

# Sustainability Statement

## MESSAGE FROM LEADERSHIP



**Ramanrao Abdullah**  
Group Chief Executive Officer

### Navigating an Evolving Energy Landscape

The global energy sector is undergoing a significant transformation, driven by decarbonisation efforts, evolving regulatory requirements and rapid technological advancements. These developments require organisations to remain agile and forward-looking. For Deleum, this evolving landscape presents an opportunity to strengthen our approach by anticipating emerging risks, embracing innovation, and delivering solutions that reinforce our position within the Oil and Gas Services and Equipment (“OGSE”) industry.

### Strengthening Our Sustainability Commitment

As the world advances toward the goals reaffirmed at the 30th United Nations Climate Change Conference (COP30), Malaysia is accelerating its sustainability agenda through the NSRF and the upcoming Climate Change Bill. These developments, alongside global commitments, reinforce the urgency for industry players like Deleum to take decisive action. In response, the Group has embedded SRRO and CRRO into our enterprise risk framework. Building on this foundation, our Sustainability Roadmap 2025-2029 and Decarbonisation Plan outline a clear pathway towards achieving Carbon Neutrality by 2035, aligned with global and national Net Zero aspirations by 2050.

### Advancing Technology and Operational Performance

Deleum’s recent accomplishments reflect a shared belief across our organisation that innovation and technology, when anchored in purpose, create lasting value for our customers, our people, and our industry.

A key milestone during the year was the successful 5,400-foot tractor run delivered through the Slickline Electronic Data for Real-time Monitoring (“SEDaR™”) Campaign, marking Malaysia’s first deployment of this state-of-the-art well intervention capability in collaboration with our technology partner. This achievement was further reinforced by the advanced slickline pilot, which demonstrated significant improvements in operational performance, safety, and decision-making through digital intelligence and real-time data. These breakthroughs highlight not only our technological advancement but also the ingenuity, dedication, and commitment of our teams.

Our commitment to meaningful innovation extends beyond operational boundaries. Through SC-Dsludge, we continue to transform waste into value by recovering oil from sludge, enabling customers to reduce their environmental footprint while improving operational efficiency. In FY2025, this solution delivered tangible outcomes in oil recovery, demonstrating the effectiveness of our waste-to-value approach. Our momentum was further strengthened by the development grant secured to advance our Modular Sludge Treatment System for offshore deployment. This initiative also received industry recognition at the Malaysia Oil & Gas Services Exhibition and Conference and Oil & Gas Asia 2024 (“MOGSEC / OGA”), where we were named first runner-up in the Innovation Awards.

Together, these milestones reinforce Deleum’s position as a forward-thinking partner committed to innovation that enhances resilience, elevates operational performance, and supports our customers in navigating a rapidly evolving energy landscape.

### Environmental Stewardship

At Deleum, our decarbonisation strategy focuses on solutions that deliver meaningful impact and reflect our continued progress in managing GHG emissions. During the year, we advanced initiatives aimed at improving operational efficiency, reducing emissions and enhancing fuel performance in support of our broader environmental objectives. One such initiative involves the deployment of hydrogen-based technology, which has contributed to improved fuel efficiency and a reduction in Scope 1 emissions. These results demonstrate how targeted innovation can translate into practical and measurable improvements in the way we operate.

We are also strengthening our energy transition pathway by expanding the role of renewable energy across our operations. Our first solar panel installation at Penaga Dresser Sdn. Bhd. (“PDSB”) in Kemaman contributed 33% to the site’s energy mix in FY2025. This important first step lays the foundation for a wider rollout, as we progressively extend solar panel deployment to other selected locations and continue transitioning our operational footprint towards cleaner energy sources.

Our environmental efforts extend beyond emissions alone. We are strengthening our approach to resource circularity through waste segregation, recycling, and improved data management across the Group. Through the Own Your Own Waste (“OYOW”) programme, we achieved our target of diverting at least 10% of general waste from disposal, contributing directly to Scope 3 emissions reductions. Looking ahead, this programme will be progressively rolled out across all sites by 2029, reinforcing the Group’s commitment to responsible consumption and sustainable waste practices. This progress reflects not only the impact of the programme but also the dedication and collective ownership demonstrated by our people.

By prioritising high-impact initiatives such as operational optimisation, renewable energy adoption, low-carbon solutions, and resource circularity, we continue to position the Group as a responsible and forward-looking energy solutions partner. Our commitment remains clear, which is to decarbonise with purpose, invest in initiatives that create meaningful value, and build a more resilient and sustainable organisation for the years ahead.

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## Respecting Human Rights and Building Resilience

Our licence to operate depends on the trust and confidence of our stakeholders. At Deleum, we recognise that respecting human rights and fostering resilient communities are fundamental to sustaining this trust.

To uphold these principles, we initiated a Social Risk Assessment (“SRA”) to identify, evaluate, and mitigate potential social risks affecting our workforce and surrounding communities. The assessment identified key risks requiring attention and appropriate mitigation actions were implemented across four key areas: labour and working conditions, responsible security, community outreach, and supply chain management. These measures support fair labour practices, a safe working environment, meaningful community engagement, and responsible sourcing across our operations.

To strengthen business resilience, we conducted an integrated Emergency Preparedness and Response Plan (“EPRP”) and Business Continuity Plan (“BCP”) exercise on 11 December 2025 at the Asian Supply Base in Labuan and Deleum Head Office in Kuala Lumpur. The exercise simulated real-time scenarios to test emergency response, damage control, crisis communications, stakeholder engagement, and business recovery processes. It also demonstrated effective protocol integration and cross-functional coordination with local authorities. This initiative reinforces our commitment to safeguarding operations and ensuring business continuity in the face of potential disruptions.

## Integrity Remains Our Foundation

Integrity remains central to Deleum’s culture and governance. Over the years, we have consistently reinforced this commitment through initiatives that promote ethical conduct, accountability, and transparency across our operations and supply chain.

This year, Integrity Day in Labuan brought together employees, suppliers, and key stakeholders under the theme “Integrity Beyond Horizons”, reaffirming our zero-tolerance stance on bribery and corruption. The event featured engagement with the Malaysian Anti-Corruption Commission (“MACC”) and highlighted our ongoing progress toward the implementation of the ISO 37001:2016 Anti-bribery Management System (“ABMS”), further reinforcing the Group’s compliance framework and empowering our people to champion integrity across our operations.

Through these continued efforts — past and present — we remain steadfast in embedding integrity into every aspect of our business, ensuring that strong governance forms the foundation of sustainable growth and enduring stakeholder trust.

## Celebrating Our Achievements

In FY2025, the Group received several recognitions that reflect our disciplined execution and a consistent commitment to long-term value creation. Deleum was named Centurion of the Year at The Edge Malaysia Centurion Club Corporate Awards, becoming the first company from the energy sector to receive this distinction among 519 public-listed companies with a market capitalisation below RM1 billion. This achievement, together with awards for Highest Growth in Profit After Tax and Highest Return to Shareholders over Three Years, reflects our strategy and the dedication of our teams across the Group.

Our ongoing efforts to uphold strong governance and embed sustainability into strategic and operational decision-making were further recognised at the National Corporate Governance and Sustainability Awards organised by the Minority Shareholders Watch Group, where we attained an overall four-star rating across the ASEAN Corporate Governance Scorecard, the Malaysian Code on Corporate Governance and the Sustainability Scorecard. This affirmation reinforces the progress we are making in integrating environmental, social, and governance considerations into the way we strengthen responsible and ethical business practices.

We remain committed to continuously enhancing our EESG practices through sound governance and responsible leadership. During the year, the Group maintained its position in the FTSE4Good Bursa Malaysia Index Series, including the FTSE4Good Bursa Malaysia Shariah Index, ranking within the top 25% of the FBM EMAS Index among public listed companies. These achievements collectively reflect the confidence of our stakeholders and reinforce our commitment to responsible business that supports stronger stakeholder confidence and transparency.

## Building Strength and Expanding Horizons

As we look ahead, we recognise that the sustainability landscape is becoming more complex and interconnected, with rising expectations for transparency, accountability, and value chain engagement. The introduction of IFRS S1 and IFRS S2 signals a significant shift in the global reporting environment, establishing a more consistent and decision useful foundation for sustainability related disclosures. In anticipation of these developments, the Group is enhancing its internal processes, strengthening data quality, and aligning our reporting practices with these emerging requirements.

A key strategic focus moving forward will be our continued progress in measuring and disclosing Scope 3 emissions, which are increasingly material to our climate impact. As expectations intensify across supply chains, we will begin by building structured supplier management practices and internal data integration, laying the foundation for more comprehensive value chain transparency in the years ahead.

We are equally mindful of the broader challenges shaping the sustainability agenda including evolving climate risks, growing regulatory complexity, and the pace of technological advancement. These trends will influence the operating environment and require organisations to strengthen governance, build resilience, and integrate sustainability more deeply into their long-term strategies.

## Acknowledgments

Our commitment to sustainability is more than a goal — it is a shared responsibility that continues to gain strength. Every milestone and recognition affirms that we are creating meaningful impact while aligning with globally recognised standards.

As we advance positive changes across all business divisions, we celebrate the people who make it possible. Their passion, resilience, and dedication remain the driving force behind our progress and the foundation of a sustainable future. Together, we are shaping a legacy of integrity, innovation, and growth.