



HSS ENGINEERS BERHAD
Registration No. 201501003232 (1128564-U)

SUSTAINABILITY POLICY

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1. INTRODUCTION

- 1.1. We at HSS Engineers Berhad (HEB) share a common belief that how we do business is as important as what we do. We believe that sustainability means creating long term value by making decisions that balance social, environmental and economic considerations.
- 1.2. HEB's Sustainability Policy is benchmarked against the United Nation Sustainability Development goals (SDGs). The Board of Directors (BOD) of HEB is committed to formulating long term strategies that balances economic, environmental and social considerations in all aspects of HEB's businesses through its Engineering Consultancy and Project Management practices.
- 1.3. This commitment is reflected in our Sustainability Policy, where we actively consider environmental, social and governance (ESG) risks and impacts to create shared prosperity for current and future generations without compromising on our principles.
- 1.4. The principles and policies that make up HEB's Sustainability Policy is to be implemented throughout HEB's Group of Companies (HEB Group).

2. PURPOSE

- 2.1. This Sustainability Policy provides the fundamental principles that govern the sustainability strategy of the HEB Group to ensure that all its corporate activities and businesses are carried out while creating long term value for shareholders and our stakeholders.
- 2.2. The HEB Group's sustainability strategy revolves around 5 main goals:
 - a) Building Resilient Infrastructure and Fostering Innovation in all Projects undertaken by the HEB Group
 - b) Developing A Gender Equal, Safe and Dignified Workforce
 - c) Advocating A Responsible Value Chain
 - d) Promoting Community Inclusiveness
 - e) Respecting Global Ethical Principles

2.3. The general principles stipulated in HEB's Sustainability Policy are further developed and expanded in specific Environmental policies, Social and Corporate Governance policies and regulatory compliance policies that address the needs and expectations of the main Stakeholders of HEB.

3. SCOPE

3.1. This Policy applies to the HEB Group.

4. GOVERNANCE STRUCTURE

4.1. The HEB Group's Sustainability Governance is generally oversighted by the Group's Board of Directors (BOD). The BOD, which is led by the Group Chief Executive Officer (GCEO), will oversee and advise on the Group's sustainability strategy and issues, key environmental, social and governance (ESG) targets and performance, progress and scorecard to advance the Group's sustainability policy.

4.2. The BOD will be assisted by the Sustainability Steering Committee (SSC) to develop the framework and formulate decisions to integrate the strategies into business opportunities and daily operations, further implementing these initiatives towards the HEB Group's sustainability objectives.

4.3. The SSC consists of selected representatives from subsidiaries within the HEB Group. The SSC meets quarterly to discuss the HEB Group's performances and plans. SSC also acts as the Sustainability Champion and will communicate and promote the sustainability policy and principles across the Group.

4.4. The IMS Department will be invited for certain meetings and acts independently to ensure long-term sustainability aspects are compliant with the companies Integrated Management System. One of the main tasks for the IMS Department is to evaluate the gap between corporate governance standards and corporate governance practices within the Group.

4.5. The Sustainability Governance Structure is illustrated in Figure 1.

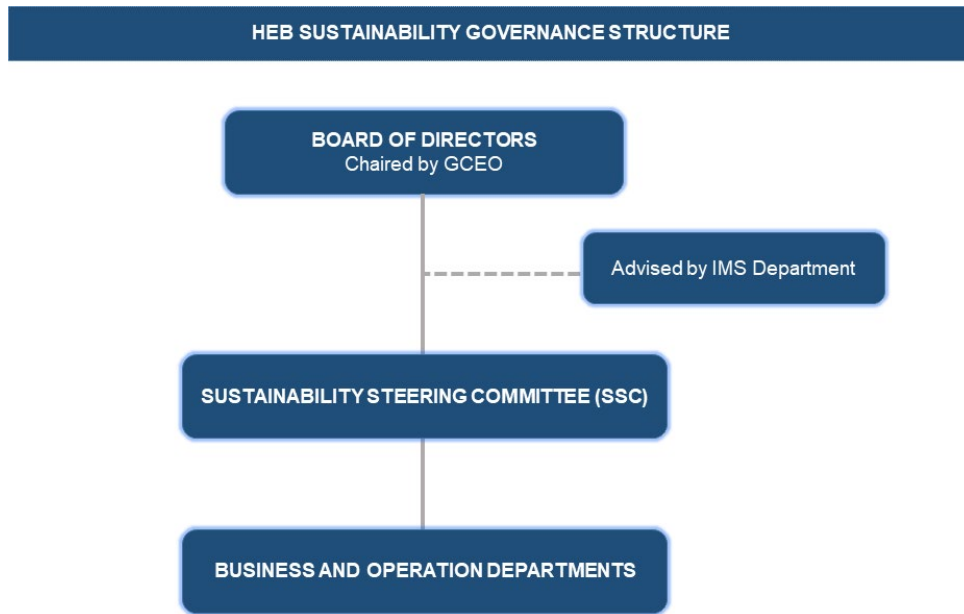


FIGURE 1 HEB SUSTAINABILITY GOVERNANCE STRUCTURE

5. FRAMEWORK/PILLARS

5.1. The HEB Group's Sustainability policy focuses broadly on 3 pillars :-

a) Promote Economic Growth / Performance

Embrace innovations, adoption of technology to deliver value/ transform the industry/nation and applying good business practice to ensure business sustainability.

b) Environmental Management

Undertake projects in an environmentally-responsible manner and strive to reduce our environmental footprint as well as optimising the resources we use.

c) Social Contribution

Acting as a responsible employer in developing human capital development, nurture/empower engineers with knowledge as well as contributing to improved social progress through our projects.

5.2. The 3 Pillars of the HEB Group’s Sustainability Work are tabulated follows:-

<p>GRI 201 ECONOMIC GROWTH /PERFORMANCE</p>	<p>GRI 300: ENVIRONMENTAL MANAGEMENT</p>	<p>GRI 400 : SOCIAL CONTRIBUTION</p>
<p>EMBRACE INNOVATIONS TO DELIVER VALUE/ TRANSFORM THE INDUSTRY/NATION</p> <p>GRI 203 -2 SIGNIFICANT INDIRECT ECONOMIC IMPACTS</p> <ul style="list-style-type: none"> • ADOPTION OF TECHNOLOGY • MATERIAL INNOVATION • CLIENT SATISFACTION 	<p>UNDERTAKE ALL PROJECTS IN AN ENVIRONMENTALLY- RESPONSIBLE MANNER</p> <ul style="list-style-type: none"> • ENVIRONMENTAL CERTIFICATIONS <p>MITIGATE ENVIRONMENTAL IMPACTS – COMMITTED TO EMBEDDING SUSTAINABILITY PRINCIPLES THROUGHOUT OUR BUSINESSES</p> <p>GRI 302/ GRI 302 -1</p> <ul style="list-style-type: none"> • ENERGY / ENERGY CONSUMPTION WITHIN ORGANIZATION <p>GRI 302 -4</p> <ul style="list-style-type: none"> • REDUCTION OF ENERGY 	<p>HUMAN CAPITAL DEVELOPMENT /RETENTION</p> <p>GRI 401-1 / 401 -2</p> <ul style="list-style-type: none"> • EMPLOYEE HIRES/ TURNOVER /BENEFITS/ ENGAGEMENTS TALENT PIPELINE <p>GRI 403 – 5</p> <ul style="list-style-type: none"> • OCCUPATIONAL SAFETY AND HEALTH <p>GRI 404 -1 /404-2</p> <ul style="list-style-type: none"> • TRAINING /EDUCATION/ PROFESSIONAL DEVELOPMENT <p>GRI 405 -1</p> <ul style="list-style-type: none"> • DIVERSITY /EQUAL OPPORTUNITY/INCLUSION <p>GRI 406</p> <ul style="list-style-type: none"> • NON DISCRIMINATION/ WHISTLE BLOWING POLICY
<p>INSTIL GOOD GOVERNANCE AND BUSINESS ETHICS</p> <p>GRI 204</p> <ul style="list-style-type: none"> • PROCUREMENT PRACTICES <p>GRI 205</p> <ul style="list-style-type: none"> • ANTI BRIBERY /CODE OF ETHICS 		

6. POLICY STATEMENT

The HEB Group Sustainability Policy:

- For A Good and Trustworthy Business (Business Sustainability Policy)
- For A Caring Society (Social Sustainability Policy)
- For A Better Environment (Environment Sustainability Policy)

For A Good and Trustworthy Business

- Internal
 - Efficient management of resources and process
 - Effective corporate governance
 - Promote and embrace innovation
 - Practice anti bribery and code of ethics
 - Smart procurement practices
- External
 - Enhance brand value and reputation
 - Adopt advance technology

For A Caring Society

- Internal
 - Employee welfare/benefits/talent pipeline
 - Employee occupational safety and health
 - Employee training, education and professional development
 - Diversity and equal opportunities
 - Non-discrimination among employees
 - Whistle blower protection
- External
 - Partnership with other organization, university, schools
 - Promote protégé program
 - Contribute expertise to local communities and general society
 - Mitigate environmental footprint to safeguard human safety and health

For A Better Environment

- Internal
 - o Conservation of energy, water, paper
 - o Efficient waste management
 - o Safer wastes handling and disposal
 - o Promote reduce, reuse and recycle
 - o Vehicle usage-reduce consumption
- External
 - o Promote environment friendly features in projects
 - o Mitigate environmental impacts to safeguard the environment

(This Policy was approved by the Board of Directors on 27 February 2024)