- and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets	Energy Masterplan (SR page 48-49)
Air Quality	EM-RM-120a.1 EM-MD-120a.1	Air emissions of pollutants (NO <sub>x</sub> , SO <sub>x</sub> , particulate matter, H <sub>2</sub> S, VOCs)	Sulphur Oxides (SO <sub>x</sub> ), Nitrogen Oxides (NO <sub>x</sub> ) and Methane (CH <sub>4</sub> ) Emissions Management (SR page 45)
Ecological Impacts	EM-MD-160a.1	Description of environmental management policies and practices for active operations	Environmental Sustainability (SR page 35-56)
	EM-MD-160a.4	(1) Number and (2) aggregate volume of hydrocarbon spills, (3) volume in Arctic, (4) volume in sites with high biodiversity significance, and (5) volume recovered	Biodiversity Management (SR page 55-56)
Water Management	EM-RM-140a.1	Total water withdrawn, total water consumed; percentage in regions with High or Extremely High Water Stress	Water Consumption (SR page 52-53)
	EM-RM-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Water and Effluent Mmanagement (SR page 52-54)
Hazardous Materials Management	EM-RM-150a.1	Amount of hazardous waste generated, percentage recycled	Hazardous Waste (SR page 51)
Workforce Health & Safety	EM-RM-320a.1	Total recordable incident rate (TRIR), fatality rate, near miss frequency rate (NMFR) for direct and contract employees	OSH Performance (SR page 80)
	EM-RM-320a.2 EM-MD-540a.4	Discussion of management systems used to integrate a culture of safety and emergency preparedness throughout the value chain and throughout project lifecycles	Occupational Safety and Health (SR page 77-80)
Management of the Legal & Regulatory Environment	EM-RM-530a.1	Corporate positions related to government regulations or policy proposals addressing environmental and social factors	Our Approach to Sustainability (SR page 13-16); Water Consumption (SR page 52-53); Biodiversity Management (SR page 55-56)
Critical Incident Risk Management	EM-RM-540a.1	Process Safety Event (PSE) rates for Loss of Primary Containment (LOPC) of greater and lesser consequence	Process Safety Campaign (SR page 68)
Activity Metrics	EM-RM-000.A	Refining throughput of crude oil and other feedstocks	About HRC (SR page 5)
	EM-RM-000.B	Refining operating capacity	Reliable Operations and Production (SR page 30-31)





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