

TO BUILD SUSTAINABLE ENTERPRISE

Reservoir Link Energy Bhd ("Reservoir Link" or "the Company"), and its subsidiaries, (collectively referred to as "the Group" or "we" or "our"), has established itself as a leading service provider in the upstream oil and gas well services sector. Recent years have seen a significant evolution in our business strategy where we have embraced diversification by venturing into new opportunities within the renewable energy and sustainability sectors. Our commitment to sustainability has become a cornerstone of our corporate philosophy and guides our business activities.









In pursuit of this vision, we are committed to building a sustainable business across the energy sector. We aim to become an integrated service provider, effectively bridging the oil and gas and renewable energy sectors. While our focus remains rooted in Malaysia, we are committed to nurturing and driving the growth of renewable energy in the country. In addition, we are determined to build a balanced international presence.

In line with our mission, we prioritise technological innovation, exceptional customer service and the delivery of high-quality solutions that add value and secure returns for our customers. Our commitment extends to achieving sustainability goals by meeting the growing demand for energy in a way that's safe, environmentally responsible, socially conscious and profitable. This holistic approach underscores our commitment to excellence, innovation and responsible energy in today's ever-changing.

OUR COMMITMENT TO BUSINESS SUSTAINABILITY

This is our third year of reporting on sustainability, and we remain committed to report our initiatives in a transparent and purposeful manner, in line with Bursa Malaysia's effort to improve the disclosures it provides about sustainability.

This annual Sustainability Statement ("the Statement") explains our journey towards becoming a Group that integrates environmental, social, as well as economic issues in our business operations. Our ultimate goal is to become a company that is known for its commitment to sustainability. In addition, this report provides an explanation of the management's strategy for prioritising information on sustainability programmes.

REPORTING STANDARDS

We have been guided by the following best practice guidelines, standards and frameworks when preparing for the Statement:



At this stage, our Group recognises the importance of aligning with the disclosure framework of the Task Force on Climaterelated Financial Disclosures ("TCFD"). In reflecting our commitment to more transparent and responsible reporting, we are actively engaged in the process of compiling and disclosing our TCFD-related information, with an anticipated disclosure date in FY2024.

REPORTING PERIOD

This Sustainability Statement focuses on the sustainability activities and performance of Reservoir Link and its subsidiaries for the 18 months financial period from 1 January 2022 to 30 June 2023 ("FPE2023"), in line with change of the company's financial year end from 31 December to 30 June.

REPORTING SCOPE

The reporting scope of this Statement comprises of Reservoir Link and its subsidiaries as follows:

Resevoir Link Solutions Resevoir Link Sdn Bhd Sdn Bhd **Amsito Oilwell Services** RH Healthcare Sdn Bhd (Malaysia) Sdn Bhd Resevoir Link Renewable

Founder Energy Sdn Bhd

FEEDBACK

Sdn Bhd

We value your feedback on this Report and any matters described herein. Inquiries, comments and suggestions regarding the content of this Report may be emailed to us to investor.relation@reservoirlink.com.









SUSTAINABILITY GOVERNANCE

We have established a governance structure to ensure the effective implementation and integration of sustainability initiatives in FPE2023. Our governance framework is tailored to promote the integration of sustainability principles into all aspects of our business, including our decision-making processes. This commitment is at the heart of our mission to deliver on our promise to create value for all stakeholders through sustainable practices.









Sustainability matters are discussed through monthly management meeting and Board meeting on quarterly basis. The key functions for sustainability governance are carried out as follows:



BOARD OF DIRECTORS ("BOARD")

- · Comprises of three (3) Independent Non-Executive Director, a Non-Independent Non-Executive, CEO and MD and Executive Director.
- Oversee the overall sustainability strategy, setting our sustainability strategy and for overseeing the implementation of that strategy.
- Receives regular reports on our sustainability performance and reviews our progress towards our sustainability goals.



SENIOR MANAGEMENT ("SM")

- Consists of CFO, CEOs, of Operations, Corporate Services and Business Development.
- Responsible in developing implementing sustainability strategy throughout the organisation.



OPERATIONAL MANAGEMENT ("OM")

- · Represented by various Heads of Departments.
- Cross-functional alianment. transparent end-to-end management, and the execution of agreed-upon sustainability goals by operational management in their operational activities.

SUSTAINABILITY POLICY

The Sustainability Policy, updated and approved by the Board on 25 August 2023, sets out the Group's commitment to govern various aspects of ethical business practices and sets specific targets for reducing our environmental impact, promoting social responsibility and ensuring the economic viability.

The Policy aims to achieve the following objectives:

Endeavour to integrate the principles of sustainability into the Group's strategies, policies and procedures.

Facilitate the involvement, cooperation and oversight of the Company's Board of Directors ("Board"), the Senior Management and sustainability working teams in the implementation of the Policy, as well as the setting and monitoring of EES performance targets.

Fostering a sustainability culture within the Group and the community by developing a comprehensive set of sustainable practices within the Economic, Environment, and Social ("EES") principles.

Our Sustainability Policy is complemented by a well-established framework of policies and guidelines for the effective management of economic, environmental and social activities. These policies and guidelines provide clear direction and set standards to guide our actions and decisions, helping us to maintain our commitment to sustainability in all aspects of our business. These include, but are not limited to:











STAKEHOLDER ENGAGEMENT

Our commitment to stakeholder engagement provides a foundation to create sustainable value to the Group. In light of our evolving business landscape, stakeholder engagement takes on an increasingly pivotal role in ensuring that our stakeholders are well-informed about our strategies to address the challenges affecting our business.

We engage with our key stakeholders across our operations, seeking insights that influence our strategic direction and align the interests and meet the expectations of our stakeholders with our business goals. The following summary outlines our interactions with key stakeholders throughout the year, engagement and communication platform utilised with the key areas of concern discussed during these engagement sessions.

| Stakeholder Group | Engager | nent & Communication | Platform | Areas of Concern |
|---|--|---|---|--|
| Shareholders/ Investors/Board of Directors | Ongoing Company website News release | • General meetings • Annual reports | As needed • Financial and Bursa Malaysia announcements • Investor relation email contact | Growth in company performance and value creation. |
| Customers | Ongoing • Company website | Annual - | As needed • Surveys • Operational and commercial meetings • Corporate events | Products and services reliability. New product and service development and innovation. |
| Supplier, Subcontractors and Vendors | Ongoing - | Annual - | As needed • Meetings • Site visit • Presentations and negotiations | Long-term viability of the company. Safety and regulatory compliance. |
| Local Authorities /Regulators/ Government Ministries | Ongoing • Seminars • Forum and conferences | Annual - | As needed • Meetings • Site visits • Tenders | Governance and regulatory compliance. Ethical business practices. Health and safety. |
| Employees | Ongoing • Newsletter • Intranet | Annual Townhall session Employee appraisal sessions | As needed • Social events and activities • Workshops • Seminar and training sessions | Benefits design.Talent engagement.Health and safety. |
| Local Communities | Ongoing • Company website | Annual - | As needed • Participation and collaboration in community projects • Community activities | Community needs. Social and environmental impact. |



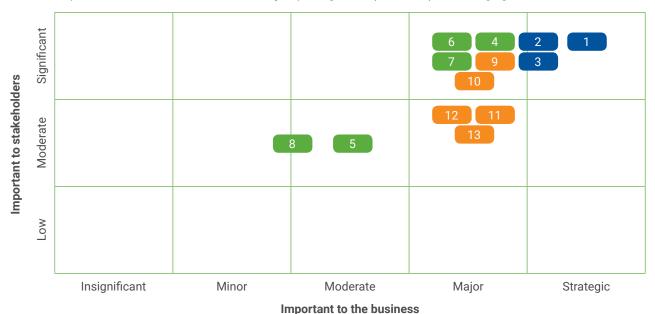




MATERIALITY

Material matters encompasses of economic, environmental and social factors that possess substantial influence over our ability to create value for our stakeholders. We prioritise these matters by assessing their relevancy to aligning them with our business and meet the interests of our stakeholders.

We used the material matters identified in the previous assessments and in ensuring a comprehensive and effective approach, we subject these material topics to an annual review and approval process overseen by our Board. In FPE2023, the key material matters were reviewed by the Senior Management and the Board decided to incorporate additional matterial matters in line with the requirements outlined under Sustainability Reporting Guide (3rd Edition) and changing business environment.



ECONOMIC

- 1. Economic Presence and Sustainability Profitability
- 2. Establishment of Responsible **Business Practices**
- 3. Supply Chain Management

ENVIRONMENT

- 4. Environmental Compliance
- 5. Waste Mangement
- 6. Emissions Management
- 7. Energy Management
- 8. Water Management

SOCIAL

- 9. Occupational Health & Safety
- 10. Training and Development
- 11. Diversity and Equal Opportunities
- 12. Engagement with Local Communities
- 13. Data Privacy & Security

KEY PERFORMANCE INDICATORS ("KPIs")

A set of sustainability targets and Key Performance Indicators ("KPIs") have been set for both the Board and Management, organised around three sustainability pillars. To ensure we meet these KPIs, we've implemented a number of supporting initiatives, as shown in the table below.

Target and KPI for Board

| ESG Areas | Sustainability Target | FPE2023 Performance |
|--|---|---|
| Increase Revenue Associate to Sustainability Dimension | Percentage (%) increase in revenue from investment in environmental protection | 431% increase in revenue contributed from renewable energy from previous financial year |









Target and KPI for Board

| ESG Areas | Sustainability Target | FPE2023 Performance |
|---|--|--|
| Increased Use of Renewable Sources | At least 50% of company revenue from renewable source activities Investment in solar panel/solar projects | 68% of the Group revenue from renewable energy segment 924.75 MWdc of power was generated contributed by our solar projects |
| Reduce Superfluous Resources Consumption | Energy used per man-hoursAverage water consumption | 1.03 KWh energy used per man-hours RM176.82 average of water bill per month |
| Stakeholders' Relationship | Employee working environment and satisfaction level – more than 80% Average customer rating results – average 75% achievement | 67% employee satisfaction rate89% yearly customer satisfaction rate |

Target and KPI for Management

| ESG Areas | Sustainability Target | FPE2023 Performance |
|---|---|---|
| Economic Presence and Sustainability Profitability | Revenue from Renewable Energy Business and Healthcare segment | 68% of revenue contribution from other segments 148 proposals participated Success rate of 13% and 38% for Oil & Gas and Renewable Energy respectively |
| Anti-Corruption | Zero cases on bribery and corruptionAwareness sessions annually | Zero cases on bribery & corruptionOne (1) awareness session conducted in FPE2023 |
| Environmental Compliance | Zero penalties/fines by authorities Certification and awards | Zero cases of non-compliances and penalties imposed Certified ISO 9001:2015, ISO/TS 29001:2010 and ISO 45001:2018 Received Appreciation Award for safety contribution from Petronas |
| Waste Management | Roll out waste recycling initiatives/awareness on recyclable waste | 4.86 metric tonnes of waste was generated |
| | Awareness initiatives to employees (reduce, reuse, recycle) | Establishment of 3R Framework 1 awareness session conducted in relation to 3R's of sustainability Reduction of 17% paper usage RM13,825 printing cost |
| Occupational Health & Safety | Zero non-compliance OHS regulatoryZero lost time accidentsZero fatalities | Zero non-compliances, case of fatalities and accident |
| Training and Development | Number of training hours/Average training hours per employee | 3,364 hours of training12 hours of average training conducted per employee |
| Employee Turnover, Retention and Hiring | Employee happiness survey rating Low employee turnover | 67% of happiness survey rating29.88% of employee turnover rate |





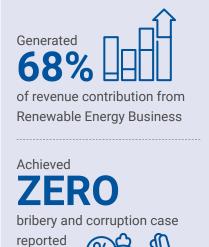




Target and KPI for Management

| ESG Areas Sustainability Target | | FPE2023 Performance | |
|--------------------------------------|---|--|--|
| Diversity and Equal Opportunities | Percentage of staff gender diversity – male to female | 76:24 of male to female staff ratio 33% of Board members comprises of female Zero case of sexual harassment reported | |
| Engagement with Employee | Number of activities carried outTownhall session | 13 activities carried out with employees1 townhall session conducted | |
| Engagement with Local Communities | Percentage contribution to local communities (total expenditure) | RM45,312 spent on charitySponsored/Donated to 18 events24 interns hired in FPE2023 | |

ECONOMIC



ENVIRONMENT



SOCIAL

Recorded hours of training in average per employee

spent in cost of training

Recorded

Contributed to our communities



RISK, OPPORTUNITIES AND MANAGEMENT APPROACH

Recognising material matters plays a pivotal role in shaping our strategic decisions, as it empowers us to pinpoint both risks and opportunities. Through a comprehensive understanding of the importance of these matters, we can set future targets and develop action plans that address the associated risks and leverage the potential opportunities. Listed below is a summary that outlines the risks, opportunities and the management strategies to manage these material matters.









ECONOMIC

ECONOMIC PRESENCE AND SUSTAINABILITY **PROFITABILITY**

Affected Key Stakeholders

- · Shareholders/Investors/Board of
- · Supplier, Subcontractors and Vendors
- · Employees

Risk

Liquidity risk



Opportunities

- Market expansion
- · Enhanced reputation



Management Approach

- · Perform an effective working capital management by ensuring optimal level of current assets and liabilities
- · Conduct cash flow forecasting where expected cash inflows and outflows are estimated over a specific period

ANTI-CORRUPTION

Affected Key Stakeholders

- · Shareholders/Investors/Board of **Directors**
- Customers
- · Supplier, Subcontractors and Vendors
- · Employees



Risk

· Corruption risk



Opportunities

- Enhance trust and credibility of stakeholders
- · Strengthen the corporate governance practices in the organisation



Management Approach

- · Awareness training and / or communication on anti-bribery and corruption for employees and business associates
- · Guidelines and procedures are established for gifts, entertainment, hospitality and travel
- · Embed effectivement corporate governance practices in business operations

SUPPLY CHAIN MANAGEMENT

Affected Key Stakeholders

- · Supplier, Subcontractors and Vendors
- Customers



Risk

Health, safety & environmental risk



Opportunities

· Minimise emissions generation



Management Approach

· Invest in renewable energy and sustainability ventures business

ENVIRONMENTAL

ENVIRONMENTAL COMPLIANCE

Affected Key Stakeholders

- Customers
- · Supplier, Subcontractors and Vendors
- Local Authorities/Regulators/ **Government Ministries**
- · Local Communities



Risk

- · Health, safety & environmental risk
- · Operational disruption



Opportunities

· Enhanced trust and credibility of stakeholders



- · Conduct safety awareness and induction training to relevant staff
- · Conduct regular inspections check to ensure the compliance with relevant regulatory requirements
- · Perform process safety review for certain projects









WASTE MANAGEMENT

Affected Key Stakeholders

- Customers
- · Local Communities

Risk

- · Health, safety & environmental risk
- · Non-compliance to local business/ statutory/regulatory requirements



Opportunities

- · Minimise waste generation
- · Cost saving benefits

Management Approach

- · Management of generated wastes are outsourced to a third-party contractor
- · Implementation of recycling programme across the Group
- · Conduct awareness sessions relating to recycling programme initiative in Reservoir
- Exploring practical and holistic approaches to be embedded in the 3Rs programme to align with circular economy principles

EMISSIONS MANAGEMENT

Affected Key Stakeholders

- · Shareholders/Investors/Board of Directors
- Employees
- Customers
- · Supplier, Subcontractors and Vendors
- Local Authorities/Regulators/ Government Ministries



Risk

· Health, safety & environmental risk



Opportunities

· Minimise emission generation



Management Approach

· Invest in renewable energy and sustainability ventures business

ENERGY MANAGEMENT

Affected Key Stakeholders

- · Shareholders/Investors/Board of **Directors**
- Employees
- Customers
- Supplier, Subcontractors and Vendors
- Local Authorities/Regulators/ Government Ministries

Risk

Environmental risk



Opportunities

- Encourage innovation in energy-efficient technologies and practices
- · Cost saving benefits

Management Approach

- · Monthly monitoring of energy bills
- · Upgrading to LED-saving lights

WATER MANAGEMENT

Affected Key Stakeholders

- · Shareholders/Investors/Board of Directors
- Employees
- Customers
- · Supplier, Subcontractors and Vendors
- · Local Authorities/Regulators/ Government Ministries

Risk

 Pollution/ environmental risk



Opportunities

· Water conservation



- · Employee awareness to help create a culture of water conservation within
- · Set up water conservation projects











OCCUPATIONAL HEALTH & SAFETY

Affected Key Stakeholders

- Customers
- · Supplier, Subcontractors and Vendors
- · Local Authorities/Regulators/ Government Ministries
- Employees

Risk

- · Health, safety & environmental risk
- Non-compliance to local business/ statutory/regulatory requirements



Opportunities

- · Positive workplace culture
- · Reduce Non Productive Time (NPT)

Management Approach

- · Regular meeting conducted by OSH Committee members discussing matters pertaining to health and safety of the employees at the workplace
- · Conduct health and safety awareness trainings for the employees
- Regular housekeeping of OSH processes

TRAINING AND DEVELOPMENT

Affected Key Stakeholders

Employees



Risk

· Lack of competent/ skilled employees



Opportunities

- · Talent retention
- Improved productivity and employees' performance



Management Approach

- · Conduct training need analysis and provide required trainings for the employees on an annual basis
- · Establish Talent Management Framework

DIVERSITY AND EQUAL OPPORTUNITIES

Affected Key Stakeholders

- · Shareholders/Investors/Board of **Directors**
- Employees



Risk

- Lack of competent/ skilled employees
- Challenge to attract talent from diverse background



Opportunities

· Ability contribute diverse ideas, improving quality of decisions



- · Incorporate a zero-tolerance policy against discrimination in any form and provide equal opportunities regardless of race, religion or gender
- Implementation of inclusive hiring practices that attract diverse talent during recruitment process









DATA PRIVACY & SECURITY

Affected Key Stakeholders

- · Shareholders/Investors/Board of **Directors**
- Employees
- Customers
- Supplier, Subcontractors and Vendors

- · Leakage/Loss of confidential information
- Cybersecurity risk

Risk

 Non-compliance to local business/ statutory/regulatory requirements

Opportunities

- · Enhanced customer trust
- Improved operational efficiency and streamline data management process

- · Provide awareness to employees when managing confidential information
- Implementation of access control measures











OUR SUSTAINABILITY PROGRESS



ECONOMIC

| ESG Areas | Sustainability Target | FPE2023 Performance | |
|---|--|--|--|
| Economic Presence and Sustainability Profitability | Revenue from contracts, Renewable Energy Business and Healthcare segment | 68% of revenue contribution from other segments 148 proposals participated Success rate of 13% and 38% for Oil & Gas and Renewable Energy respectively | |
| Anti-Corruption | Zero cases on bribery and corruptionAwareness sessions annually | Zero cases on bribery & corruption One (1) awareness session conducted in FPE2023 | |

ECONOMIC PRESENCE AND SUSTAINABLE PROFITABILITY

At Reservoir Link, our commitment is rooted in creating financial value through our operations and investments in other businesses. We believe that by creating a significant economic footprint we can play a pivotal role in enhancing the prosperity of communities, thereby benefiting the wider economy.

Oil & Gas Division

At the Group's Oil and Gas Well Services division, we recognise that the oil and gas industry play a vital role in global energy production and consumption and with this role comes the responsibility to manage economic resources prudently and contribute to the long-term economic wellbeing of the regions in which we operate.

In FPE2023, our division secured additional four (4) framework contracts and 13 call-off contracts for a range of services including well testing, well perforation, well leak repair, well intervention, production enhancement and sand management. At the same time, we actively engaged in research collaborations with a few universities such as UTM (Skudai, Johor), UTP (Perak), UM (Kuala Lumpur) focusing on the production enhancement technologies. These strategic partnerships are integral to broadening our business offering and strengthening our competitive edge within the industry. These efforts position us for continued growth and prosperity by securing even more contracts in the future.

Renewable Energy Division

We aim to make a positive contribution by delivering longterm benefits to our key stakeholders. Our primary objective is to make a positive impact by delivering long-term benefits to our key stakeholders. In FPE2023, we successfully created and distributed value, which is particularly evident in the financial performance, where the Renewable Energy division has become Reservoir Link's primary source of revenue.

During the financial year, the division executed 26 solar projects with a combined capacity to generate 924.75 MWDc upon completion. We also invested in ten (10) commercial and industrial rooftop solar projects, contributing 17.62 MWp of solar power.

Looking ahead, we're committed to enhancing our competitiveness in the renewable energy sector, including exploring energy generation other than solar to further strengthen our position.

The details of the Group's financial performance can be found in Management Discussion and Analysis of Annual Report.

ESTABLISHMENT OF RESPONSIBLE BUSINESS PRACTICES

We recognise that our actions extend beyond the confines of our Group, impacting a wide range of stakeholders and the communities in which we operate. Therefore, we are









committed to operating ethically, sustainably, and with a strong sense of responsibility. Through the establishment of these responsible business practices, we aim to set a standard of excellence that not only aligns with our core values but also fosters a culture of responsibility throughout our organisation.

The following table represents the frameworks and policies that governs the responsible business practices in the Group.

FRAMEWORK/POLICIES

DESCRIPTION

CODE OF BUSINESS CONDUCT/FMPI OYFFS' **HANDBOOK**

We hold ourselves to the highest standards of ethical conduct and integrity. Our Code of Business Conduct ("COBC") is more than just a set of rules; it is a reflection of our commitment to responsible and ethical business practices.

There were no reports of employee non-compliance or violations of the COBC for the FPE2023. Our guiding principles continue to be the highest possible levels of honesty, integrity and work ethics.

ANTI-BRIBERY AND CORRUPTION POLICY/ ANTI-BRIBERY MANAGEMENT SYSTEM

The Group adheres to a zero-tolerance approach on bribery and corruption, as outlined in our Anti-Bribery and Corruption ("ABC") Policy. This policy governs our activities and serves as a guiding framework for all employees to act professionally, fairly and with integrity in all our business dealings.

The Group established Standard Operating Procedures and guidelines under AMBS as follow:

- · Guideline on Declaring Conflict of Interest
- · Guideline on Providing and Receiving of Gifts, Entertainment, Hospitality and Travel
- · Guideline on Granting of Donations and Sponsorships
- Guideline on Due Diligence on Employees and Business Associates
- · Guideline on Training and Communication

The Group organised a training session to all employees and provide virtual training on corporate liability to Directors and Senior Management in order to raise awareness of the ABC policy. As in FPE2023, no instances of corruption or bribery have been reported.

The ABC Policy is available on our corporate website at www.reservoirlink.com.

WHISTLEBLOWING **POLICY**

Whistleblowing Policy established by the Group provides an avenue for all employees and business associates to report any concerns outlined under the policy and provide protection for whistleblower(s).

Any concerns shall be reported to Chairman of Audit Committee or Chairman of Reservoir Link

- a. Report via email to whistleblowing@reservoirlink.com; or
- b. Letter/Documents/Report marked "STRICTLY PRIVATE AND CONFIDENTIAL TO BE OPENED BY THE ADDRESSEE ONLY" addressed to the Chairman of Audit Committee.

The Whistleblowing Policy is available on our corporate website at www.reservoirlink.com. No whistleblowing incidents were reported in FPE2023.

RISK MANAGEMENT POLICY

Risk management acts as an integral part of our strategic planning and decision-making. By being proactive, transparent, and responsive, we ensure that our Group remains resilient, adaptable and capable of navigating challenges while seizing opportunities in an ever-changing business landscape. Our commitment to effective risk management underscores our dedication to safeguarding the interests of all our stakeholders.









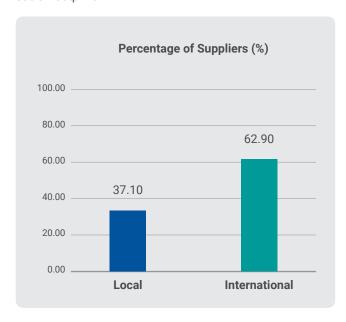
SUPPLY CHAIN MANAGEMENT/PROCUREMENT PRACTICE

The Group has established a Procurement Policy that outlines the ethical standards to be adhered to throughout the procurement process, from the Request for Quotation ("RFQ")/tendering phase to the final award of Purchase Order ("PO")/ contracts to suppliers. Our procurement policy mandates that procurement decisions are made using fair and transparent evaluation criteria, which consider factors such as quality, pricing, timeliness of delivery, and service levels. Furthermore, we hold our suppliers to stringent ethical standards and expect them to comply with all relevant laws and regulations.

We are dedicated to engaging with diverse range of local and international suppliers. The figure below shows the composition of suppliers we currently engage with. In FPE2023, 37.1% of suppliers are local and the remaining 62.9% comprises of international suppliers. While we recognise the importance and benefits of engaging with local suppliers, there are several limitations arise due to the nature of our industry. However, we strive to work with international suppliers who uphold ethical business practices, respect human rights, and demonstrate a commitment to sustainability.

The transport and logistics involved in moving equipment to and from reservoirs and other facilities is a significant challenge for the industry. We recognise this and are actively researching environmentally friendly transport solutions to reduce carbon emissions.

We are currently in the process of compiling relevant data and establishing performance measurement targets. By establishing measurable targets, we aim to enhance the sustainability of our entire supply chain while minimising its environmental and social footprint.













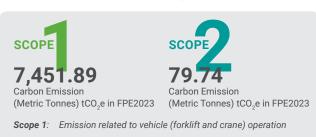


| ESG Areas | Sustainability Target | FPE2023 Performance |
|-----------------------------|--|---|
| Environmental Compliance | Zero penalties/fines by authorities Certification and awards | Zero cases of non-compliances and penalties imposed Certified ISO 9001:2015, ISO/TS 29001:2010 and ISO 45001:2018 Received Appreciation Award for safety contribution from Petronas |
| Waste Management | Roll out waste recycling initiatives/ awareness on recyclable waste | 4.86 metric tonnes of waste generated |
| | Awareness initiatives to employees (reduce, reuse, recycle) | Establishment of 3R Framework 1 awareness session conducted in relation to 3R's of sustainability Reduction of 17% paper usage RM13,825 printing cost |

EMISSIONS MANAGEMENT

As part of our main business activities, the Group is in both oil and gas as well as renewable energy, therefore we recognise the significance of emissions management as a crucial responsibility for our Group. Our Group can contribute to the global efforts in managing climate change and the transition to a sustainable future by identifying their environmental impact and putting reduction initiatives into place.

In order to show our commitment to addressing the climate change, we have started to record the Scope 1 and 2 emissions. The coverage for Scope 1 is only limited to emission related to vehicle (forklift and crane) operation, while Scope 2 covers the electricity usage.



Scope 2: UK Electricity Emission Factor used in 2022 = 0.19338 kg CO₂e /kWh as per UK Government GHG Reporting Conversion Factors for Company Year 2022. Greenhouse gas reporting: conversion factors 2022 - GOV.UK (www.gov.uk)

It is important to note that our emission data currently pertains to specific business activities within Scope 1 and 2. However, recognise the importance of Scope 3 emissions, which encompass indirect emissions from sources such as employee commuting and business travel. While we have yet to include Scope 3 emissions in our reporting, we remain committed to gathering more comprehensive and meaningful data in the future. This will enable us to track, analyse and measure our emissions and implement action plans for continuous improvement.

We are currently in the process of collecting pertinent data and defining sustainability target aimed to enhance emission management efforts. By setting specific, measurable targets, we are dedicated to reducing our emissions.

ENVIRONMENTAL COMPLIANCE

We strive to protecting the environment, reducing our impact and contributing to a sustainable future by complying with environmental regulations issued by various authorities such as the Department of Environment ("DOE"), Construction Industry Development Board ("CIDB"), Atomic Energy Licensing Board ("AELB"), Department of Occupational Safety and Health ("DOSH") and others. In FPE2023, the Group did not incur any fines or penalties for non-compliance with environmental regulations (FY2021: Nil).

CERTIFICATION

In addition to our environmental commitment, we hold several certifications including ISO 9001:2023 (Quality Management System), ISO/TS 29001:2010 (Quality Management System) and ISO 45001:2018 (Occupational Health and Safety Management System). These certifications demonstrate our proactive efforts to ensure that our equipment, personnel and operating processes are under strict control. Additionally, they reinforce our commitment to providing a safe working environment for our employees. In FPE2023, we receive









recognition for our dedication to safety excellence and contribution by PCSB SKA.

WASTE MANAGEMENT

At Reservoir Link, we hold responsibility in managing wastes as a key commitment in our effort to protect and preserve the environment. We have structured waste management practices that focus primarily on waste generated from offshore operations, maintenance and services. To ensure the safe and compliant disposal of these wastes, we've partnered with a third-party contractor approved by the Department of Environment ("DOE").

Our wastes categories encompass oil waste, used gloves, sealmaker, lithium batteries, etc. In FPE2023, we managed a total waste of 4.86 metric tonnes (FY2021: 1.4 metric tonnes). We do not receive any report on scheduled waste incidents or fines from the local authorities (FY2021: Nil)

3Rs of Sustainability



The principles of "reduce, reuse and recycle" (3Rs) are fundamental to our approach to sustainable resource management. In FPE2023, the implementation of the 3Rs and awareness sessions accelerated our journey towards sustainability. In particular, we have achieved a 17% reduction in paper consumption, resulting in cost savings. This shows that sustainability not only benefits the planet, but also our business.

Cost and Process Savings Initiatives

Our commitment to minimising our environmental impact and optimising cost-effective processes is demonstrated by our cost and process savings initiatives. These initiatives include the appointment of a dedicated 3Rs coordinator and the establishment of a Green Committee/3Rs team to lead our sustainability efforts.

We actively conduct waste audit management to identify areas where we can minimise waste and improve resource utilisation. Our approach is to continually evaluate opportunities to reduce, reuse and recycle materials and resources, fostering a culture of sustainability within our Group.

To ensure the effectiveness of our 3Rs programme, we closely monitor, evaluate and make improvements as needed, striving for continuous progress. Furthermore, we extend our commitment to sustainability beyond the Group by conducting 3Rs programs in collaboration with local communities.

These initiatives not only contribute to cost savings but also reflect our dedication to environmental stewardship and responsible resource management. We believe that by integrating sustainable practices into our operations, we can create a more sustainable future for the Company and the communities we serve.

ENERGY MANAGEMENT

In our efforts to minimise our environmental footprint, we are actively working to improve energy efficiency. Our energy consumption was monitored and reported a total usage of 230,408 kwH as in FPE2023.

As part of our ongoing efforts, we implement energy saving strategies such as turning off air conditioning and lights during lunch breaks. In addition, we are actively exploring ways to promote responsible electricity use and raise awareness among our employees.

We are currently in the process of gathering relevant data and setting sustainability target for our energy management efforts. By establishing clear and measurable targets, our aim is to improve the sustainability of our energy practices.

WATER MANAGEMENT

Our commitment to sustainability has responsible water management at its core. At the heart of our commitment to sustainability is the responsible use of water. In FPE2023, we made significant efforts to reduce water consumption across our offices. Our aim is to minimise our impact on local water resources and promote sustainable water management by continually assessing and improving our water use practices. While we do not currently have monitoring systems in place, we are committed to researching methods to quantify and monitor our water use.







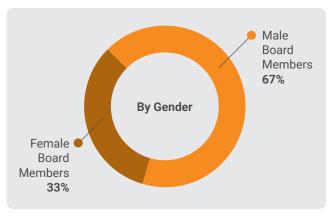


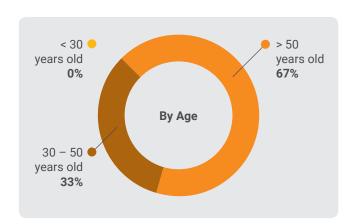
| ESG Areas | Sustainability Target | FPE2023 Performance |
|--|---|--|
| Occupational Health & Safety | Zero non-compliance OHS regulatoryZero lost time accidentsZero fatalities | Zero non-compliances, case of fatalities and accident |
| Training and Development | Number of training hours/Average training hours per employee | 3,364 hours of training12 hours of average training conducted per employee |
| Employee Turnover, Retention and Hiring | Employee happiness survey ratingLow employee turnover | 67% of happiness survey rating29.88% of employee turnover rate |
| Diversity and Equal Opportunities | Percentage of staff gender diversity – male to female | 76:24 of male to female staff ratio 33% of Board members comprises of female Zero case of sexual harassment reported |
| Engagement with Employee | Number of activities carried outTownhall session | 13 activities carried out with employees 1 townhall session conducted |
| Engagement with Local Communities | Percentage contribution to local communities (total expenditure) | RM45,312 spent on charitySponsored/Donated to 18 events24 interns hired in FPE2023 |

DIVERSITY AND EQUAL OPPORTUNITIES

At Reservoir Link, we put emphasis to our Board and employee diversity as a key driver of sustainable and responsible governance. We actively seek to bring together individuals of different genders, ages and backgrounds to cultivate a diverse and inclusive organisation. This approach enables us to build a company that truly reflects and understands the needs and viewpoints of our diverse stakeholders.

Board Diversity





The diagram above shows the overall number and percentage of the Board members by gender and age in Reservoir Link. In FPE2023, there were 4 male Board members and 2 female Board members. The percentage of the Board Composition by age remains the same in FPE2023. The Board's diverse gender, age and ethnic representation contributes various viewpoints and experiences to Reservoir Link.

We comply with MCCG practices of diversity ratio of 30% female at board level, however we continue to face challenges to achieve within company level as result of women's low participation in the oil and gas industry, but Reservoir Link is committed to achieving it in three years.

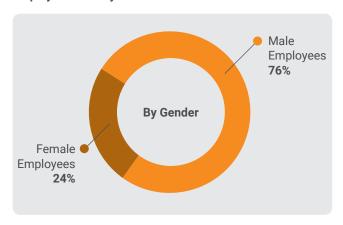


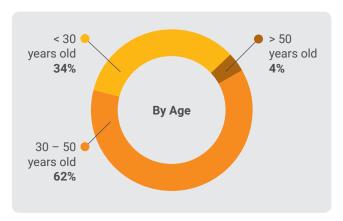






Employee Diversity





Our total workforce strength of 164 in FPE2023 (FY2021: 112), comprising of Male: 76% and Female: 24% respectively and comprises of diverse people with different background, experience and skillsets as well as gender, age groups, ethnicities, cultures and geographies who come together to generate transformative ideas, deliver sustained environmental, economic and social impact for ourselves and our communities at large.

LABOUR PRACTICES AND STANDARDS

Talent Attraction and Retention

We believe in nurturing and developing local talents as we constantly engage in initiatives that promote the training, education and skill development of talents. By investing in the local workforce, we contribute to building a skilled and capable talent pool that can drive sustainable economic growth and development. In FPE2023, we hired local talents for both Oil & Gas and Renewable Energy segments showcasing our commitment in the continuous effort to nurture the growth of local talent.

In FPE2023, we hired a total of 55 employees (FY2021: 7 new hires). However, the employee turnover rate increased to 29.9% in FPE2023 (FY2021: 10%) due to demand for skilled and experienced talent from other industry players following the increase of industry activities after COVID-19 pandemic.

New Hires

| Employee Category | FPE2023 | FY2022 (Annualised) |
|----------------------|---------|------------------------|
| Management | 6 | 4 |
| Executive | 35 | 23 |
| Non-Executive | 14 | 9 |
| Total | 55 | 37 |

Employee Turnover Rate

| Year | Turnover Rate |
|------------------------|---------------|
| FY2021 | 12.3% |
| FY2022 (Annualised) | 19.9% |
| FPE2023 | 29.9% |

Contract vs Permanent

| oontraot to remainent | | | | |
|-----------------------|---------|-------------------|---------------------|-------------------|
| Employee Category | FPE2023 | Percentage (%) | FY2022 (Annualised) | Percentage (%) |
| Permanent staff | 155 | 95% | 103 | 95% |
| Contract/Temporary | 9 | 5% | 6 | 5% |
| Total Number of Staff | 164 | 100% | 109 | 100% |







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Internship Programmes

Our internship programme is an important aspect of our corporate social responsibility, enabling us to contribute to society. Through this initiative, we actively partner with local universities and colleges to offer young talents the opportunity to gain work experience at Reservoir Link. In FPE2023, we welcomed 24 interns and six (6) of them were employed by Reservoir Link.

Employees Engagement

During FPE2023, Reservoir Link organised a number of employee engagement initiatives, utilising both formal and informal channels to promote healthy communication, engagement and a sense of belonging among all employees. As part of our ongoing efforts to engage with our employees, we held an annual town hall session to share the Group's achievements and future plans, including EES and digital transformation.

The results of our Job Satisfaction Feedback Survey, conducted in 2022, showed an impressive score of 4.82 out of 5. This invaluable feedback informs our ongoing efforts to improve the workplace experience, address specific concerns and optimise employee engagement strategies across a range of areas, including training and rewards.

We recognise that strong employee bonds are essential for supporting one another in the workplace. During FPE2023, we engaged our staff in various events and activities in order to foster a positive and harmonious working environment.

Compensation and Benefits

We've put in place a remuneration and reward system to ensure our employees are competitively rewarded. Salary levels are regularly reviewed and benchmarked against the local market. In addition, all employees are subject to performance reviews based on both business and individual performance against objectives agreed in advance with their superiors.

Compensation and benefit for full-time and permanent employees are as follows:



- **Allowance**
- · Group Health & Outpatient
- · Personal Accident
- · Hospitalisation & Surgical
- · Mobile Phone
- · Work Site
- · Overstay, Offshore

Leaves

- Annual
- Sick
- Hospitalisation
- · In-Lieu Saturday
- Pilgrimage
- Examination
- Marriage
- Paternity

Medical

- Medical Benefits
- **Dental Treatment**



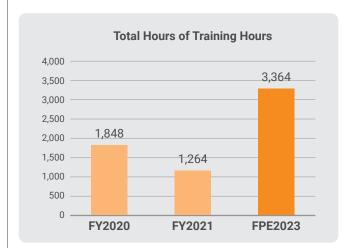
Others

- Club Membership
- Professional Membership Benefits
- Vehicle
- Transfer/Relocation **Renefits**

Training and Development

We recognise the key role of continuous learning and development in driving sustainable practices within our business. We are dedicated to equipping our people with the knowledge, skills and attitudes they need to excel. To achieve this, we offer a wide range of training programmes tailored to all levels of employment, from management to executive and non-executive personnel.

The chart below illustrates the training hours and total cost of training programmes in recent years. These training initiatives cover a variety of areas, including soft skills, mandatory operational courses and other programmes related to corporate responsibility, sustainability awareness and health and safety.



Average Training Hours Per Employee

| Year | Average Training Hours Per Employee |
|---------|--|
| FY2021 | 13 |
| FPE2023 | 12 |









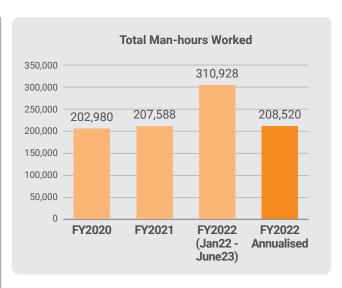




We are deeply committed to achieving excellence in Quality and Health, Safety and Environment ("HSE"). Our safety slogan "SAFETY IS THE PRIORITY, QUALITY IS THE STANDARD" reflects our commitment to maintaining high standards of integrity, respect and success while ensuring HSE excellence.

In FY2022, we recorded 208,520 man-hours with zero Lost Time Injuries ("LTI"). In the first six months of 2023, we recorded 102,408 man-hours (FY2021: 207,588) also without an LTI, resulting in a total of 1,235,295 LTI-free man-hours and 5,294 LTI-free days since 2009 (FY2021: 4,747). Prioritising safety allows us to protect our people, maintain equipment functionality and maintain a safe working environment. We firmly believe that a strong safety culture is integral to the overall success and reputation of our organisation.

Our HSE Committee held eight (8) meetings during FPE2023 to discuss occupational health and safety matters. These discussions included HSE performance, updates, emergency preparedness and risk management plans, among other important topics.



ZERO TOLERANCE FOR HARASSMENT

We place a high priority on a safe and respectful work environment and makes it clear that we will not tolerate any form of harassment or discrimination. This includes verbal or physical harassment, sexual harassment and any form of discrimination.

We deal with cases of harassment in accordance with our Code of Business Conduct, Human Rights Policy, Sexual Harassment Policy and other relevant human resources policies. We're pleased to report that no cases of harassment were reported in FPE2023 (FY2021: Nil).



DATA PRIVACY & SECURITY

At Reservoir Link, we prioritise the privacy of our customers and strictly adhere to the guidelines of the Personal Data Protection Act 2010 ("PDPA"). Our commitment to compliance ensures the proper collection, processing and retention of personal data. To reinforce this commitment, confidentiality is built into our Code of Conduct, Employment Letters and Employee Handbook.









We have rigorous measures in place to protect customer data, including anti-virus applications and regular security updates. In addition, our Group has an IT policy that sets out clear guidelines for access management, network security and the use of IT equipment by all employees.

We are pleased to report that we didn't receive any complaints relating to data breaches in FPE2023. This is in line with our track record as there were no reported incidents in the previous financial year (FY2021: Nil).

We are actively engaged in the compilation of pertinent data and the establishment of measurable targets to gauge our performance in managing data privacy and security.

ENGAGEMENT WITH LOCAL COMMUNITIES

Enhancing the capabilities of the communities where we operate, reinforces Reservoir Link's commitment to social community engagement and development. We believe that working together with local communities enable us to create positive impacts, a more sustainable and equitable future for all.

In FPE2023, a total of RM45,312 comprises of sponsorships and donations to various parties such as charitable organisation, non-profitable organisation and schools (FY2021: RM69,450). Some of the notable sponsorships and donations by Reservoir Link included:

Events sponsorship

Sponsorship for paper presentation

University education programme

Assisting Society of Petroleum Engineers ("SPE") members affected by flood

Donation to Rumah Anak-Anak Yatim Al-Hijrah and Rumah Anak Yatim Huzai for Iftar and Ramadhan

Donation to school upgrade proposal and needy children

Highlights of Sponsorships & Donations





Sponsorships

- 1. Wintec Well Intervention
- 2. UMP Program Karnival







Donations

- 3. School Upgrade
- 4. Back to School Programme
- 5. Program CSR Ramadhan









EMPLOYEE ENGAGEMENT

FESTIVE CELEBRATIONS







Aidilfitri 2023

Chinese New Year 2023

SPORT ACTIVITIES







Badminton

Go-kart

Jersey World Cup Day

RECREATIONAL ACTIVITIES







Hiking Denai Tiga Puteri

Hiking Tasik Cermin

Hiking Bukit Harimau Menangis









As we look ahead to FY2024, we're determined to drive positive change and sustainability across the Group. Our initiatives for the coming year cover several key areas:

TCFD Disclosure: We're actively working to complete and disclose our TCFD-related information, which is required to be disclosed by 2025.

FTSE4Good Bursa Malaysia Index: We aim to be recognised as one of the constituents of the FTSE4Good Bursa Malaysia Index.

Dedicated Sustainability Unit: We're in the process of establishing a dedicated sustainability unit which will be placed under the Corporate Services Department.

Climate Change Commitment: We aim to establish a Climate Change Policy and commit to setting targets with the aim of achieving carbon neutrality by 2050.

EESG Material Matters: We've refocused and reaffirmed our focus on economic, environmental, social and governance ("EESG") material issues.

Enhancement of Sustainability Governance Structure: We're working to strengthen and enforce our sustainability governance structure, which will include internal periodic reporting on sustainability indicators.











GRI Content Index

Statement of use: Reservoir Link Energy Bhd has reported information cited in this GRI content index for the period of 1

January 2022 to 30 June 2023 in accordance to the GRI Standards.

GRI 1 used : GRI 1: Foundation 2021

| GRI STANDARD /OTHER SOURCE | DISCLOSURE ITEM | DISCLOSURE DESCRIPTION/STATUS | REFERENCE PAGES(S) IN ANNUAL REPORT | | | | |
|--|---|---|---|--|--|--|--|
| GR1 2: General | GR1 2: General Disclosures 2021 | | | | | | |
| 1. The organisation and its reporting practice | | | | | | | |
| 2-1 | Organisation details | Corporate Information and Corporate Structure | Pages 8 - 9 | | | | |
| 2-2 | Entities included in the organisation's sustainability reporting | Reporting Scope | Page 41 | | | | |
| 2-3 | Reporting period, frequency and contact point | Reporting Period | Page 41 | | | | |
| 2-4 | Restatement of information | Diversity and Equal Opportunities, Labour Practices and Standards | Pages 57 - 60 | | | | |
| 2-5 | External assurance | No external assurance was conducted on this report | N/A | | | | |
| 2. The organisa | tion and its reporting practice | | | | | | |
| 2-6 | Activities, value chain and other business relationship | Stakeholder Engagement | Page 44 | | | | |
| 2-7 | Employees | Diversity and Equal Opportunities, Labour Practices and Standards | Pages 57 - 60 | | | | |
| 2-8 | Workers who are not employees | Labour Practices and Standards | Pages 58 - 60 | | | | |
| 3. Governance | | | | | | | |
| 2-9 | Governance structure and composition | Board Responsibilities and Board Composition | Pages 71 - 73 | | | | |
| 2-10 | Nomination and selection of highest governance body | Remuneration and Nomination Committee | Page 74 | | | | |
| 2-11 | Chair of the highest governance body | Board Composition and Diversity | Pages 73 - 74 | | | | |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | Sustainability Governance | Pages 42 - 43 | | | | |
| 2-13 | Delegation of responsibility for managing impacts | Sustainability Governance | Pages 42 - 43 | | | | |









| GRI STANDARD /OTHER SOURCE | DISCLOSURE ITEM | DISCLOSURE DESCRIPTION/STATUS | REFERENCE PAGES(S) IN ANNUAL REPORT |
|-------------------------------------|---|--|---|
| GR1 2: General | Disclosures 2021 | · | |
| 3. Governance | | | |
| 2-14 | Role of the highest governance body in sustainability reporting | Sustainability Governance | Pages 42 - 43 |
| 2-15 | Conflict of interest | Establishment of Responsible Business Practices – Anti-Bribery and Corruption Policy/ Anti-Bribery Management System | Page 53 |
| 2-16 | Communication of critical concerns | Establishment of Responsible Business Practices – Whistleblowing Policy Other Key Elements of Risk Management and Internal Control | Page 53 Page 81 |
| 2-17 | Collective knowledge of the highest governance body | Labour Practices and Standards – Training and Development Board Composition – Director's Training | Pages 59 - 60 Pages 74 - 76 |
| 2-18 | Evaluation of the performance of the highest governance body | Board Composition – Remuneration and Nomination Committee | Page 74 |
| 2-19 | Remuneration policies | Remuneration | Pages 76 - 77 |
| 2-20 | Process to determine remuneration | Remuneration | Pages 76 - 77 |
| 4. Strategy, pol | licies and practices | | |
| 2-22 | Statement on sustainable development strategy | Sustainability Governance | Pages 42 - 43 |
| 2-26 | Mechanism for seeking advice and raise concerns | Establishment of Responsible Business Practices – Whistleblowing Policy Other Key Elements of Risk Management and Internal Control | Page 53 Pages 81 - 82 |
| 2-27 | Compliance with laws and regulations | Stakeholder Engagement Enviromental Compliance | Page 44 Page 55 |
| 5. Stakeholder | engagement | | |
| 2-29 | Approach to stakeholder engagement | Stakeholder Engagement | Page 44 |
| GRI 3: Material | Topics 2021 | | |
| 3-1 | Process to determine material topics | Materiality | Page 45 |
| 3-2 | List of material topics | Materiality | Page 45 |
| 3-3 | Management of material topics | Materiality Key Performance Indicators ("KPIs") | Page 45 Pages 45 - 47 |









| GRI STANDARD /OTHER SOURCE | DISCLOSURE ITEM | DISCLOSURE DESCRIPTION/STATUS | REFERENCE PAGES(S) IN ANNUAL REPORT |
|-------------------------------------|--|---|---|
| GRI 201: Econo | mic Performance 2016 | | |
| 201-1 | Direct economic value generated and distributed | Economic Presence and Sustainability Profitability | Page 53 |
| 201-2 | Financial implications and other risks and opportunities due to climate change | Environmental – Emission Management, Environmental Compliance, Waste Management, Energy Management and Water Management | Pages 55 - 56 |
| GRI 203: Indired | et Economic Impacts 2016 | | |
| 203-2 | Significant indirect economic impacts | Economic Presence and Sustainability Profitability | Page 53 |
| GRI 204: Procui | rement Practices 2016 | | |
| 204-1 | Proportion of spending on local suppliers | Supply Chain Management/Procurement Practice | Page 54 |
| GRI 205: Anti-c | orruption 2016 | | |
| 205-2 | Communication and training about anti-corruption policies and procedures | Target and KPI for Management – Anti- Corruption | Page 46 |
| 205-3 | Confirmed incidents of corruption and actions taken | Target and KPI for Management – Anti- Corruption | Page 46 |
| GRI 302: Energy | 2016 | | |
| 302-1 | Energy consumption within the organisation | Target and KPI for Management – Reduce Superfluous Resources Consumption Risk, Opportunities and Management Approach – Energy Management | Page 46 Page 49 |
| GRI 303: Water | and Effluents 2016 | | |
| 303-5 | Water consumption | Target and KPI for Management – Reduce Superfluous Resources Consumption | Page 46 |
| GRI 306: Waste | 2020 | | |
| 306-1 | Waste generation and significant waste-related impacts | Target and KPI for Management – Waste Management | Page 46 |
| GRI 401: Emplo | yment 2016 | | |
| 401-1 | New employee hires and employee turnover | Labour Practices and Standards – Talent Attraction and Retention | Page 58 |
| 401-2 | Benefit provided to full-time employees that are not provided to temporary or part-time employees | Labour Practices and Standards – Compensation and Benefits | Page 59 |
| 401-3 | Parental leave | Labour Practices and Standards – Compensation and Benefits | Page 59 |









| GRI STANDARD /OTHER SOURCE | DISCLOSURE ITEM | DISCLOSURE DESCRIPTION/STATUS | REFERENCE PAGES(S) IN ANNUAL REPORT | | | |
|---|---|---|---|--|--|--|
| GRI 403: Occupational Health and Safety 2018 | | | | | | |
| 403-1 | Occupational health and safety management system | Occupational Safety and Health | Page 60 | | | |
| GRI 404: Trainii | GRI 404: Training and Education 2016 | | | | | |
| 404-1 | Average hours of training per year per employee | Labour Practices and Standards – Training and Development | Pages 59 - 60 | | | |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Labour Practices and Standards – Training and Development | Pages 59 - 60 | | | |
| GRI 405: Diversity and Equal Opportunity 2016 | | | | | | |
| 405-1 | Diversity of governance bodies and employees | Diversity and Equal Opportunities, Employee Diversity | Pages 57 - 58 | | | |