



INTEGRATING SUSTAINABLE IMPACTS

The cover for our Sustainability Report features an all-encompassing illustration that depicts the start of Reneuco's sustainability journey across its diverse ventures. This is presented as an escalating path towards an envisioned brighter tomorrow for our stakeholders and community, guided along by motifs representing our commitment to ESG, investments in hydro and solar power, digitalisation and other sustainability ventures.

INSIDE THIS REPORT

- 2 About this Report
- 4 Message from the Executive Chairman
- 6 Message from the Chairman of Sustainability Committee
- 8 About Reneuco Berhad
 - 8 Our Business
 - 9 Our Purpose and Values
 - 11 Group Corporate Structure
 - 12 Our Sustainability Strategy
 - 13 Our Sustainability Governance
 - 14 Our Stakeholders
- 15 Our Material Sustainability Matters
- 17 Economic Performance
- 21 Environmental Performance
- 25 Social Performance
- 35 GRI Content Index and Linking to 60 United Nation's Sustainable Development Goals (UNSDGs)



Featured in this Sustainability Report



Scan here and get access to the soft copy of our Reports and contact information:

www.reneuco.com

Feedback

We are fully committed to listening to our stakeholders, and we welcome feedback on this report and any aspect of our performance.

To provide feedback, or for any inquiries on our report, please contact:

Sustainability Unit,
Corporate Finance & Strategy Department
esg@reneuco.com
Telephone: +603 6203 2929
Fax: +603 6203 2939

ABOUT THIS REPORT

Reneuco Berhad and its subsidiaries (the “Group”) are honoured to present its 2nd standalone Sustainability Report describing its progress annually on the economic, environmental and social aspects through the perspective of sustainability. The Group is a diversified corporation that is mainly involved in sustainable energy and utilities activities, property, logistics and healthcare and technologies segments. The Group strives to be a world leader in its commitment to sustainable development with an ethical business practice.

Following similar path of the previous report published in October 2022, this year’s report provides a more profound understanding of our ongoing sustainability journey by understanding sustainable practices. We seek to strengthen our understanding of sustainability and inculcate a culture of sustainability throughout the Group.

This Sustainability Report serves the purpose of reporting on the summary of events for FY2023, which is from 1 July 2022 to 30 September 2023. Where relevant, it also includes some events that occurred in October 2023 up to 10 November 2023. This Report elaborates in detail the Sustainability Statement in Reneuco’s Integrated Report 2023. Stakeholders are encouraged to read this Report together with Reneuco’s Integrated Report 2022 and other publicly accessible resources, as this will provide a thorough insight into our commitment to sustainability and our efforts to create value.

This Sustainability Report 2023 is in compliance with GRI Standards 2021 and follows all reporting principles for defining report content.





Stakeholder Inclusiveness

This report identifies our key internal and external stakeholders and provides details on our response to the key interests and concerns of our stakeholders through our stakeholder engagements. From our stakeholders, we were able to obtain a holistic picture of our performance in various economic, environmental, and social areas that are important to our business, i.e., the relevant material sustainability matters to manage and report.



Sustainability Context

Where applicable, the Group considers sustainability matters within a wider context when managing and reporting on our sustainability performance, with reference to the United Nations Sustainable Development Goals (UNSDGs), highlighting our dedication and contribution to the 17 sustainable global goals. As our business interests are diversified, the Group also places emphasis on climate-related risks and opportunities when planning our business strategies, impact and risk management by prescribing to the Taskforce for Climate-related Financial Disclosures (TCFD) recommendations.



Materiality

The materiality principle is implemented in detail in our materiality analysis and in determining our material matters. In this Sustainability Report 2023, we affirm that our materiality priorities remain consistent with those of the previous year due to the ongoing relevance and significance of these matters in guiding our sustainability efforts and aligning with stakeholder expectations. Details are provided in the "Our Material Sustainability Matters" section of this report.



Completeness

This Sustainability Report 2023 includes sufficient and comprehensive coverage of material matters and their boundaries reflecting significant economic, environmental, and social impacts to enable our stakeholders to assess the Group's performance during the reporting period. This report allows our stakeholders to see the Group's performance in the areas of Environmental, Social and Governance (ESG) and sustainability during the financial year ended 30 September 2023 (FYE2023), with relevant information on the Group's commitments and contributions to the United Nation's Sustainable Development Goals, the Paris Agreement, and other widely adopted frameworks and standards. This Report also presents how negative economic, environmental, and social impacts were avoided, whereby the Group was not, in any way or form, penalised due to non-compliance with the relevant laws and regulations.



Reporting Framework

The preparation of this report considers the following scope of reference:

- The financial information disclosed in this report is consistent with the Group's Annual Report and financial statements and, therefore, comply with the relevant Malaysian legal provisions.
- Sustainability, or ESG, information is prepared by applying a reporting standard or framework pursuant to the relevant Malaysian regulations and requirements. The Group has opted to use the GRI Standards, in the core option thereof, taking into account the scope of this standard, its recognition and universality, in addition to meeting all Main Market Listing Requirements ("MMLR") as set out by Bursa Malaysia Securities Berhad and the Malaysian Code of Corporate Governance ("MCCG") as set out by the Securities Commissions Malaysia, along with all applicable laws and regulations.



MESSAGE FROM THE EXECUTIVE CHAIRMAN



Dear Valued Stakeholders,

Amid the backdrop of significant global changes, sustainability, notably the Economic, Environmental, Social and Governance (EESG) factors have gained increasing importance in Malaysia's corporate and financial landscape in these years. Sustainability ensures an ongoing process of creating value, ultimately benefiting the broader value chain and all relevant stakeholders.

In line with our vision, 'Sustainability through Diversity', we at Reneuco strive to demonstrate a strong progress in our sustainability journey from the economic, environmental and social aspects, as we believe that corporate performance should ultimately generate both financial and non-financial values.

In FY2023, the Group is consistent in completing the 50 MW solar power plant under LSS4@MEntARI in Pekan, Pahang. We take also pride in our record of zero cases of non-compliance in matters related to anti-corruption, corporate governance as well as procurement practices. In addition, our sustainability governance structure helps to ensure a smooth implementation of our sustainability strategies across the board, manage our target-setting and reporting processes, and strengthen relationships with external stakeholder, and ensure overall accountability. At the same time, we are also enhancing our corporate governance practice of translating the sustainability commitments through our leadership as per outlined in the Malaysian Code on Corporate Governance (MCCG).

From an environmental perspective, we remain steadfast in our commitment to the Taskforce on Climate-Related Disclosures (TCFD) recommendation. This commitment aligns with our responsibility to address climate-related risks and opportunities for the benefit of our stakeholders and the environment.

We champion social sustainability, exemplified by our commitment to addressing important issues. This reporting year, we conducted a sexual harassment training as part of our efforts to promote safe and respectful work environment, and we are committed to enhancing our employee engagement and prioritising the well-being of our employees by organising a health screening day, which not only underscores our dedication to promoting a healthy work environment but also empower our employees to take proactive steps toward their own health and well-being.

With this momentum, we look to move forward to document our progress through the utilisation of the GRI Standards framework. This report provides the Group's management approach to address material matters and presents its progress on parameters that signify our readiness for sustainable growth. We realise that our role as a corporate extends beyond mere expansion, as it involves actively engaging with and embracing sustainability.

Moving on, sustainability should not be an option, but a necessity for the long-term well-being of the planet, society and businesses.

Datuk Mustakim bin Mat Nun
Executive Chairman



Dear Valued Stakeholders,

On behalf of the Sustainability Committee, I am delighted to present to you the progress achieved by Reneuco Berhad on its journey of sustainability for financial year ended 30 September 2023 ("FY2023") in our Sustainability Report 2023.

We continue our sustainability stewardship through the three key factors, economic, environmental and social factors, and we have started aligning our materiality matters with relevant United Nations Sustainable Development Goals (UNSDGs). In addition, some of the noteworthy achievements this year include the revelation of Scope 3 emissions arising from employee commutes as well as the establishment of Sustainability Handbook as a guidebook for staff across all levels.

With the newly launched Malaysia's New Industrial Master Plan 2030 ("NIMP 2030"), it provides the national strategic direction to lead the industrial development policies in Malaysia. One of the highlighted goals set from this plan is to enhance ESG practices. In line with its goal towards Net Zero, we support this aspiration by the tracking of Scope 1, 2 and 3 GHG emissions. While progress is being made, I believe that there are always opportunities for the Group to improve these practices to yield even greater benefits for the business operation, society and environment.

As we move forward, we shall also review all our sustainability activities and ensure that they comply with the Standard Operating Procedures and guidelines. This will help to protect our valuable employees and the communities we work with.

Reneuco is determined to build upon present targets and set sustainability targets to be achieved in the future. The Group hopes to transform this ambition into execution in the near future as Reneuco leverages on the progress already made on its sustainability journey. We will actively seek out innovative solutions and collaborate with stakeholders to drive positive change.

We are sincerely grateful for the invaluable support we have received from our stakeholders, as the significant progress we've achieved would not have been possible without their contributions.

Datuk Ir. Ts. Dr. Muhammad Mahadi bin Mohamad
Chairman of Sustainability Committee



MESSAGE FROM THE CHAIRMAN OF SUSTAINABILITY COMMITTEE



ABOUT RENEUCO BERHAD



Evolving for future growth

Reneuco has embarked on asset ownership of solar and small hydro projects.

Our Business

Reneuco was incorporated on 3 February 1997 and listed on the Second Board of Bursa Malaysia Securities Berhad on 22 March 2002. Subsequently, the Company was transferred to the Main Market of Bursa Securities in 2009. Reneuco's sustainable energy and utilities segment involves construction related activities and specialised engineering services spread over various projects.

The Company's construction related activities segment consists of engineering, procurement, construction and commissioning of sustainable energy and utilities projects. Under construction related activities, Reneuco continued its journey in the construction of 50 MW solar power plant project under LSS4@MEntARI in Pekan, Pahang. The Company was also a successful bidder under the feed-in tariff (FiT) e-bidding exercise conducted by SEDA for the development of small hydro power plants with a total capacity of 40.4 MW in Gua Musang, Kelantan.

While focusing on the Malaysian market, the Company also aims to expand its regional footprint into the ASEAN region, South Asia, Central Asia, the Middle East, and Europe. The Company also plans to widen its renewable energy product offerings from mainly hydro power and solar to include wind and biomass.

Leveraging on these strategies, the Company strives to achieve its aspiration of becoming a leading regional player in sustainable energy and utilities. The Company also provides property, logistics, and healthcare and technologies services.



Our Purpose and Values

Vision

Sustainability through diversity.

Mission

To grow and expand internationally through serving borderless communities in a sustainable and responsible manner.

Core Values

At Reneuco, our core values are important in growing our businesses. These values are embedded in our business culture in order to achieve our vision and mission:



Innovation

Innovation helps to enhance our core competencies and develop our competitive advantage.



Technology

Implementing latest technology for cost efficiency and superior performance in the long run.



Sustainability

Developing projects for a better tomorrow by focusing on the economic, environmental and social factors.



Developing Talent

We are committed to nurture our human capital to highest potential.



Research and Development

Continuous research and development to increase efficiency.



Evolution

We continuously grow and evolve to stay competitive.



Renewable & Green

Seizing opportunities in the renewable & green segments to deliver value to stakeholders.



Preserving Value

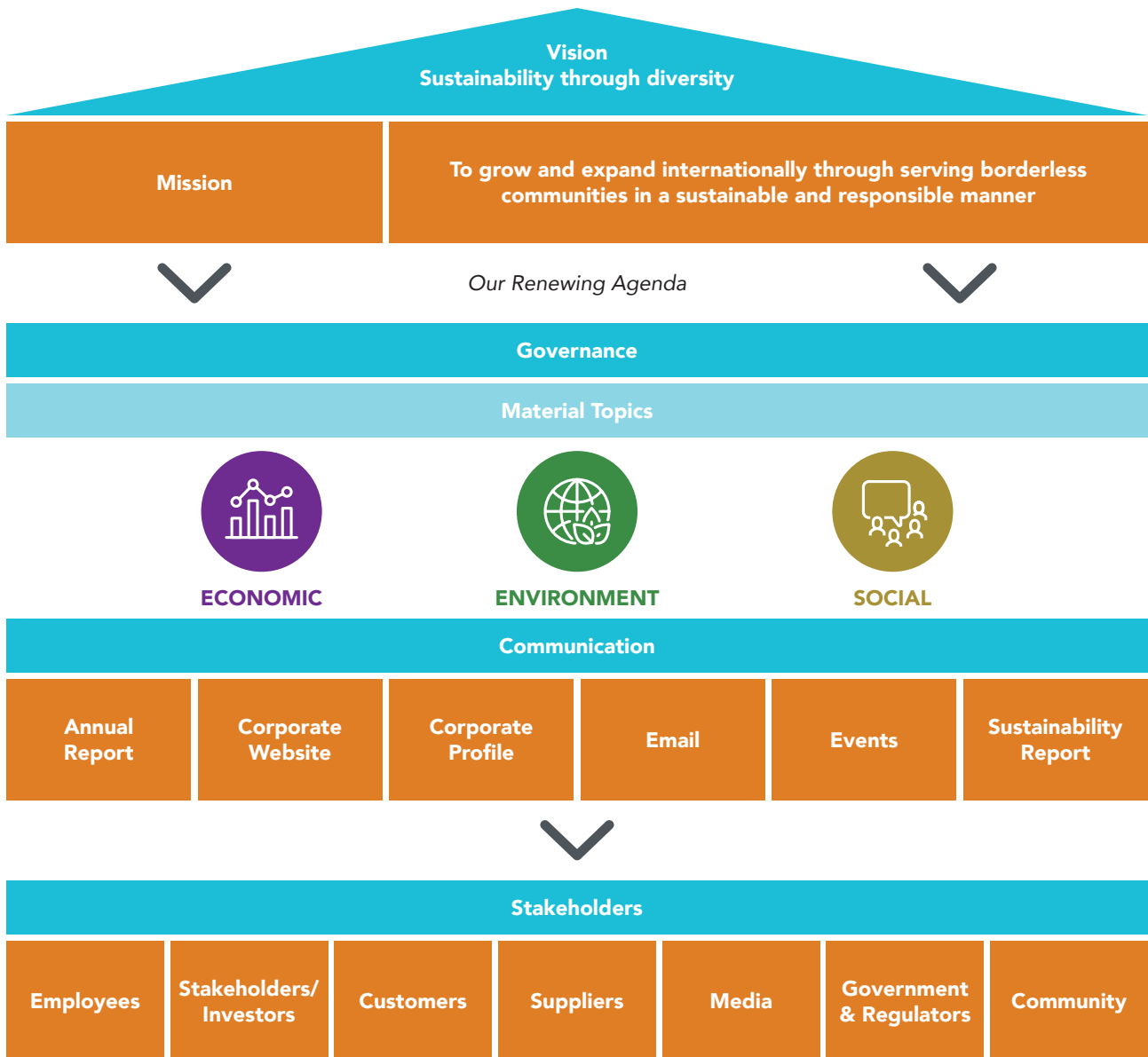
We focus on the creation of long-term shareholders' value.

Our commitment to sustainability is articulated in our Group Sustainability Policy, which serves as a blueprint for our commitment to promoting sustainable practices within Group. It outlines our initiatives aimed at enhancing all facets of our business operations and governance, addressing key parameters related to economy, environment and society (EES).

ABOUT RENEUCO BERHAD

SUSTAINABILITY FRAMEWORK

To keep our sustainability journey on the right track, our Group is driven by a sustainability framework which indicates the Group’s vision and mission. The framework also addresses relevant Economic, Environmental and Social (EES) parameters. Additionally, the EES parameters will be used as a basis in the formation of strategy, initiatives and measurement/monitoring to rationalise the target sets. At the end of the framework, we listen, engage and communicate with our Stakeholders to understand how various EES matters impact and are impacted by our business. These impacts indicate Reneuco’s contribution, negative or positive to sustainable development and guided strongly by sustainability-related policies.

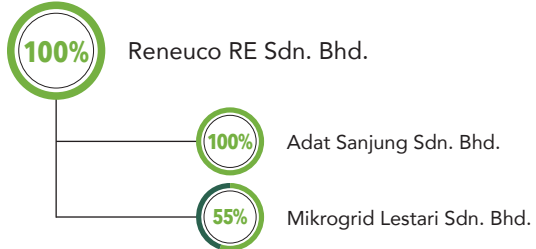


Group Corporate Structure

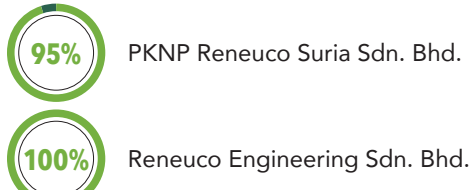


Energy & Utilities

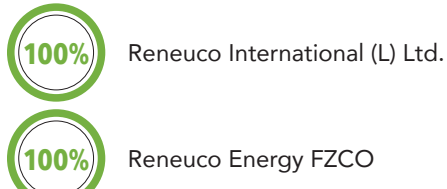
Asset Ownership



EPCC (Local)



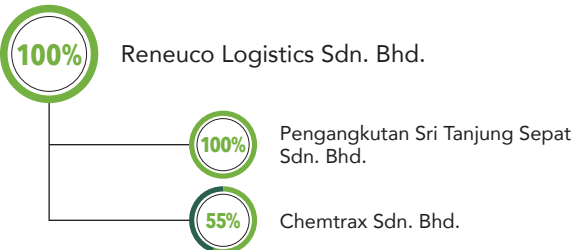
EPCC (International)



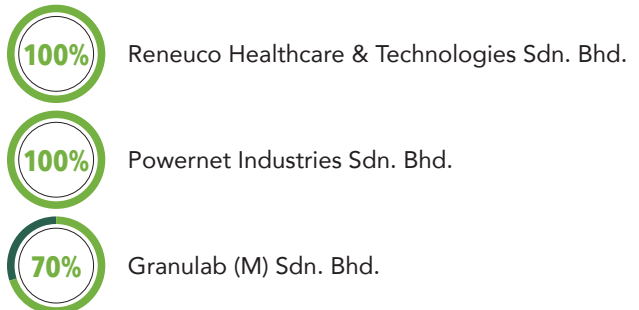
Utilities



Logistics



Healthcare & Technologies

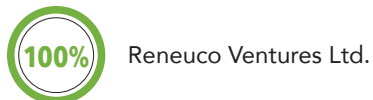


Property

Development



Investment



ABOUT RENEUCO BERHAD

Our Sustainability Strategy

The Board and Management of the Group recognise the urgency posed by ESG and Sustainability matters. Without diverting from our financial performance, we are cognisant that our strengths and weaknesses in terms of non-financial performance may affect how we receive opportunities and handle threats, impacting our financial performance, and to a further extent, the survival of our business.

As we embarked on our sustainability journey, the Group has developed our own Sustainability Strategy for managing ESG or Sustainability opportunities and risks that are in the short-term, mid-term and long-term horizons.

We have anchored our ESG and Sustainability dimensions not only on the UNSDGs and Paris Agreement, but also on the GRI Standards and TCFD Recommendations. A comprehensive Sustainability Strategy will enable us to progress from piecemeal contributions in Corporate Social Responsibility (CSR), to embedding sustainability into our own policies, processes, key performance targets, impact assessments, and products and services.

OUR SUSTAINABILITY JOURNEY

Our sustainability journey begins in 2020, documenting our progress and setting targets to move our organisation forward on the road of sustainability.



What We Have Achieved:

- FY2021**
 - Published Sustainability Statement and Materiality Assessment
 - Reneuco Berhad was included in the FTSE Bursa Malaysia EMAS (FBM EMAS) Index in July 2021
 - Rating of 1 for FTSE4Good ESG Ratings for Bursa Emas Index Constituents
 - FTSE Rating Assessments of more than 300 criteria (indicators)
- FY2022**
 - Inaugural Sustainability Report in accordance with GRI Standard and requirements set by BURSA on Sustainability Reporting
 - Establishment of Group Sustainability Governance Structure
 - Issuance of Sustainability Policy & Strategy
 - Data collection:
 - Materiality Assessment
 - Stakeholder Identification & Engagements
 - Baseline and performance data
 - Embarked on TCFD recommendations:
 - Inaugural TCFD Report
 - TCFD trainings
- FY2023**
 - Establishment of Sustainability Handbook
 - Scope 3 GHG emission tracking on employee commuting
 - Report in compliance of Bursa Malaysia Securities Berhad Guidelines and GRI Standards

Our Target:

- Develop a 5-year sustainability roadmap
- Expansion of stakeholder engagement
- Awareness programmes amongst Senior Management
- Sustainability Policy partially embedded in Business Plan
- Expansion of Scope 3 GHG emission tracking on business travel
- Improve the FTSE4Good ESG Ratings
- Listed in FTSE4Good Index
- Apply Science-Based Target Initiatives
- Sustainability Policy fully embedded in Business Plan

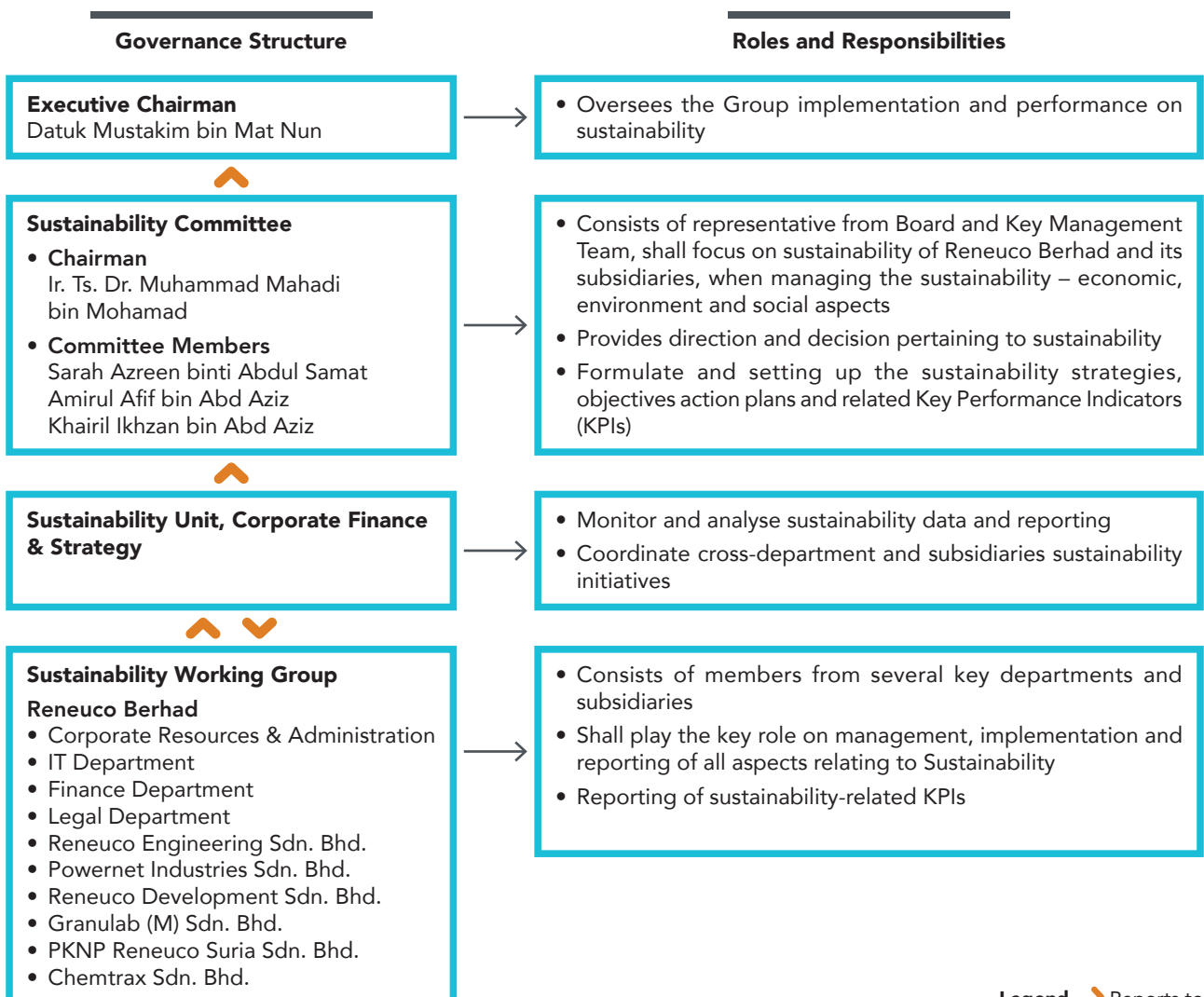
Our Sustainability Governance

Reneuco’s sustainability governance structure is essential in providing us clear lines of accountability, which therefore enables us to uphold our dedication to delivering excellence and quality. Our governance structure demands a significant amount of oversight and strategic effort in developing and sustaining the Group to continually be responsible and sustainable in its business operations.

The Sustainability Committee (SC), comprising representatives from the Board of Directors and senior management level, oversees the Group-wide sustainability-related matters, including the implementation of the sustainability agenda. A Terms of Reference (TOC), which outlined its role in managing the sustainable development of the organisation was developed for SC in 2022 and publicly available on our corporate website www.reneuco.com.

Decisions are made by the SC and supported by the Sustainability Unit, which is under the Group’s Corporate Finance and Strategy Department, as its implementation arm. The Sustainability Unit has the core competency and delegated authority to coordinate, manage and report all initiatives and implementations through the Sustainability Working Group (SWG), which comprises representatives from all operational sections of the Group.

In 2023, the SC meetings were conducted two times to review and deliberate on the Group’s sustainability performance. The SC is also responsible for reviewing and approving the sustainability reporting of Reneuco.



Legend  Reports to

ABOUT RENEUCO BERHAD








Our Stakeholders

The Group recognises the significant role of its internal and external Stakeholders in determining the direction of its business and in the sustainability of its operations, which includes its financial performance.

Previously, we engaged with a diverse group of 20 stakeholders to gather insights and feedback on our sustainability initiatives. However, in response to evolving sustainability priorities, we have streamlined our approach and regrouped our stakeholders into 7 distinct groups, in accordance to the Stakeholder Identification and Engagement Policy. This strategic adjustment allows us to focus our efforts more effectively on key areas of concern and collaboration, ensuring that our sustainability efforts remain closely aligned with the most critical issues identified by our stakeholders.

Our stakeholder engagement methods include surveys (such as supplier, customer, or worker surveys), focus groups, community panels, corporate advisory panels, written communication, management or union structures, collective bargaining agreements, and other mechanisms. It can also include voluntary engagement with initiatives and stakeholders to improve the broader operating environment and culture.

Below are the methods by which we engage our stakeholders and their main areas of concern:

Our Stakeholders	Method of Engagement	Frequency of Engagement
Board of Directors 	<ul style="list-style-type: none"> Board meetings Annual/Extraordinary General Meeting 	<ul style="list-style-type: none"> On-going
Employees 	<ul style="list-style-type: none"> Internal communications Engagement sessions Religious activities Volunteering programme 	<ul style="list-style-type: none"> On-going
Shareholders & Investors 	<ul style="list-style-type: none"> Annual meetings Annual reports Email communication 	<ul style="list-style-type: none"> On-going Annually As and when required
Customers 	<ul style="list-style-type: none"> Customer satisfaction survey One-to-one meeting 	<ul style="list-style-type: none"> On-going As and when required
Vendors & Suppliers 	<ul style="list-style-type: none"> Periodic meetings 	<ul style="list-style-type: none"> On-going
Government/Regulatory Bodies/Legal Authorities 	<ul style="list-style-type: none"> Annual audits Meetings Correspondence through emails, letters, memorandum, notices and phones Survey 	<ul style="list-style-type: none"> On-going
Financial Institutions 	<ul style="list-style-type: none"> Physical and virtual meetings Annual reporting 	<ul style="list-style-type: none"> On-going

OUR MATERIAL SUSTAINABILITY MATTERS

MATERIALITY ASSESSMENT PROCESS

The information presented in this statement addresses matters that are most materially relevant to our business and stakeholders. This year, we have reviewed and maintained the materiality matrix of all 14 material sustainability matters, as our ongoing commitment to prioritise and focus on the most relevant sustainability issues for our stakeholders and organisation. In the earlier stages, the materiality in relation to the sustainability of Reneuco’s business has been determined from the analysis of the Group’s internal documents and stakeholder identification and engagement process. We identify, prioritise and validate our material matters via a three-step materiality assessment elaborated below:

STEP 1: IDENTIFICATION

The 14 material sustainability matters identified in 2022 were reviewed with reference to various reporting standards and ESG indices, which includes Bursa Malaysia’s Sustainability Reporting Guide 3rd Edition, GRI Standards and FTSE4Good Bursa Malaysia ESG indicators.

STEP 2: PRIORITISATION

Prioritisation of material sustainability matters took into account the significance of matters to Reneuco and importance to its stakeholders. The prioritisation of these matters was carried out using the stakeholder inclusiveness and materiality principles - which was gathered through the Stakeholder Identification and Engagement Worksheets. This analysis resulted in the construction of materiality matrix.

STEP 3: VALIDATION

The reviewed materiality matrix was deliberated by the Sustainability Committee and presented to and approved by the Board.

Moving forward, in 2024, we plan to undertake a review of our sustainability matters to ensure that our understanding of both the current and future risks and opportunities facing our business is up to date, as well as responding to the needs of our stakeholders.

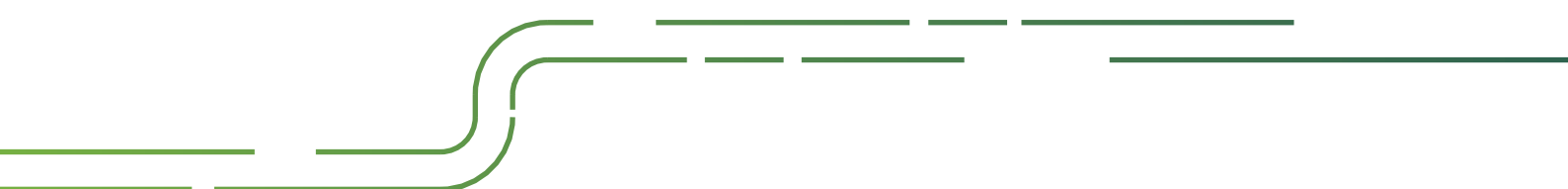
APPROVAL

This Sustainability Report 2023 has been reviewed by the Sustainability governance structure of the Group. The Board has collectively reviewed this report and acknowledges its responsibility in ensuring the integrity of this report. The Group believes that this statement reflects the economic, environmental and social information of the company in a reasonable and balanced manner.

ASSURANCE

Currently, no external assurance for the whole or any part of this Sustainability Report is required by Malaysian regulations. As this is the very first Sustainability Report of the Group, it was not as yet necessary for the Group to undertake voluntary external assurance.

Report content has been guided by the GRI principles on the stakeholder inclusiveness, accuracy, balance, clarity, comparability, reliability and timeliness. All the data has been sourced internally and validated by the information owners. We will continue to enhance the data accuracy and quality to strengthen disclosures going forward, including the involvement of third parties for the external verification.

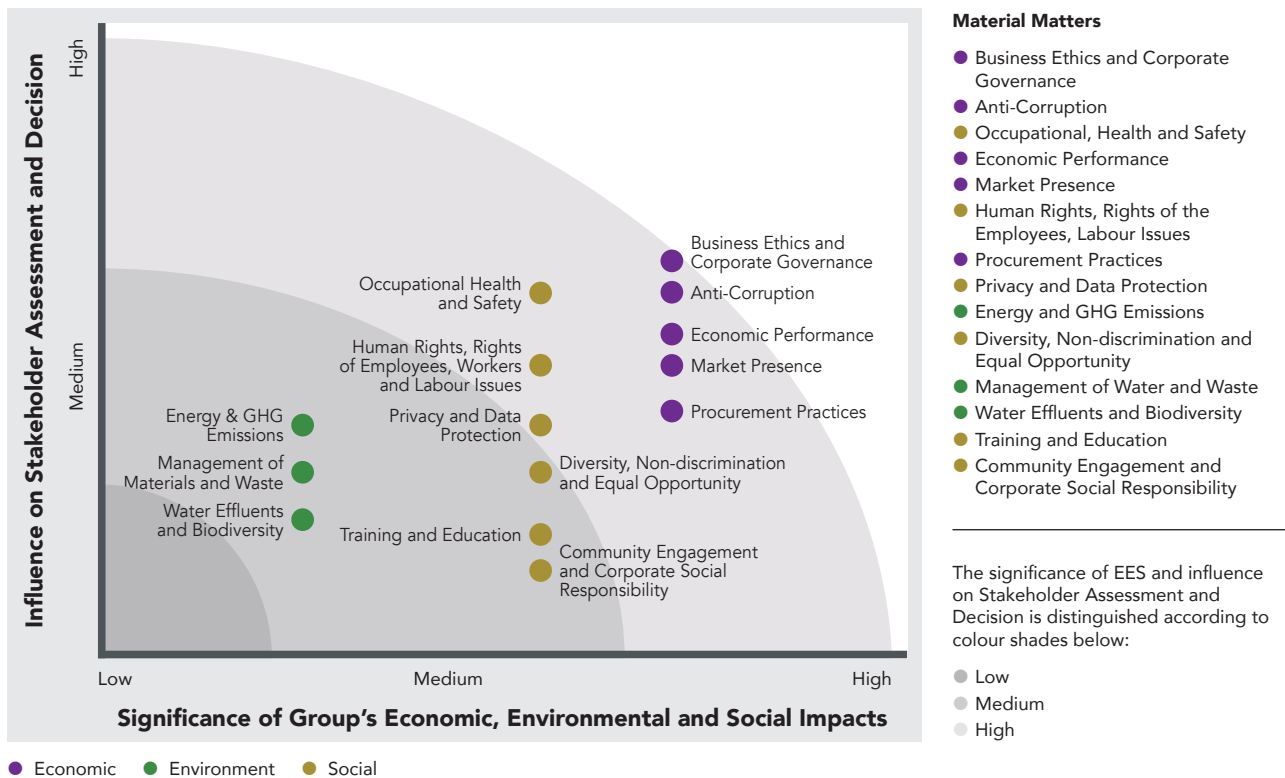


OUR MATERIAL SUSTAINABILITY MATTERS

MATERIALITY MATRIX

Following the review in 2023, the significance of the sustainability material matters to our business and our stakeholders is shown in the following materiality matrix:

Materiality Matrix



In the highest quadrant of the chart, the top Material Topics or Material Matters determined for the Group are:

- Economic: Business Ethics and Corporate Governance
- Economic: Anti-corruption
- Social: Occupational Health and Safety
- Economic: Economic Performance
- Economic: Market Presence
- Social: Human Rights, Rights of the Employees, Labour Relations
- Economic: Procurement Practices
- Social: Privacy and Data Protection

It is noted that environmental topics are not ranked as “highly material” in the current evaluation as environmental issues, aside from basic compliance, were insufficiently prioritised in previous stakeholder engagements. However, “Energy and GHG Emissions” and “Management of Water and Waste” will be considered as secondarily material to the Group and will be reported on for the purposes of ESG performance as indicated by FTSE Russell.

LIMITATIONS

Reneuco Berhad is cognisant that data-gathering still exists for certain indicators. We are in the process of implementing better database management and gathering mechanisms for improved reporting going forward.

FEEDBACK

We welcome your comments, thoughts, and remarks from all our stakeholders. Any queries and feedback can be directed to esg@reneuco.com.

ECONOMIC PERFORMANCE

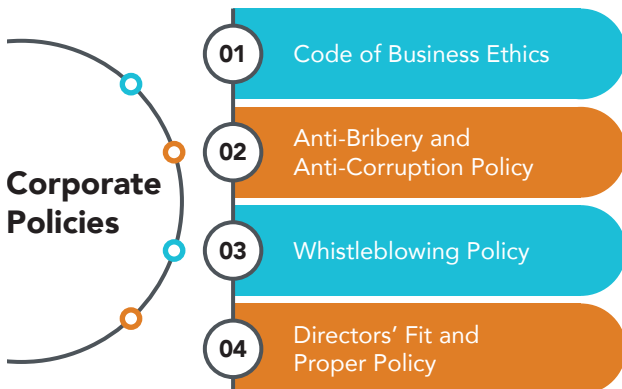


MATERIAL MATTER: BUSINESS ETHICS AND CORPORATE GOVERNANCE

We believe an excellent corporate governance will reflect a strong corporate foundation and core value, thus gaining the confidence and trust of our stakeholders. We strive to practice and uphold ethical business conduct to promote accountability and transparency in business.

The Board is fully committed to upholding a high standard of corporate governance throughout the Group's operations, with the ultimate objective of safeguarding the interests of all stakeholders and enhancing shareholders' value.

Reneuco adheres to the following policies, which are in line with the Malaysian Code on Corporate Governance (MCCG) principles and Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad in managing our business ethics and corporate governance. A list of our policies is available online on our website www.reneuco.com for convenience and transparency.



The oversight and management of all levels within the Group are based on several key policies and commitments with which all Board members and employees are required to comply.

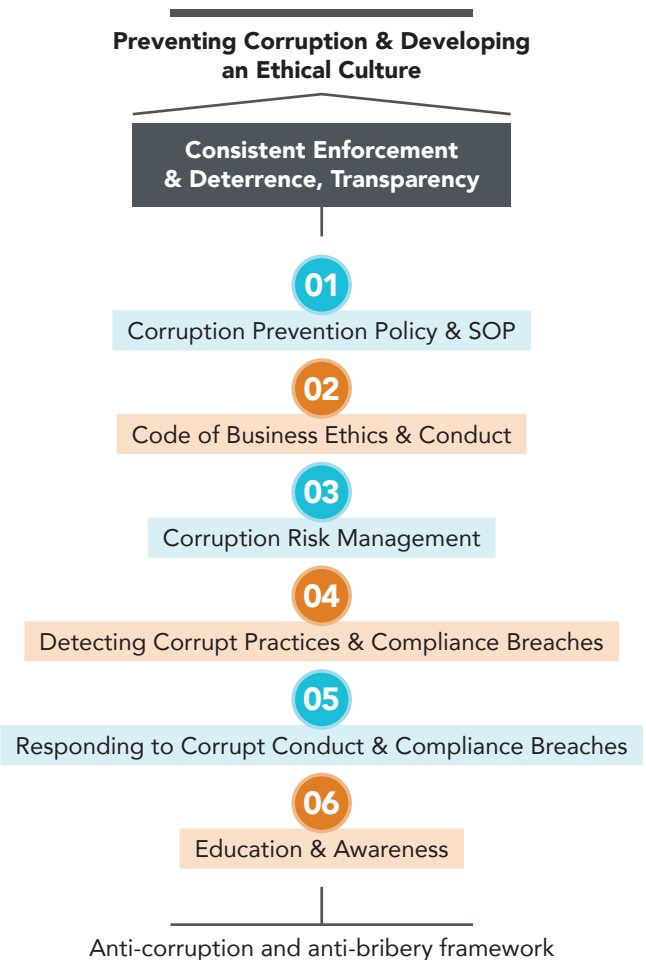
MATERIAL MATTER: ANTI-CORRUPTION

The Group is committed to conducting all business in an honest, ethical and professional manner wherever it operates. We believe that it matters to the company as it ensures legal compliance and safeguards compliance. The Board has oversight of ensuring anti-corruption policies and procedures are entrenched in all our operations.

The Group adopts a zero-tolerance approach to bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, and to implementing and enforcing effective systems to counter bribery. We will uphold all laws relevant to countering bribery and corruption in Malaysia and other jurisdictions where we operated.

Our Anti-Bribery and Anti-Corruption (ABC) Policy provides guidelines on the scope and objective of handling bribery and corruption within the Group and in dealing with external parties, including its business relations. This policy is in line with the Group's Code of Business Ethic and is one of our initiatives to combat bribery and corruption. The Policy is also easily accessible to all Board members, employees and business relations of the Group on its corporate website. Moving forward, we plan to develop a comprehensive training programme across all subsidiaries and conduct due diligence related to anti-corruption in our procurement practices.

Our anti-corruption and anti-bribery framework for Group-wide implementation includes:



In FY2023, we are pleased to announce that the Group received no reports if personnel being disciplined or terminated due to non-compliance with anti-corruption policies, and no fines, penalties, or settlements were levied in relation to corruption. Our commitment to ensuring our employees are aware of the relevant laws and regulations as well as internal policies pertaining to anti-corruption anti-bribery includes the communications and briefings when the new employees join the Company.

ECONOMIC PERFORMANCE

Whistleblowing Policy

Whistleblowing can involve misconducts or non-compliances to any laws and regulations, and codes, policies and processes of the Group, not only in terms of integrity and corporate governance but also responsibility towards the environment and social aspects.

Reneuco is committed to upholding the highest ethical standard. Our Whistleblowing Policy provides both employees and other business relations with an avenue to disclose alleged, suspected and/or known improper conduct in any parts of the Group's operations and dealings without fear of retribution or detrimental action.

This policy is established to provide employees and business partners with proper internal disclosing channels and guidelines in respect of whistleblowing at the workplace and aims to address issues such as protection of whistleblower, reporting procedures and investigation of improper conduct. This policy, along with the Whistleblowing Form, are available online on our website for an easy and accessible understanding by Board members, all employees and other business relations across the Group's operations. The whistleblower may make a disclosure to the person in charge as stated in our Whistleblowing Policy, verbally or in writing.

In 2023, we are pleased to inform that there were no confirmed incidents of corruption in the Group during the reporting period.

MATERIAL MATTER: ECONOMIC PERFORMANCE

Reneuco understands the importance of positive economic performance as it provides the financial resources needed for growth and innovation. As we keep our focus and commitment on sustainability, we hold on to our vision of "Sustainability through diversity" which further accelerates our efforts in becoming the leader in sustainable energy and utilities activities. Our focus on economic performance with regards to sustainability is divided into two parts:

1. Our products and services in sustainable energy and utilities businesses and subsidiaries
2. How sustainability management can improve the economic performance of other segments such as logistics, healthcare & technologies, and property development

The Board, Sustainability Committee and the various business managers of the Group have given a thorough consideration in managing this aspect. At the same time, our key Stakeholders hold the view that the economic performance of our renewable energy and utilities business is material to the Group's growth trajectory. The Group's strategy on economic performance related to Sustainability also is aligned with the country's aspirations in Climate Action.

We are pleased to report that Reneuco did not receive any financial assistance from the government or provided any political contribution throughout 2023.

Taskforce on Climate – Related Financial Disclosures ("TCFD") – Aligned Disclosures

Ahead of the regulatory requirements of Bursa Malaysia's Main Market Listing Requirements, we are pleased to present our second TCFD report. It is important to note that, since our last report, there have been no major changes in our approach to climate-related financial disclosures and risk assessment. However, we remain committed to the principles outlined in our initial report and continue to refine our processes and strategies where necessary.

Metrics and Targets

At Reneuco, we track our climate-related performance using the Scope 1, Scope 2 and limited Scope 3 (employee commuting) emission (tCO₂e). Our total GHG emissions for the year amounted to 4,272.31 tCO₂e for Scope 1 and 137.14 tCO₂e for Scope 2.

The Group continues to take the financial implications and other risks and opportunities arising from climate change very seriously. In terms of risks and opportunities, the Group has taken a proactive approach of carrying out an evaluation based on the TCFD Recommendation framework. We look at climate-related risks, opportunities and financial impacts. The climate related risks are divided into two major categories while the opportunities are categorised into five different types.

Climate-related Risks, Opportunities and Potential Financial Impacts



1.1. Transition Risks

- **Policy and Legal** – The Group needs to prepare itself to meet transition risks to its operations and products and services, such as further policy constraints on emissions, imposition of a carbon tax, and restrictions on water and land use.
- **Technology** – Technological advancements that support the transition to a lower-carbon, energy efficient economic system can have a significant impact on the Group. As new technologies for renewable energies and utilities are developing at break-neck speed, we must remain vigilant to ensure that we continue to remain ahead of the curve in all our business segments.
- **Market** – As climate change is a pressing concern, the market demand will move towards products and services that address this issue. To mitigate this risk, the Group must take a forward-looking approach in pivoting into the market segments of the near future.

- **Reputation** – Climate change has been identified as a potential source of reputational risk tied to changing customer or community perceptions of the Group’s contribution to or detraction from the transition to a lower-carbon economy. The Group is enhancing its position in the market as a leader in sustainability in its various segments.

1.2. Physical Risks

- **Acute** – Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as floods. The Group is cognisant of acute risks when selecting its business location and project sites.
- **Chronic** – Chronic physical risks refer to longer-term shifts in climate patterns (e.g., sustained higher temperatures). This will lead to increased operational costs for cooling our workspaces and machinery and will also impact the health and well-being of our employees.



2. Opportunities

- **Resource Efficiency** – Reducing operating costs by improving efficiency (e.g., energy efficiency) across our production and distribution processes, buildings, equipment and transportation.
- **Energy Source** – This is our focus as we develop ourselves into a leader in the renewable energy and utilities segment. While we are currently involved in solar and hydro projects, we are positioned to capitalise on opportunities in other renewable energy segments such as wind, wave and tidal, geothermal, and biofuels.
- **Product/Services** – The Group continues to concurrently innovate and develop new low-emissions services in our energy and utilities segment, while improving our emissions performance and setting our internal net zero targets within our operations.
- **Markets** – Through diversification into climate-related markets, the Group will be better positioned for the transition by various economies into lower-carbon status.
- **Resilience** – The Group is exploring the development of adaptive capacities in response to climate change to better manage the associated risks and opportunities. This relates directly to overcoming the impacts of the acute and chronic risks on the Group’s business segments.



3. Potential Financial Impacts

- **Revenues** – In view of the climate adaptation and climate mitigation opportunities in the market whereby governments, corporate clients, and consumers are looking at investing in renewable energy and utilities to meet various emissions-related commitments and objectives, the Group continues to build its order book and tender book with projects in this area that provide stable and long-term revenues.

- **Expenditures** – The Group will focus expenditure on two areas; investing in the climate action commitments of the Group, such as managing our own emissions, water, waste, and other climate related impacts, while increasing expenditure on capability building of our human resources and on conducting research and development to strengthen our position in the market. We will also be able to lower our cost structure through efficient climate mitigation measures, such as reducing our energy usage while cutting down our Scope 2 emissions.
- **Assets and Liabilities** – The Group continues to explore green-field and brown-field assets in the renewable energy and utilities sector, while moving away from high emissions sectors that have transition risks that can become potential liabilities or would lead to stranded assets.
- **Capital and Financing** – New capital and financing opportunities such as green bonds, sustainability linked bonds, green loans and sustainability linked loans are potential sources of funding for our projects and asset acquisitions.

Going forward, we plan to strengthen our disclosures against the TCFD recommendations which includes conducting our climate action and outlining our mitigation measures to enhance transparency and better navigate the financial impacts of climate-related risks and opportunities.

MATERIAL MATTER: MARKET PRESENCE

Reneuco acknowledges the importance of good market presence for our company’s success and business sustainability. We realised that climate change and global warming have given a big impact to the global economy. In line with the execution of Paris Agreement on climate change and Sustainable Development Goals (“SDGs”), Malaysia has strengthened its support towards solar renewable energy, which includes Malaysia’s Large Scale Solar Projects. In line with this, Reneuco’s business direction has taken part and stays committed to these national initiatives to boost the share of renewable energy in the total generation capacity.

The Group has partnered with the Pahang state government’s entity Perbadanan Kemajuan Negeri Pahang (PKNP), to build a 50 MW solar plant on PKNP’s land in Pekan, Pahang, Malaysia. The engineering, procurement, construction and commissioning (EPCC) contract for the group’s LSS4 project in Pekan will be awarded to the group’s wholly owned subsidiary Reneuco Engineering Sdn. Bhd. As published in the media, based on the assumption of four hours of peak radiation a day, this solar plant will be able to produce 96.4 million kWh of electricity a year. At our tariff of 17.91 sen per kWh, our SPV would potentially earn an estimated RM17.3 million in revenue a year.

ECONOMIC PERFORMANCE

In addition to solar, the Group has also ventured into hydropower via a successful bid for Sustainable Development Authority's (SEDA) feed-in-tariff (FiT) e-bidding exercise for the development of small hydro power plants. The Group's subsidiary shall develop small hydro power plants with a total capacity of 40.4 MW (13.1 MW and 27.3 MW) in Gua Musang, Kelantan, Malaysia, with a basic FiT of 22.49 sen per kWh.

The Group also accepted the letter of award to take over and complete the EPPC of small hydro power plants totalling 29.1 MW in Kota Marudu, Sabah, Malaysia. These awards augur well with our business strategy to expand into asset ownership for a consistent revenue stream in the future, and in addition, strengthen the Group's EPCC segment and capabilities under our sustainable energy and utilities segment, specifically in solar and hydropower.

In December 2022, one of our subsidiaries managed to ink a joint venture agreement with the Terengganu Government for the mixed housing project development in Kuala Nerus, involving 636 units of Type A affordable housing, 360 units of Type B affordable housing and commercial housing. This project is expected to have a gross development value worth RM293.8 million.

Furthermore, our Reneuco RE has started a collaboration with two companies in Perak to venture into the green energy business, with the aim of supplying and installing smart solar LED lighting for the Smart Solar Project.

The Group aims to strengthen its existing renewable energy and utilities by expanding its market presence into the ASEAN, South Asia, Central Asia, Middle East, and Europe regions in going forward. Concurrently, our expansion plans include widening our product offerings and technical capabilities to include waste-to-energy, biomass and biogas, which will enable us to capture more opportunities.

Meanwhile, for our healthcare and technologies sector, our 70% - owned subsidiary, Granulab Sdn. Bhd., managed to establish relationships with clinical consultants and engaged with the government and universities for research partnerships and potential future market opportunities. Furthermore, our successfully developed Prosteomax Chips from tricalcium phosphate (TCP) and Hydroxyapatite (HA), has been submitted for registration with Medical Device Authority (MDA) Malaysia.

As of the reporting period, through one of our subsidiaries, the Group currently manages a fleet of 61 trucks, 12 International Organisation for Standardisation standards (ISO) tanks and 6 other units consisting of barrels and trailers in moving hazardous chemicals and gas products within Malaysia and Singapore.

The Group recognises its role in creating a positive impact on the communities and markets in which it operates. The Group is committed to developing its human resources, as well as to engaging with local suppliers, where possible.

MATERIAL MATTER: PROCUREMENT PRACTICES

Reneuco continues to contribute to the domestic economy by supporting local suppliers and services. We believe that local procurement creates job opportunities for local talents, and contributes to Corporate Social Responsibility (CSR) in various ways that benefit its community and stakeholders.

Our Group's core business spans across project management consultancy and project management team. In FY2023, we engaged with 607 vendors and suppliers, with about 97% of them being local suppliers.

Reneuco is committed to integrating environmental, social and governance aspects in our procurement practices by complying with the Procurement Policy and Procedure, which aims to streamline the process, guidelines and principles through a consistent supply chain system. To ensure the effectiveness of these practices, the company has implemented the Procurement Management Database, which comprises the data and information of the pre-tender, awards, up until the received payment is collected. Furthermore, in our vendor management processes, we identified the approved vendor list and vendor registration along with the scoring. These processes are meticulously monitored and data has been updated monthly within the supply chain department to ensure smooth operations.

Our supply chain has been actively engaged with vendors including architect, quantity surveyors etc., sub-contractors (any tiers), supplier, contractor and more. Based on the Manual and Procedures, vendors that have been awarded by Reneuco are evaluated by vendor performance assessment, and these vendors shall be maintained and renewed accordingly in the Vendor Approved List if it passed the score.

As far as possible, to optimise our supply chain efficiency in terms of cost and lead time, we will continue to find solutions that allow us to prioritise the local supply chain.



“The Group aims to strengthen its existing renewable energy and utilities by expanding its market presence into the ASEAN, South Asia, Central Asia, Middle East, and Europe regions in going forward.”



ENVIRONMENTAL PERFORMANCE

Climate change is seen as a significant and global challenge that could threaten the environment, social and economy. Human activities have been the main driver due to the burning of fossil fuels, which results in the emission of greenhouse gases into the atmosphere, trapping the sun’s heat and raising the Earth’s temperatures, an uptick in the occurrence of natural disasters.

As such, corporate organisations and industries have been urged to transform to a low-carbon economy and contribute to lowering global temperature rise to below 20°C. The international treaty covers climate mitigation, adaptation, and finance, with the goal of keeping the rise in mean global temperatures to 2°C above pre-industrial levels, preferably limiting the increase to 1.5°C.

Reneuco is mindful of its environmental aspects and has identified several key materiality matters. We are aware of the importance of handling climate change and failure in tackling this issue might result in the economic damages due to the supply chain disruptions and resource scarcity. Our progress and performance in managing the environmental impacts of the company is further discussed in the latter part of this report.

MATERIAL MATTER: MANAGEMENT OF MATERIALS AND WASTE

We acknowledge the positive correlation between business growth and that the amount of waste produced is a result of increased activity. Thus, we aim to reduce the rate of waste production through efficient waste management. In 2022, one of our subsidiaries has been certified with ISO 14001:2015 Environmental Management System (EMS) as a way to improve our efficiency. The waste management process is in accordance with the ISO 14001:2015 standard.

We are committed to comply with our Scheduled Waste Management Procedure, which is applicable to the areas where general and scheduled waste is kept on the premises. The reporting, identifying, handling, and storing of waste generated needs to comply with the legal requirements and regulations of national and state level, such as the Environmental Quality Act and the Environment Quality (Scheduled Wastes) Regulation 2005. The scheduled waste is properly disposed of by licensed contractors, in compliance with the relevant laws and regulations. The company addresses significant environmental risks by conducting the Environmental Aspects and Impacts (EIA) for each activity conducted at the site.

In managing the non-hazardous waste, this year, in early October 2023, we embarked on the implementation of 3R (Reduce, Reuse, Recycle) practices in the “Reneuco Go Green” campaign, as part of our initiatives to increase awareness amongst our employees in efforts to reduce waste. This includes the segregation of non-recyclable and recyclable waste and encouraging employees to reuse rough papers for internal use. Moving forward, the consumption of papers will be monitored and we

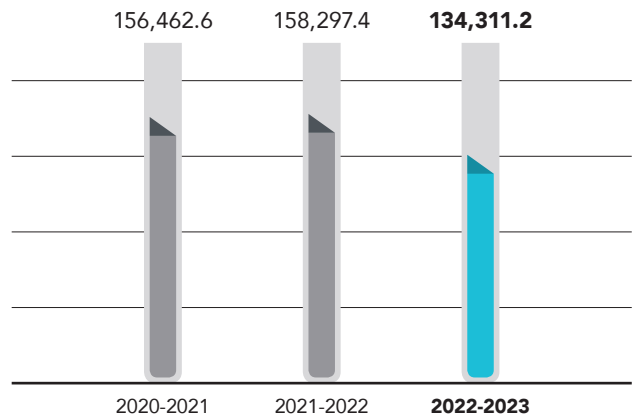
look forward to reducing the amount of paper and other waste by exploring circular economy principles for an efficient waste management.

Total Waste Generated

All waste was disposed in accordance with proper procedure.

Total waste generated

(kg)



MATERIAL MATTER: ENERGY & GHG EMISSIONS

Reneuco is committed to reducing energy use and addressing the pressing issue of climate change. Efficient Management of Energy and Reduction of GHG Emissions. We monitor our energy consumption in the form of electricity usage, petrol as well as diesel consumption.

Energy

In our concerted efforts to reduce energy consumption and minimise our footprint on the natural environment, we take deliberate steps to practise efficient energy management which include our operations and offices in Malaysia.

We strive to manage and reduce energy consumption by improving operational and equipment efficiencies, in line with our business growth. In addition to the Environmental Policy, the Group has a standard operating procedure on resource and energy consumption, applicable to all staff at our head and site offices. We maintain our efforts in saving energy at the office level, which include:

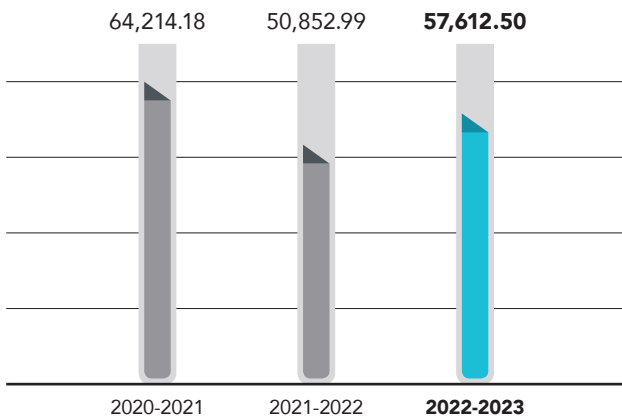
- Placing signage at strategic locations such as meeting rooms, toilet, corridors, etc. to conserve electricity;
- Turning off lights when daylight is sufficient in the office;
- Turning off lights and air conditioning system during lunch breaks;
- Turning off air conditioning in the meeting rooms when not in use;

ENVIRONMENTAL PERFORMANCE

- Turning off lights in the meeting rooms and toilets when not in use;
- Installing sensors in shared areas e.g., reception, corridors and toilets, where necessary;
- Using energy saving technology to minimise electricity consumption, and ensure that computers, printers and photocopiers are programmed to be on power saving mode when not in use;
- Repairing any leaks in the air ventilation system;
- Ensuring that doors and windows are kept closed at all times when air conditioning system is in use;
- Turning off the air conditioning system at least half an hour before the last person leaves the office.

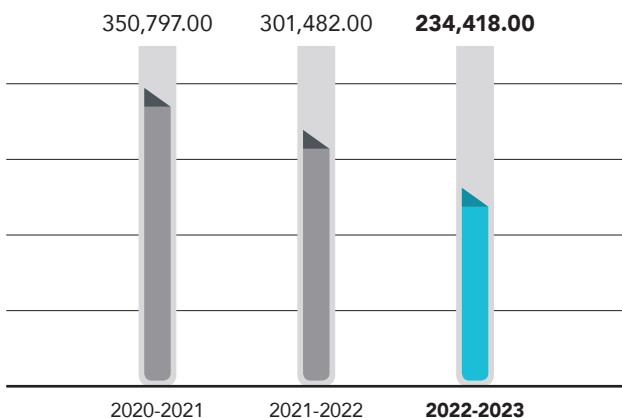
Our energy consumption data is as follows:

Total non-renewable energy consumed (Diesel) (GJ)



This reporting year, Reneuco’s non-renewable energy consumption covers the diesel for transportation. Our consumption of the non-renewable energy (diesel) for FY2023 recorded an increase compared to last year. Moving forward, we will take a look on the energy-saving measures implemented across our operations.

Total electricity consumed (kWh)



We strive to remain transparent in reporting the total electricity consumed during FY2023. However, we face some challenges as some data were not available for the current reporting period. Moving forward, we aim to reinforce our commitment to transparency and accuracy in data collection to resolve this data gap.

GHG Emissions

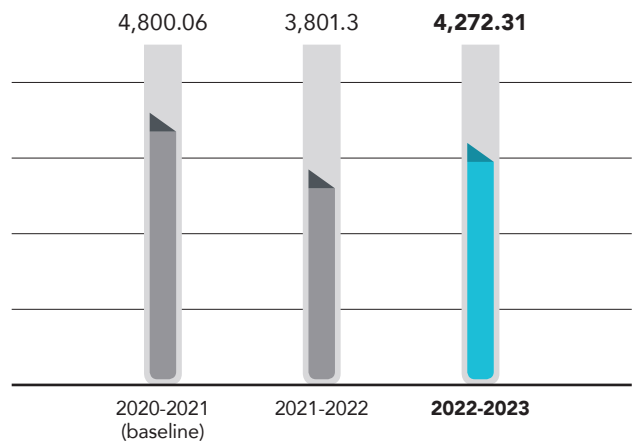
The Group also commits to reducing its Greenhouse Gas (GHG) emissions, relative to baseline emissions, through improving operational efficiency. We have set 2020 as the baseline year to track our progress against targets for energy and GHG emissions.

The methodology for counting GHG emissions is based on the ‘GHG Protocol Corporate Accounting and Reporting Standard’ (‘GHG Protocol Corporate Standard’). The Group has begun tracking Scope 1 and Scope 2 GHG emissions.

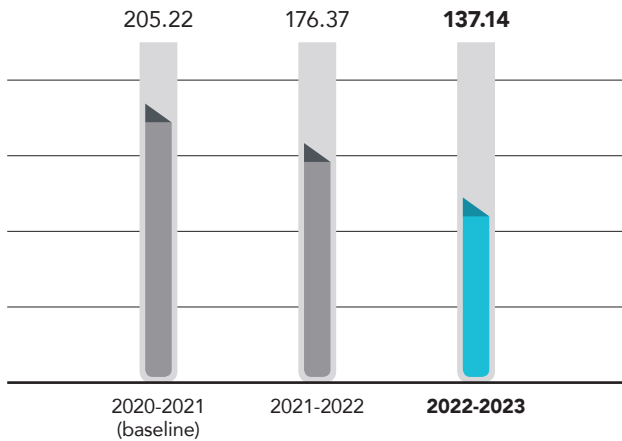
- Scope 1 GHG emissions refers to GHG emissions from sources that are owned or controlled by the Group.
- Scope 2 GHG emissions refers to GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling, and steam consumed by the Group.
- Scope 3 GHG emissions refers to indirect GHG emissions not included in Scope 2 GHG emissions that occur outside of the Group, including both upstream and downstream emissions.

As part of our commitments to climate action, we have undertaken the following steps. We refer to the IPCC’s Fifth Assessment Report 2014 (AR5), for the global warming potential (GWP) values for calculations, while the emission factor for electricity consumption – 0.585 tCO₂/MWh, is in accordance with Malaysia Green Technology Corporation’s CDM Electricity Baseline for Malaysia (2017) – Peninsular Grid.

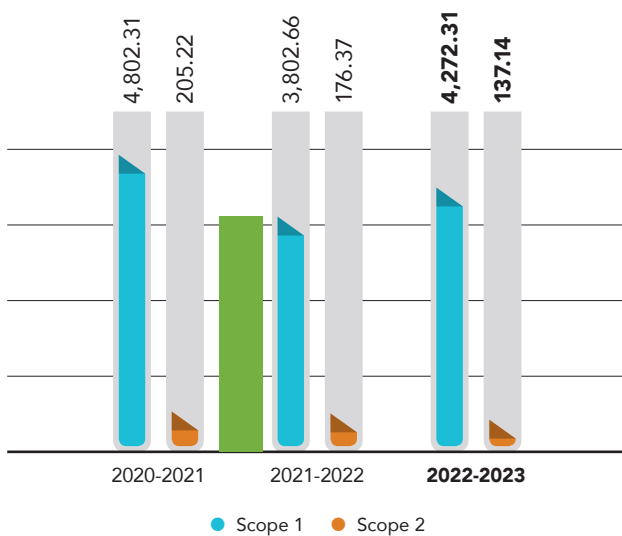
Scope 1 emissions (Fuel consumption) (tCO_{2e})



Scope 2 emissions (Electricity consumption)
(tCO₂e)



Scope 1 and 2 GHG emissions
(tCO₂e)



The Group’s Scope 1 and 2 GHG emissions have reduced in comparison with the base year, 2020-2021. However, Scope 1 shows an increase in its total emission compared to last year, as a result of our increase in activity.

As we strive to collect a transparent data, we acknowledge the challenges we face in data collection and moving forward, we will intensify our efforts to improve our data collection processes by collecting them quarterly.

In this reporting period, we embarked on gathering carbon emissions data for employees’ commutes to work. The initiative was part of our effort to measure and track our Scope 3 GHG emissions, in line with Bursa’s enhanced sustainability requirements. The calculation of Reneuco’s scope 3 GHG emissions is based on

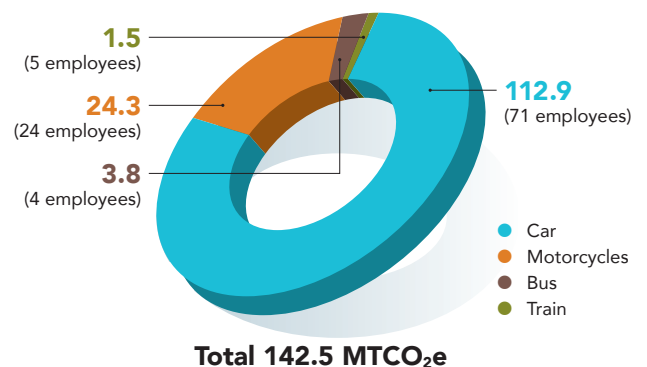
the Greenhouse Gas Protocol: Technical Guidance for Calculating Scope 3 Emissions (version 1.0) under category 7 (Employee Commuting) using average-data method. Reneuco’s disclosures on Scope 3 emissions consist of employee commuting to and from their place of work, as our efforts towards enabling Reneuco to develop a more complete GHG inventory. The calculations involve ascertaining the travel distance of return trips to the office from employees’ homes, in which employees were asked to estimate their distance travelled. Next, employees were asked to provide details on the vehicle used for their daily commute. This was towards determining the use of appropriate emissions factors based on the type of combustion fuel required. With the average number of working days set as 247 working days, the following formula was used to calculate emissions emitted from employee commuting:

$$\text{Emissions from employee commuting} = \sum (\text{total number of employees} \times \% \text{ of employees using mode of transport} \times \text{one way commuting distance (vehicle-km or passenger-km)} \times 2 \times \text{working days per year} \times \text{emission factor of transport mode (kg CO}_2 \text{ e/vehicle-km or kg CO}_2 \text{ e/passenger-km)})$$

The above formula was applied to 104 employees who participated in the data gathering exercise, which is equivalent to 29% of the Group’s total workforce. Emission factors used are drawn from the 2022 Guidelines to Defra: Conversion factors 2022: condensed set (for most users) <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2022>.

The employee commuting emissions have amounted to 142.5 MT CO₂e in total.

Scope 3 emissions
(MT CO₂e)



From the data collection and calculation, common emission factors were used regardless of their make/model and year of make of the vehicle. As this is the first year of the Group’s reporting on employee commuting, we aim to improve the precision of its calculations in future reporting by taking into account the specific considerations for vehicle make, year of manufacture and engine capacity.

ENVIRONMENTAL PERFORMANCE

Moving forward, Reneuco will continue to take steps in reducing and minimising the environmental impact of its operations. We aim to minimise GHG emissions through conservative energy consumption, and monitoring its Scope 1 and Scope 2 emissions. As for Scope 3 emission, we are in the initial phase of identifying and discovering the various sources of Scope 3, and we realised that a comprehensive approach with stakeholders and a commitment for an ongoing improvement are essential in addressing this scope. We will establish a target for our Scope 3 emissions once we have further refined our emissions data for all our operations.

MATERIAL MATTER: WATER EFFLUENTS AND BIODIVERSITY

The Group management understands that a clean water is a limited resource and its use and distribution across our operations carries environmental and social impacts. Although the management of water and effluents is not currently among our top material Sustainability matters, we believe that good water management is part of being a responsible corporation.

In our Environmental Policy, the Group commits to manage water and effluents responsibility. The Group commits to identifying and managing its water-related impacts, and to water stewardship, which is use of water that is socially equitable, environmentally sustainable, and economically beneficial.

The commitments are met through a stakeholder-inclusive process that involves the following facility and catchment-based principles:

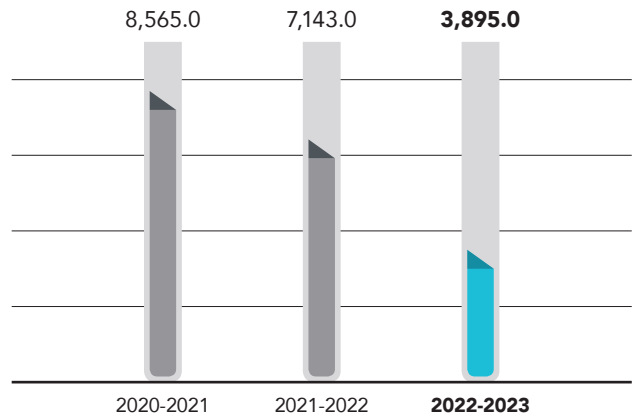
- 1 Socially equitable water use recognises and implements the human right to water and sanitation and helps ensure human wellbeing and equity.
- 2 Environmentally sustainable water use maintains or improves biodiversity and ecological and hydrological processes at the catchment level.
- 3 Economically beneficial water use contributes to long-term efficiency, and development and poverty alleviation for water users, local communities, and society at large.

The Group reduces its water consumption and associated impacts through efficiency measures throughout our operations and specific sites, such as water conservation, recycling, reuse, or process redesign.

The Group also considers collective actions that extend beyond its operations, such as collaborating with other companies operating on the same site. Whenever applicable or necessary the Group manages its environmental impacts caused by runoff, and how they are addressed.

In our continuous commitments to environmental sustainability, the Group commits to engaging with its Stakeholders periodically to identify environmental impacts caused by the Group’s business activities and to address environmental matters that are of concern and interest to Stakeholders.

Total water consumption (m³)



In our commitment to transparency and sustainability, we are dedicated to providing accurate and comprehensive data on our water consumption. The data for water consumption are obtained from the water utility bills. However, in FY2023, we must acknowledge that some of the data for the reporting period are not in record. We take this data gap seriously and are committed to addressing it, and we look forward to improving our data collection methodologies, data sources and reporting processes to ensure that future reports reflect a complete and accurate picture of our water consumption.

In managing the resource efficiency, we realised that we are still lacking in educating stakeholders and increasing awareness regarding resource efficiency. Nevertheless, we remain optimistic and committed in promoting efficient water usage.



SOCIAL PERFORMANCE



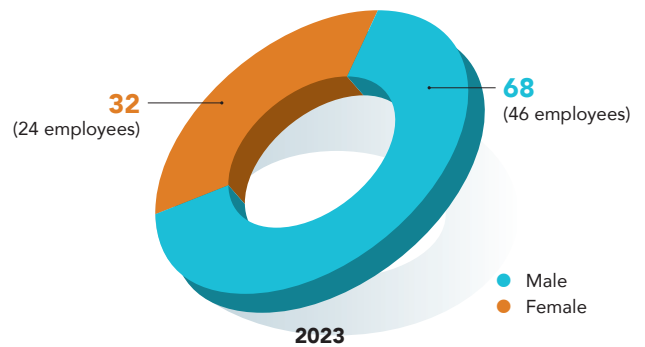
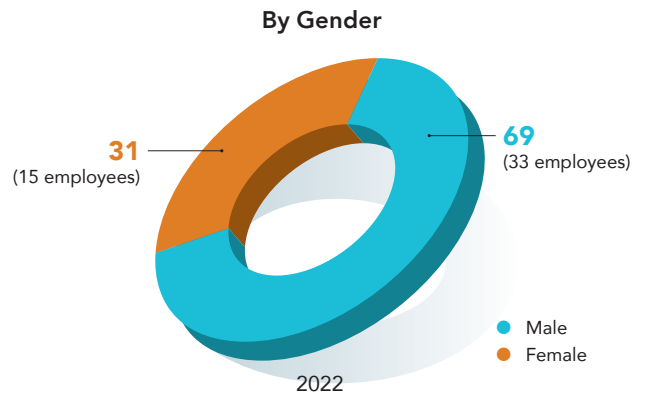
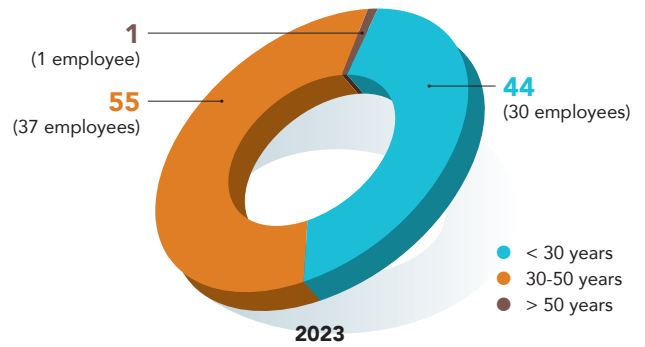
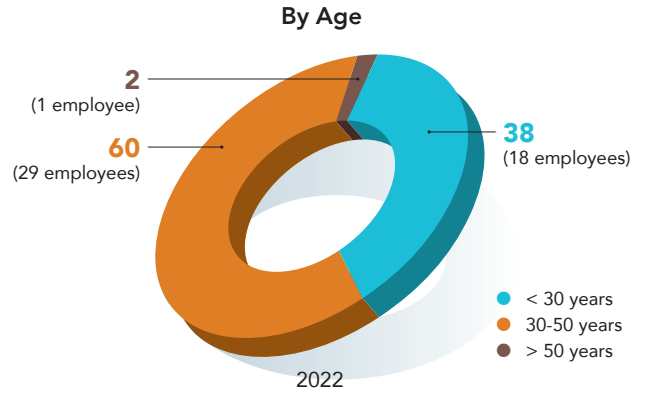
MATERIAL MATTER: HUMAN RIGHTS, RIGHTS OF EMPLOYEES, WORKERS AND LABOUR ISSUES

Reneuco has always been committed to upholding the welfare of their employees and human rights. We believe that the human rights, rights of employees, workers and labour issues are crucial aspects of modern society and have a significant impact on various levels.

To protect our employees and eliminate discrimination, Reneuco has established the Human Rights Policy that provides guidelines governing the identification and management of human rights issues. Reneuco's Human Rights Policy is communicated to employees via the Company's website, which reflects the Group's commitment to respect and promote human rights in accordance with the United Nations Guiding Principles on Business and Human Rights, within the Group's business processes and business relationships. The policy addresses the following key issues:



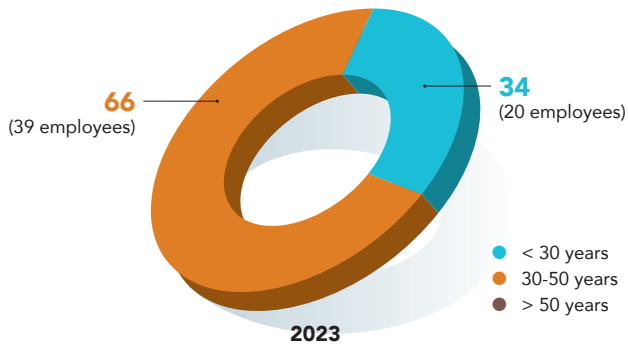
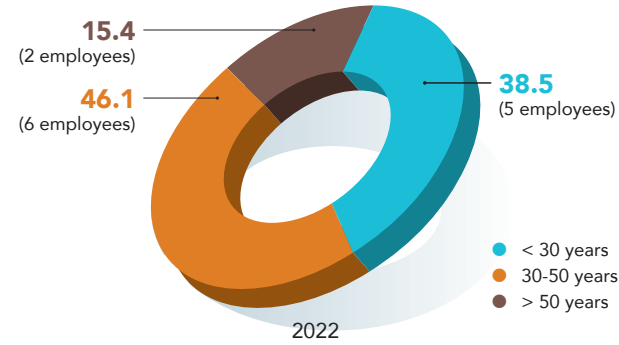
Total number of employee hires (%)



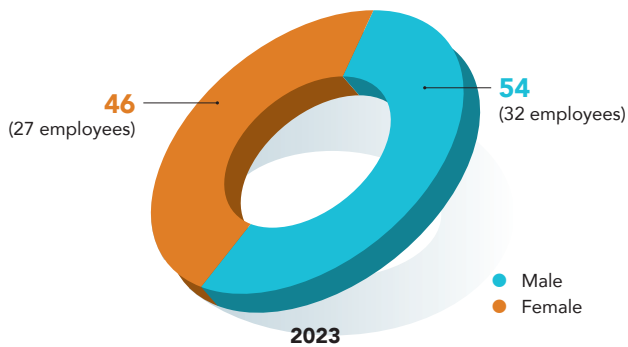
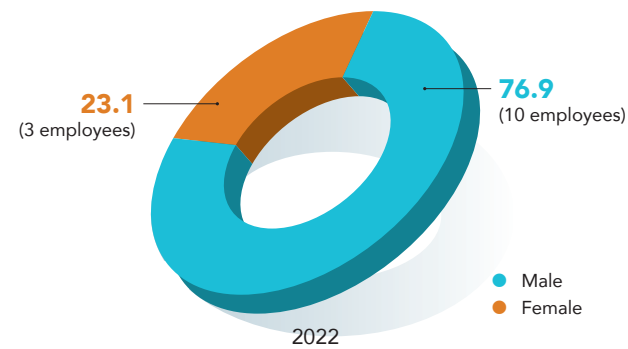
SOCIAL PERFORMANCE

Total number of employees turnover (%)

By Age



By Gender



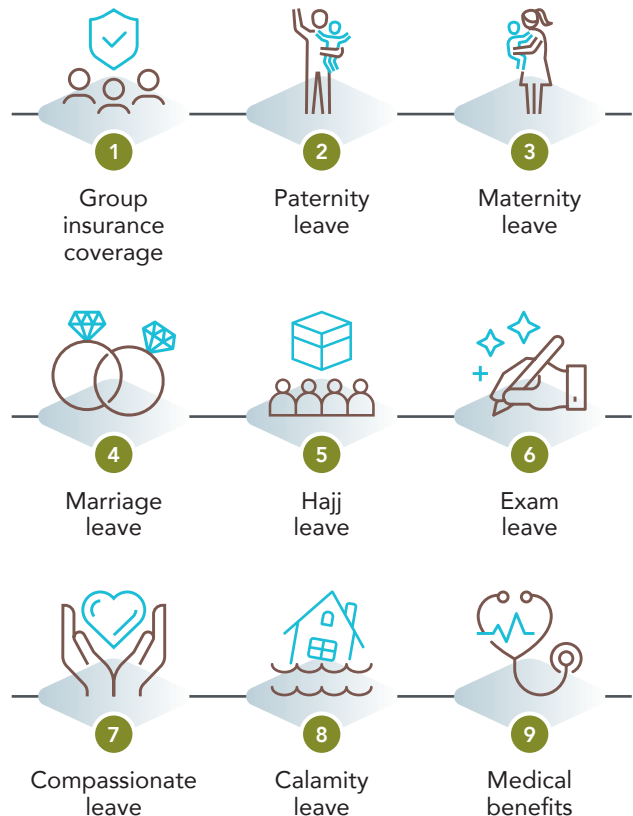
Our value creation in this area is focused on creating positive impacts to the community and to society through our employment practices and job creation. Our hiring, recruitment, retention, and related practices are aimed at attracting and retaining the best talents. Nonetheless, the employee turnover rate is 18% for the reporting year.

The Group upholds human rights and its related commitments in every area of employment. The employment practices of the Group are guided by the Employee Handbook, which is referred to by all operations across its businesses. Every segment of the Group's operations is required to follow the determined job classifications and grades, where the relevant roles and authorities are delegated accordingly, and the corresponding remuneration and benefits are accorded fairly, regardless of their gender and age. The Human Rights Policy is available on our website www.reneuco.com as part of our commitment to communicate with the stakeholders.

In FY2023, we are proud to announce that no incidents of human rights violations occurred in the reporting year.

Reneuco strives to promote the best and safest working conditions for all our employees, and provide benefits that enhance their overall experience, such as:

Employee Benefits at Reneuco for FY2023

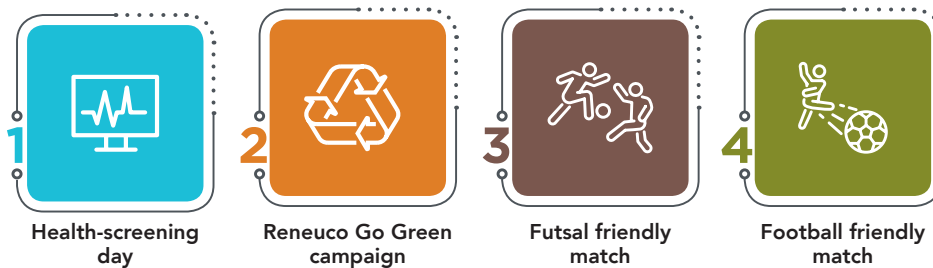


Parental leave for 2023

(No. of Employees)



In our commitment to improve workforce diversity and equal opportunities, we support organising Hari Raya celebrations. We acknowledge the importance of a healthy work-life balance; thus, we organise a variety of programmes and activities to keep our employees engaged and satisfied.



In showcasing our commitment to economic sustainability and social responsibility, we believe that providing wages above the minimum wage helps to contribute to the economic well-being of our employees. The distribution of wages is crucial for eliminating inequalities, such as wage gap, gap between women and men and within the market. Further to that, we continue to offer equal entry-level basic salary to both male and female employees. The comparative entry level salary for our employees is also equal or higher than Malaysia’s minimum wage. The comparative entry level salary for our employees is also equal or higher than Malaysia’s minimum wage.

The Group also respects its employee’s rights to join, form or not to join a labour union without fear of reprisal, intimidation or harassment, in terms of freedom of association, as published in the Group’s Human Rights Policy.



SOCIAL PERFORMANCE

MATERIAL MATTER: OCCUPATIONAL HEALTH AND SAFETY

The Group commits to safeguarding the safety and wellbeing of all our employees, as we believe that ensuring occupational safety and health is not only a legal requirement, but can increase the productivity of the employees. Unsafe workplaces can cause significant risks to employees and may give a big consequence to the legal and financial status of the company.

To avoid any potential negative impacts, one of our subsidiaries, Reneuco Engineering Sdn. Bhd. has established SOPs and Safe Work Instructions (SWI) for our implementation. We comply with the established standard operating procedures (SOPs) and Safe Work Instruction (SWI) for site implementation, as part of our initiatives to provide a safe and efficient environment. These SOPs and SWI include but are not limited to:

SOP	SWI
<p>Pre-Construction</p> <ul style="list-style-type: none"> • Project Planning and Mobilisation • Environmental Aspects & Impacts • Hazard Identification, Risk & Opportunity Assessment and Determining Control • Legal and Other Requirements • HSE Management Programme • Project QESH Plan • Risk and Opportunity Assessment <p>Project Implementation</p> <ul style="list-style-type: none"> • Site Administration • HSE Implementation • Permit to Work Procedure • Inspection and Test • HSE Monitoring & Compliance Evaluation • Emergency Preparedness and Response • Incident Investigation & Reporting • Material & PME Transfer • Scrap Materials Disposal • Stock Control & Monitoring • Plant, Machinery and Equipment (PME) • Control of Monitoring & Measuring Equipment 	<ul style="list-style-type: none"> • Air Quality Control • Soil Erosion and Sedimentation Control • Water Quality Control • Noise & Vibration Control • Waste Control • Hazardous Material Control • Environmental Monitoring • Resource & Energy Conservation • Potential Environmental Accidents & Emergency Situations

Reneuco is committed to implementing an Occupational Safety and Health Management System (OSHMS) by being certified by the certification body to evaluate the compliance on safety and environment at our site project. In providing a safe and healthy work environment for our employees and stakeholders, one of our subsidiaries is certified with ISO 45001:2018 Occupational Health and Safety Management Systems, which applies to anyone involved in the project or at the office under Reneuco Engineering Sdn. Bhd. The international standard is adopted to enable the business unit to set high standards for occupational health and safety within their organisations. The system includes procedures and minimising the risk to people and environmental impact of our activities, from designing and planning to execution as well as operation. We also remain steadfast in complying with the Occupational Safety and Health Act 1994 and the Factories and Machinery Act 1967 as a proactive approach to preventing workplace accidents and ill health. In our pursuit of sustainability, we are proud to announce that one of our subsidiaries has achieved a remarkable distinction. This subsidiary's recent success at the Malaysia Occupational Safety and Health 41st Award recognises our excellence in occupational safety and health and underscores our commitment to creating a safer and more sustainable working environment for our employees.

Hazard Identification, Risk Assessment and Determine Control (HIRADC)

Hazard Identification, Risk Assessment and Determine Control (HIRADC) is performed at our headquarters and project sites as each activity is expected to prevent accidents and improve employee well-being, thus reducing the likelihood of workplace injuries and illnesses. HIRADC is conducted prior to commencement of work at the headquarters and project sites to assess any health and safety risk related hazard by using the Risk Register document, and will then be evaluated and determined by its risk rating. Each hazard control and recovery barriers are then specified. At sites, the contractors will submit the HIRADC to the Project Management Team for their approval, whilst communication with staffs and other relevant parties is required at the headquarters level.

The HIRADC will then be implemented at the headquarters and project sites. This assessment and control will be reviewed annually or when the need arises at the headquarters and half yearly at the project sites, or when the need arises.

When an incident occurs, there shall be a review of the system which is in place to manage the related hazards, and whether the system is suitable. The incident management process will include supervisors and workplace representatives who have direct knowledge of the work areas and processes. The incident investigation report should identify the root causes which led to the incident, answering the key questions how and why. Corrective actions will then be implemented to prevent recurrence. The incident shall be reported during the Safety and Health Committee Meeting and to study the lesson learned by the incident caused.

In tracking the effectiveness of the action and system, the Health, Safety and Environment (HSE) report is prepared by every site and submitted to the Headquarters (HQ) monthly, and audits are conducted annually to guarantee the compliance with the HSE.

The management of environmental, health and safety (EHS) practices in one of our subsidiaries, Reneuco Engineering Sdn. Bhd., is assisted by the Safety and Health (HSE) Committee, which consist of the employers and employees that are formally appointed to address all issues relating to the management of hazards at work location, which is in accordance with the Occupational Safety and Health Regulation, 1996. The HSE Committee at sites will be meeting monthly, and review the HSE performance, shortcomings, comments from client statistical review as well as to agree on the action to be taken.

The certified subsidiary is committed to adhere to the relevant established standard operating procedure and work instruction (WI) and conducts health assessments and monitoring to identify signs of work-related health issues, evaluates ergonomic factors in the workplace to ensure the tasks, workstations and equipment are designed to minimise physical strain and prevent musculoskeletal disorders, training and education, accident and investigation as well as consultation on health, safety and environment matters.

In addition, we are dedicated in minimising any occupational health and safety impacts at our Reneuco Engineering Sdn. Bhd. subsidiary. Some of our efforts include the assessment of hazards and risks through supplier evaluation and contractor pre-qualification. Through our prevention and mitigation measures, the subsidiary established the Project Safety Plan for set up to describe the management, control and coordinate of work. In addition, training and education as well as safety audits and inspections are conducted to provide knowledge about the potential hazards and ensure compliance with safety standards.

Health and Safety Training Programme

In our efforts to create a safe and secure workplace to our employees, we understand the importance of health and safety awareness, thus we established the HSE Management Programmes for each site as per below:



Promoting worker's health is essential for creating a safe, productive, and supportive work environment. We realised that without a healthy workforce, a company may face many challenges that can impact their overall performance. Reneuco and its subsidiaries have come out with some initiatives to enhance employees' health and well-being. Amongst them were the health insurance coverage for employees and voluntary health promotion services and programmes. The Group also has occupational health services that covers several areas.

1. Outpatient and specialist medical and dental services
2. Executive health screening for confirmed employees above the age of 40, who have served for a minimum of one (1) year.

Moving forward, Reneuco plans to organise a mental health awareness campaign for managing stress and mental well-being, and flexible work arrangement to allow employees to manage their non-occupational healthcare appointments without undue stress. While we realised that not all subsidiaries have ISO 45001:2018 certification, we are committed to improving occupational health and safety across the organisation.

SOCIAL PERFORMANCE



The Group keeps its good record in terms of occupational health and safety, ensuring the full confidence of our employees, clients, vendors, and other stakeholders in our operations.

MATERIAL MATTER: PRIVACY AND DATA PROTECTION

Ensuring privacy and data protection within our company is essential to build stakeholders’ trust and confidence. We recognise that keeping data safe is important to prevent any possibilities of data violations as well as to abide by the Personal Data Protection Act (2010), which regulates the processing of personal data in commercial transactions.

As an initiative towards creating a robust framework for safeguarding sensitive information, Reneuco has established internal policies and procedures, and remains steadfast in implementing the policies and procedures aimed at protecting information security and minimising the risk of data loss or a security breach.



This reporting year, we come out with our IT security strategic planning which outlines the priorities and provides strategic direction for the use of IT resources, in order to improve the efficiency of our programs. This strategic plan is expected to be reviewed regularly to ensure that it remains aligned with the changing needs of our Group.

As we keep growing, we plan to elevate our internal network infrastructure and improvise the security protocols. Additionally, we intend to hold training sessions for our employees on cybersecurity awareness, prioritising this initiative to enable them identify external threats.

The Group had reported zero non-compliance cases involving breaches of customer privacy in 2022, and received no substantiated complaints concerning breaches of customer privacy from external parties or regulatory bodies.

MATERIAL MATTER: DIVERSITY, NON-DISCRIMINATION AND EQUAL OPPORTUNITY

The Group is committed to the principles of equal opportunity and equal pay and maintains a zero-tolerance policy on discrimination. The Group works towards ensuring its workplaces are free from discrimination on the basis of race, sex, colour, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender identification or expression, political opinion or any other status protected by applicable law.

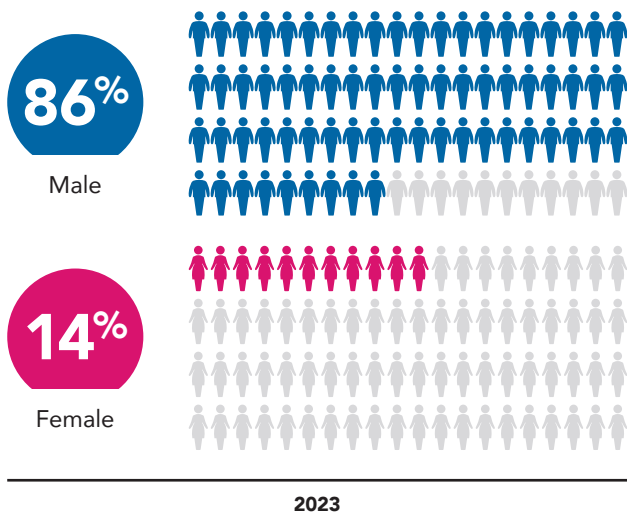
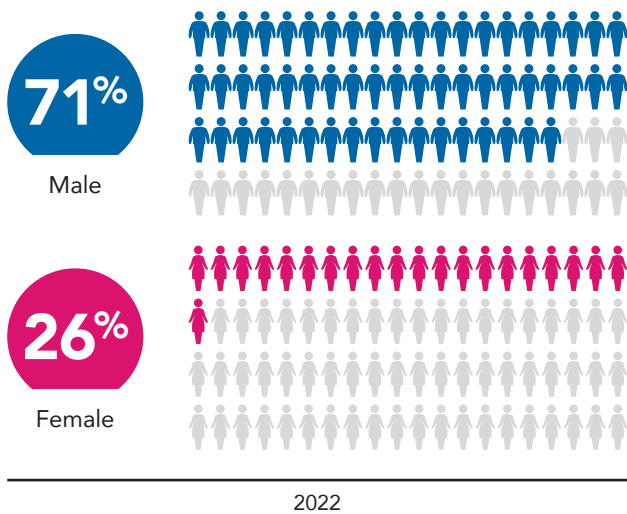
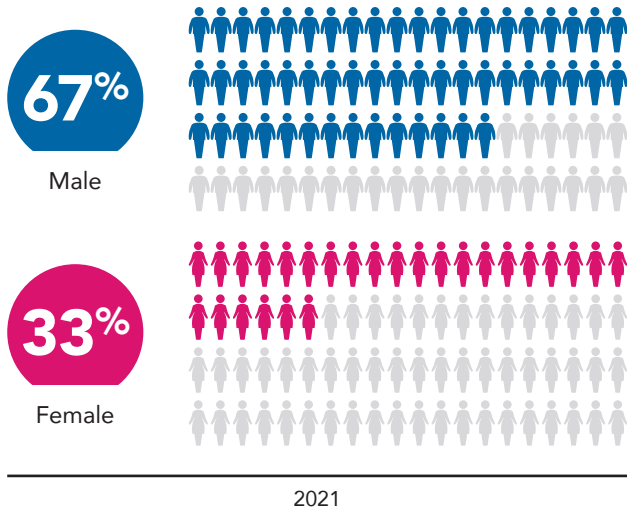
We have a clear policy against discrimination and bias, and we take disciplinary action against employees who engage in such behaviour. Furthermore, we managed to organise the sexual harassment training in the reporting year as part of our initiatives to spread awareness in reducing bias and discrimination at workplace.

As of the reporting year, we have a total of 327 full time employees, with more than one quarter of the Group’s employees are female. Additionally, the Group also hired 10 interns within the months of July 2022 to September 2023. We also continue our efforts in attracting and retaining talents from all cultural backgrounds, and we are proud to say that our staffs, including the senior management are 100% Malaysians.

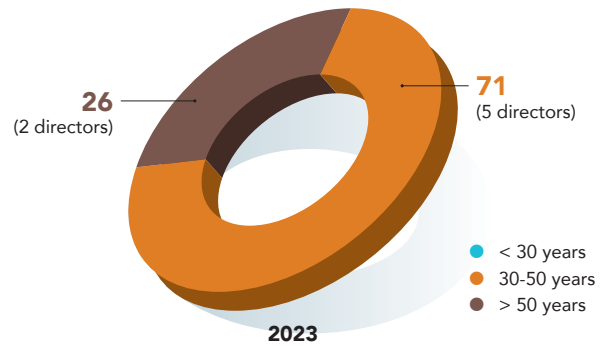
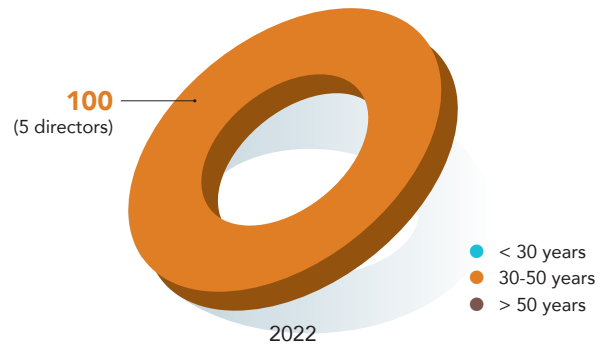
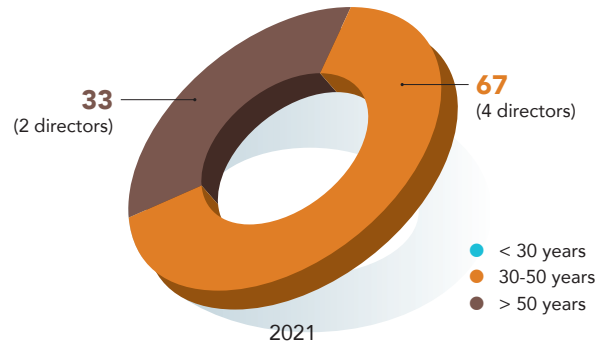
We are pleased to report that Reneuco did not record any incidents or complaints of discrimination in FY2023.



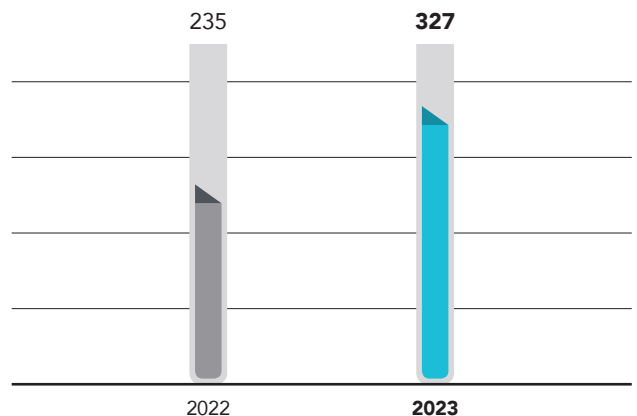
Percentage of board members by gender (%)



Percentage of board members by age group (%)

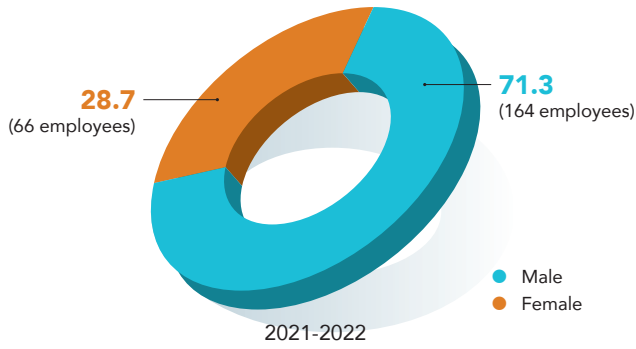


Total number of employees (No.)

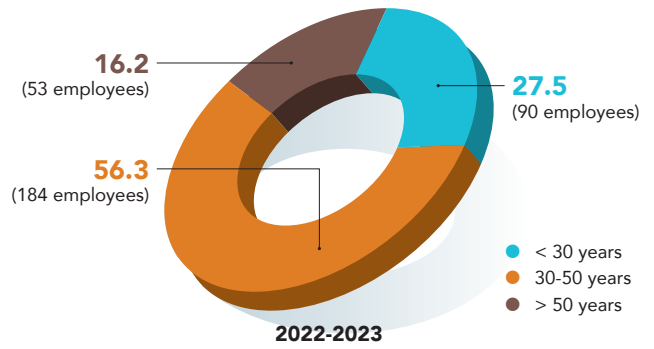
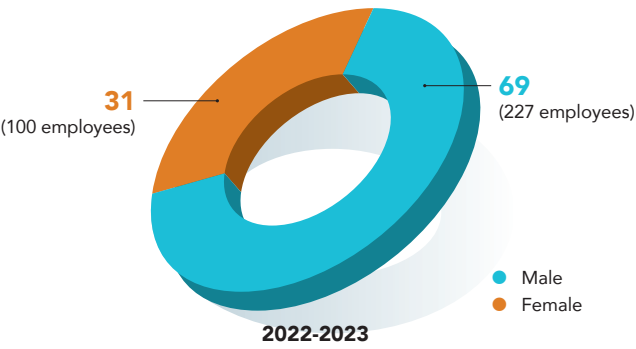
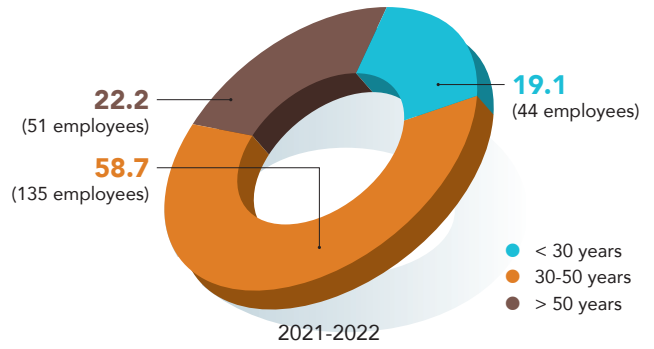


SOCIAL PERFORMANCE

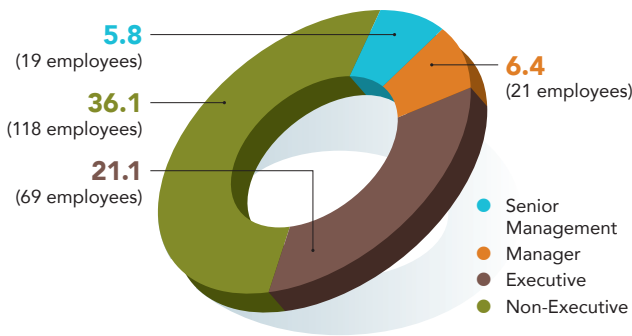
Employee distribution by gender
(%)



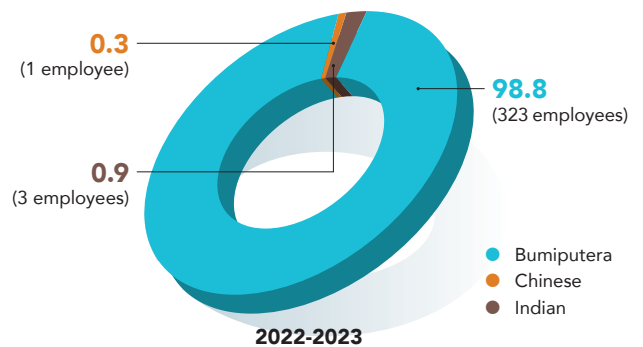
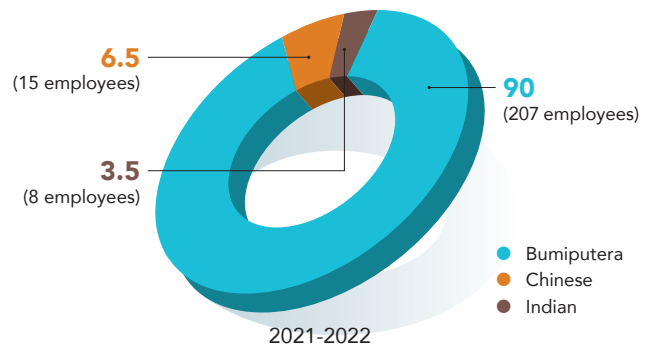
Employee distribution by age
(%)



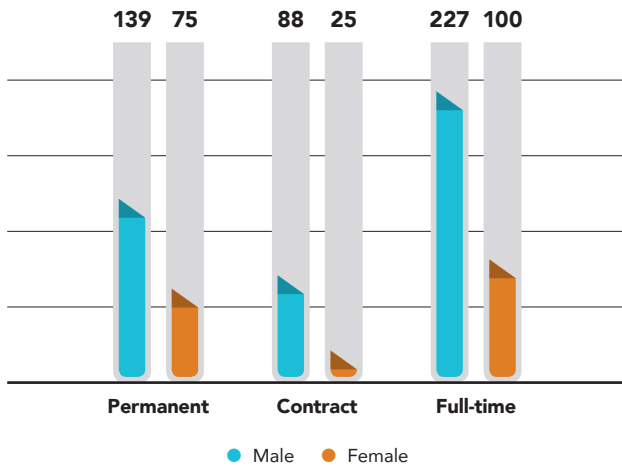
Employee distribution by employee category
(%)



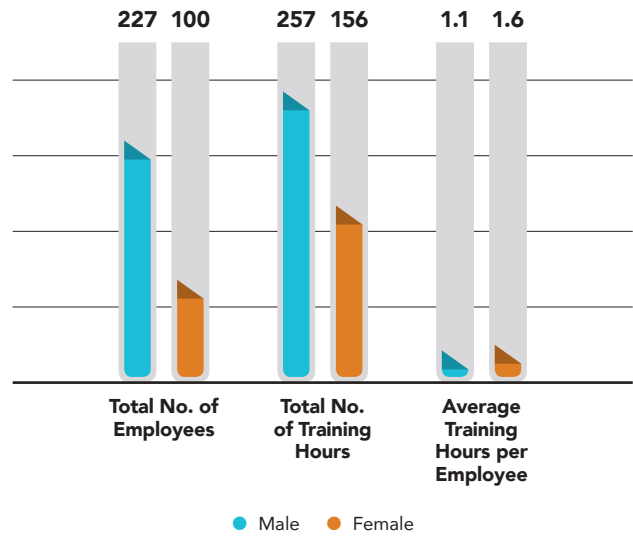
Employment status distribution by ethnicity
(%)



Employment status distribution



Training hours by gender



MATERIAL MATTER: TRAINING AND EDUCATION

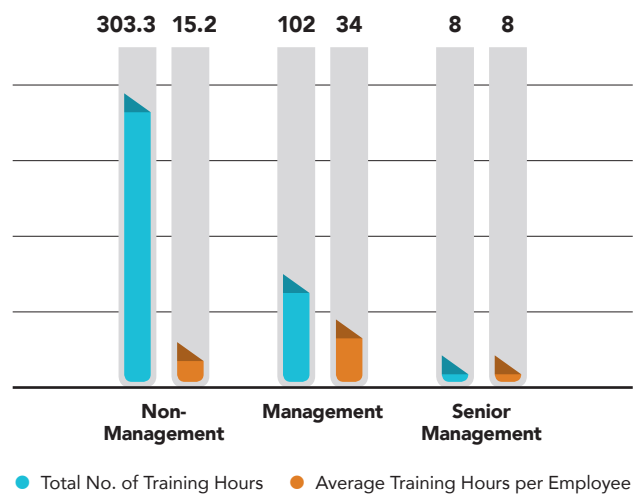
Reneuco supports our employees to reach their full potential by managing our training and education initiatives, as we believe it is a commitment to excellence. We believe that providing training and education leads to a more skilled and productive workforce. We conducted internal training courses and provided funding support for external training or education programmes to expand employees capabilities. Through these initiatives, we engaged with internal and external training resources to meet diverse learning needs.

In evaluating the effectiveness of our training and development programmes, we created the feedback survey form to gather input from the participants as an excellent way to improve our future initiatives.

Training programmes organised in FY2023:

- Project Planning and Scheduling Certificate
- Occupational Safety & Health Train the Trainer Competency
- Microsoft Project 2016: Basic & Intermediate
- Certified Associate Project Management (CAPM) Exam Preparation Training
- Training for Power Purchase Agreement (PPA) for LSS4
- Fire Prevention Measure
- Project Management Professional (PMP)
- NIOSH TNB Safety Passport (NTSP)
- Project Planning & Control using Microsoft
- Safeguarding in the Workplace against Sexual Harassment
- Pindaan Akta Kerja 1955

Training hours by category



In FY2023, we provided 413.3 training hours to develop the capacity and build the knowledge of our employees, which is equivalent to an average of 1.35 hours of training per employee.

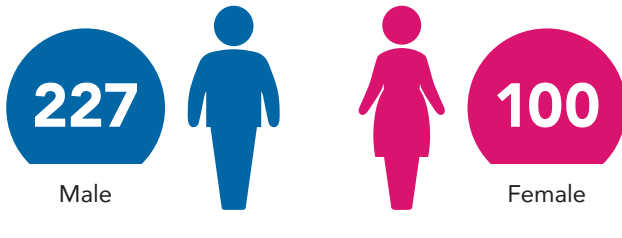
Performance Review

To make sure our employees perform well and achieve their target, the employees are assessed through the Total Performance Management System (TPMS). From this system, key performance indicators are set by the Head of Departments (HODs). Employees too need to rate themselves based on the main performance competencies and the appraisal form will be confirmed by the HODs. The performance appraisal is conducted around July so that they will be eligible for the appraisal cycle covering July 2022 – June 2023.

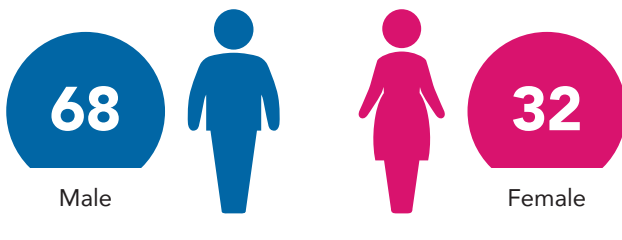
SOCIAL PERFORMANCE

In FY2023, 62% of our employees received performance and career development reviews. Going forward, we will keep on making improvement on our employees' overall performances to sustain our business operation.

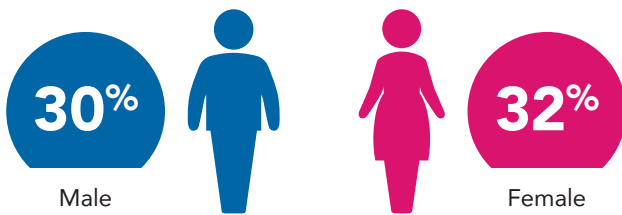
Total number of employees



Number of Employees Who Received Performance and Career Development Reviews



Percentage of Employees Who Received Performance and Career Development Review



MATERIAL MATTER: COMMUNITY ENGAGEMENT AND CORPORATE SOCIAL RESPONSIBILITY

The Group recognises the significant importance of social responsibility and ethical practices to make a difference in the world. We believe that we are a part of the larger community around us and strive to do our best by taking extra steps in caring for the society, especially the less fortunate.



As of 10 November 2023, we have invested a total amount of RM1.2 million for corporate social responsibility (CSR) as our small part in giving back to the community. We believe that the investment in such programmes could promote environmental sustainability and improve social and economic factors. Some of the key highlights of the contributions made throughout the year are as follows:

- Sponsorship for Malaysia's Green City Action Plans programme
- Donation to flood relief fund in Baling, Kedah
- Sponsorship to Persatuan Hoki Veteran Malaysia Sultan Ahmad Shah (SAS) for their participation in field hockey event Veterans Masters World Cup
- Monetary contribution to Sustainable Energy Development Authority (SEDA) Malaysia
- Contribution to the Kelab Unit Perumahan Negeri Terengganu for Majlis Penyerahan Surat Tawaran Cadangan Pembangunan (Kuala Nerus)
- Corporate sponsorship for Reneuco Malaysia Bowls League
- Corporate sponsorship Kuala Lumpur City Football Club Gala Dinner
- Sponsorship of Food Basket during the holy month of Ramadan
- Sponsorship collaboration with Persatuan Golf Malaysia
- Donation for CSR programme at Bentung & Karak
- Sponsorship for a global sustainable schools programme
- Sponsorship for mountain bike and trail run programme in Kota Kinabalu

We embarked on our journey with Eco-Schools Programme, a global sustainable schools programme, at a school in Pekan as our initiative in not only educating future generations, but enhancing environmental security and climate change using project-based learning methods in schools. This programme is a collaboration between Reneuco and an NGO as a commitment towards sustainability whilst embracing our efforts towards environmental, social and governance (ESG) aspects. This programme is expected to reduce greenhouse gas emissions in participating schools by 40% within 3 - 5 years.

We gave back to the community by sponsoring the Kinabalu Duo Terra Race 2023 to demonstrate our support in promoting a healthy and positive lifestyle as well as sports development in the state of Sabah.

Moving forward, we aim to expand our contribution to the community and engage more with them through various CSR programmes in our efforts to make a positive impact on their lives.



GRI CONTENT INDEX










GRI CONTENT INDEX AND LINKING TO UNITED NATION'S SUSTAINABLE DEVELOPMENT GOALS (UNSDGs)

Statement of use: Reneuco Berhad has reported the information cited in this GRI content index for the period of 1 July 2022 – 30 September 2023.




GRI 1 Used				
GRI Content Index	Disclosure	Reference: Report and/or Chapter and/or Page number(s) and/or URL(s)	Linking to UNSDGs	
GRI 2: General Disclosures 2021	2-1 Organisational details	Page 8 - 10		
	2-2 Entities included in the organisation's sustainability reporting	Page 2 - 3, 13		
	2-3 Reporting period, frequency and contact point	Page 2 - 3		
	2-4 Restatements of information	Page 2		
	2-5 External assurance	Page 15		
	2-6 Activities, value chain and other business relationships	Page 8 - 11		
	2-7 Employees	Page 25 - 27		
	Governance			
	2-9 Governance structure and composition	Page 13		
	2-10 Nomination and selection of the highest governance body	Page 13, 15		
	2-11 Chair of the highest governance body	Page 13		
	2-12 Role of the highest governance body in overseeing the management of impacts	Page 13, 17		
	2-13 Delegation of responsibility for managing impacts	Page 13		
	2-14 Role of the highest governance body in sustainability reporting	Page 13		
	2-16 Communication of critical concerns	Page 13		










GRI CONTENT INDEX

GRI 1 Used			
GRI Content Index	Disclosure	Reference: Report and/or Chapter and/or Page number(s) and/or URL(s)	Linking to UNSDGs
GRI 2: General Disclosures 2021	Strategy		
	2-22 Statement on sustainable development strategy	Page 12	
	2-23 Policy commitments	Page 9, 10 and Sustainability Policy on www.reneuco.com	
	2-24 Embedding policy commitments	Page 17	
	2-26 Mechanisms for seeking advice and raising concerns	Page 17 - 18	
	2-27 Compliance with laws and regulations	Page 21, 28 - 30	
	Stakeholder Engagement		
	2-29 Approach to stakeholder engagement	Page 3, 14	
	2-30 Collective bargaining agreements	Page 14 and Stakeholder Identification & Engagement Policy on www.reneuco.com	
	GRI 3: Material Topics 2021	3-1 Process to determine material topics	Page 3, 15
3-2 List of material topics		Page 16	
Business Ethics and Corporate Governance			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 16	
Anti-Corruption			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 17	
GRI 205: Anti-corruption	205-1 Operations assessed for risks related to corruption	Page 17	
	205-2 Communication and training about anti-corruption	Page 17 - 18	
	205-3 Confirmed incidents of corruption and actions taken	Page 17 - 18	







GRI 1 Used			
GRI Content Index	Disclosure	Reference: Report and/or Chapter and/or Page number(s) and/or URL(s)	Linking to UNSDGs
Economic Performance			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 18	 
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Page 18 - 19	
Market Presence			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 19 - 20	 
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Page 27	
	202-2 Proportion of senior management hired from the local community	Page 31 - 32	
Procurement Practices			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 20	 
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Page 20	
Energy & GHG Emissions			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 21 - 24	 
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Page 22	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 22 - 23	
	305-2 Energy indirect (Scope 2) GHG emissions	Page 22 - 23	
	305-3 Other indirect (Scope 3) GHG emissions	Page 23 - 24	
Management of Materials and Waste			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 21	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Page 21	

GRI CONTENT INDEX

GRI 1 Used			
GRI Content Index	Disclosure	Reference: Report and/or Chapter and/or Page number(s) and/or URL(s)	Linking to UNSDGs
Water Effluents and Biodiversity			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 24	
GRI 303: Water and Effluents 2018	303-5 Water consumption	Page 24	
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Page 24	
Occupational Health and Safety			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 28 - 30	 
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Page 28 - 30	
	403-2 Hazard identification, risk assessment, and incident investigation	Page 28 - 29	
	403-3 Occupational health services	Page 29	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Page 28 - 29	
	403-5 Worker training on occupational health and safety	Page 29	
	403-6 Promotion of worker health	Page 29	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Page 28 - 29	
	403-8 Workers covered by an occupational health and safety management system	Page 28	
	403-9 Work-related injuries	Page 30	
403-10 Work-related ill health	Page 30		

GRI 1 Used			
GRI Content Index	Disclosure	Reference: Report and/or Chapter and/or Page number(s) and/or URL(s)	Linking to UNSDGs
Human Rights, Rights of Employees, Workers and Labour Issues			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 25 - 27	    
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Page 25 - 26	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 26	
	401-3 Parental leave	Page 27	
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Human rights policy on www.reneuco.com	
GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	Page 25 - 26	
Privacy and Data Protection			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 30	 
GRI 418: Customer Privacy	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses	Page 30	
Diversity, Non-discriminating and Equal Opportunity			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 30 - 33	 
GRI 405: Diversity and Equal Opportunity	405-1: Diversity of governance bodies and employees	Page 31 - 34	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Page 30	

GRI CONTENT INDEX

GRI 1 Used			
GRI Content Index	Disclosure	Reference: Report and/or Chapter and/or Page number(s) and/or URL(s)	Linking to UNSDGs
Training and Education			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 33 - 34	 
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Page 33	
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 33	
	404-3 Percentage of employees receiving regular performance and career development reviews	Page 34	
Community Engagement and Corporate Social Responsibility			
GRI 3: Material Topics 2023	3-3 Management of material topics	Page 34	 
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Page 34	



RENEUCO BERHAD

Registration No. 199701003731 (419227-X)

A Public Listed Company on Bursa Malaysia (Code: 7130)

D2-3-1, Solaris Dutamas
No. 1, Jalan Dutamas 1
50480 Kuala Lumpur, Malaysia

T: 03 6203 2929 F: 03 6203 2939
E: enquiry@reneuco.com