

# Sustainability Report







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In today’s world, business sustainability is associated with the positive impacts on economic, social, and environmental matters. These are no longer obligatory, but conditional to the viability of the business, particularly of public listed companies that are required to declare their commitments in this regard.

As such, business models and plans are being embedded with economic, environment and social (EES) goals, from start to finish.

At E.A. Technique, our mission to uphold safety, security, quality and the environment forms the overarching framework for our sustainability thrusts. They are the key drivers ensuring resilience, value creation and risk management in the economic, social and environment dimensions of our business.

As part of the customer’s supply chain, we also align ourselves to the sustainability goals of our customers, to create value and grow together with them holistically.

By mid-FY2022, the larger part of the world economy was on recovery mode from the contagious Covid-19 pandemic, which had hampered our value creation efforts and posed health and safety risks for our employees. Following the lifting of Covid-19 restrictions, the Company started to get back on track from the second half of the year onwards. We expect this trend to augur well as move forward into 2023, when we expect to exit from our PN17 status and become an attractive sustainable company for all our stakeholders.

# OVERVIEW SUSTAINABILITY

## KEY SUSTAINABILITY HIGHLIGHTS



**22,900.0**

(gCO<sub>2</sub>/tonne-mile) Total Carbon Emission

**1,324,458**

Safe man hours without fatality

## OVERVIEW OF BUSINESS OPERATIONS



### NON-MARINE OPERATIONS

#### Marine Engineering Services

- Shipbuilding and ship repair



### MARINE OPERATIONS

#### Marine Transportation and Offshore Storage of Oil and Gas Charter Hire of:

- Product tankers
- Floating Storage Unit ("FSU")/Floating Storage Operation ("FSO")
- Offshore Supply Vessels

#### Port Marine services

- Towage Services
- Mooring Service
- Dockside Mooring Service



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► **Reporting Period**  
1 January 2022 to 31 December 2022

► **Reporting Boundary**  
This Statement covers all business operations in Malaysia, including our subsidiaries, unless stated otherwise. Where possible, we have included both comparative and quantitative data to support the disclosure of each material sustainability matter.

► **Reporting Framework**

- Bursa Securities’ Main Market Listing Requirements
- Bursa Malaysia’s Sustainability Reporting Guide (3rd Edition)

► **Assurance**  
This Statement has not undergone external assurance. Moving forward, we will work towards obtaining third-party verification as we progressively mature in our sustainability journey.

► **Feedback**  
We value our stakeholders’ feedback on this Statement and on our sustainability practices. Should you have any queries or feedback, you are welcome to contact:

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**In this Sustainability Statement, we continue with E.A. Technique’s convention of clear and transparent disclosures of the Company’s approach, initiatives and performance across the three sustainability pillars – Economic, Environment and Social – for the year ended 31 December 2022**

Economic	Environment	Social
Refers to the impact we have on the economic condition of our business and our stakeholders. <b>PG. 54 to 55</b>	Refers to the impact we have on living and non-living natural systems, including water, land, air ecosystems. <b>PG. 56 to 61</b>	Refers to the impact we have on our people and our community. <b>PG. 62 to 69</b>

## STAKEHOLDER ENGAGEMENT

**Stakeholder engagement is one of the pillars of sustainability.**

The impact of the Covid-19 pandemic and the loss of the MMHE arbitration case saw stakeholder engagement being intensified, especially to inform those vested interests of developments that affected the financial and operational performance of the company during FY2021. The engagement also saw reassurances from the Company, based on trends, risks and opportunities as the world progresses into the endemic stage of Covid-19 from 2022 onwards.

Stakeholder engagement guided the E.A. Technique Board with policy-making and the Management with strategy development and execution. In addition, it forged transparency, trust while striving to retain the confidence of stakeholders.

During the year, all stakeholder communication and engagements were conducted virtually because of the Covid-19 pandemic. At these online meetings, the Company raised matters of concern to relevant stakeholders, and notified them of actions taken to manage of sustainability materiality matters.

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## SUSTAINABILITY GOVERNANCE

E.A. Technique's Board hold the highest responsibility in managing sustainability across the Group. Our sustainability governance represents how we drive sustainability across the Group and assimilate it with our operations. The effective management of our sustainability matters are cascaded and communicated between the Board, Executive Board Committee, Senior Management and Core Business Functions through a cross-functional approach.

As per Bursa requirement, in 2022 we introduced the Fit & Proper Policy for our Board of Directors. This to ensure the Company has put in place a formal and transparent process for the appointment and re-election of directors of the Company and its subsidiaries.

## COMPLIANCE REPORT

As a marine transportation company, E.A. Technique is governed by shipping laws, regulations and guidelines in the various international jurisdictions where we operate. In addition, we have to comply with Malaysian shipping industry requirements and Bursa Malaysia regulations. As a standard practice, the Company reviews all regulatory obligations every two months, to ensure full compliance.

In 2022, we were in full compliance of all requirements in our regulatory environment, which included efforts to exit E.A Technique's PN17 status. The report below refers.



External governing laws, regulations, guidelines, licences, directives, guidance and practice notes									
LAW AND ACTS THAT APPLICABLE TO SHIPPING INDUSTRY IN MALAYSIA AND OTHER REQUIREMENT									
a) RELATED TO INDUSTRY							COMPLIANCE STATUS AS AT 31/12/2022		
No	Sections/Clauses	Description of The Act		Authorities/ Ministries	Department Responsible	Department/ Companies	Compliance Status	Reasons for Non Compliance	Remedial Actions
1	Employees Social Security Act 1969 (Act 4)	An Act to provide social security in certain contingences and to make provisions for certain other matters relation to it.	Relevant to HR	Social Security Organisation (SOCSO)		HR & Administration Dept	Comply		
2	Employees' Provident Fund Act 1991 (Act 452)	An Act to provide for the laws to a scheme of savings fr employees retirement and the management of the savings for the retirement purpose and for matters incidental there to.	Section 43 - Rate of Contribution Every employee and every employer of the the person who is an employee within the meaning of this Act shall be liable to pay monthly contribution on the amount of wages at the rate respectively set out in the Third Schedule	Employee Provident Fund Organisation (EPF)		HR & Administration Dept	Comply		
3	Personal Data Protection Act (Act 709)	An Act to provide protection for an individual's personal information to be processed for the purposes of commercial transactions.	Relevant o HR	Ministry of Communication & Multimedia Malaysia		HR & Administration Dept	Comply		
4	Income Tax Act 1967	It is the principal law governing income tax, individual or organisation in Malaysia	Relevant to Company Income Tax	LHDN		Account/Finance Dept	Comply		
5	Income Tax Act 1967	It is the principal law governing income tax, individual or organisation in Malaysia	Relevant to HR	LHDN		HR & Administration Dept	Comply		
6	Holiday Act 1951 (Revised 1989) (Act 369)	An Act to provide for public and bank holidays. It empowers the Chief Secretary to the Government to gazette annual public holidays and declare any particular day as a public holidays at the federal and state level to mark special occasion e.g. Malaysia Thomas Cup victory	Relevant to HR	Ministry of Human Resource		HR & Administration Dept	Comply		
7	Employment Insurance System Act 2017	An Act that sets out provisions to provide certain benefits and a re-employment placement programme for insured persons in the event of loss of employment which will promote active labour market policies	Relevant to HR	Ministry of Human Resource Social Security Organisation (SOCSO)		HR & Administration Dept	Comply		
8	Employment Information Act 1953 (Act 159)	An Act to facilitate the collection of information regarding the terms of service and conditions of work of employed persons. Authorises the department to request and obtain information and data on the salary, term of service and condition of employment from any industry in the private sector	Relevant to HR	Ministry of Human Resource		HR & Administration Dept	Comply		
9	Industrial Relation Act 1967 (Act 117)	An Act o promote and maintain industrial harmony and to provide for the regulation of the relations between employers an workmen and their trade unions and the prevention and settlement of any differences or disputes and matters arising therefrom. It provides for the regulations of the relations between employers and employees, and their trade unions, Aimed at safeguarding the legitimate rights and interest of employees and employers and helps in the prevention and settlement of any disputes arising from their relationship	Relevant to HR	Ministry of Human Resource		HR & Administration Dept	Comply		

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No	Sections/Clauses	Description of The Act		Authorities/ Ministries	Department Responsible	Department/ Companies	Compliance Status	Reasons for Non Compliance	Remedial Actions
10	Companies Act 1965	Regulates incorporation of a company, responsibilities of a company, directors, dissolution of a company	All in the ACTS	SSM		Corporate Affairs Dept/ Company Secretaries	Comply		
11	Main Market Listing Requirements	Requirements set by the Bursa Malaysia for all listed companies	1) Disclosure of Price-Sensitive Information 2) Response to Unusual Market Activity 3) Response to Rumours or Reports 4) Disclosure of important Matters relating to Listed Company 5) Periodic Financial Reporting 6) Maintaining the minimum Public Spread requirements 7) Reporting on Transactions	Bursa Malaysia		Corporate Affairs Dept	Comply for all other requirements except the PN17 status	the Company is classified as an affected listed issuer under Practice Note 17 ("PN17") of the Main Market Listing Requirements ("Main LR") of Bursa Malaysia Securities Berhad ("Bursa Securities") as the Company has triggered the prescribed criteria pursuant to Paragraph 8.04 and Paragraph 2.1(e) of PN17 of the Main LR Bursa Securities, whereby its shareholders' equity as at 31 December 2021 of RM5.96 million is less than 50% of its share capital of RM179.755 million.	the company is in the midst of formulating a regulation plan to address its financial condition regularisation plan to address its financial condition
12	Securities Industry Act 1983	An Act to make provisions with respect to stock exchange and persons dealing in Securities, and for certain offences relating to trading in securities, and for other purposes connected therewith		Securities Commission		Corporate Affairs Dept/ Company Secretaries	Comply		
13	Securities Commission Act 1993	An Act to establish the Securities Commission Malaysia and to provide for matters connected therewith and incidental thereto.	1) Secure and transparent securities and future market 2) Overall development of an innovative capital market	Securities Commission		Corporate Affairs Dept/ Company Secretaries	Comply		
14	Capital Market & Service Act 2007	An Act to regulate and to provide for matters relating to the activities, markets and intermediaries in the capital markets, consequential and incidental thereto	Related to initial public offerings, reverse takeover and backdoor	Securities Commission Bursa Malaysia		Corporate Affairs Dept/ Company Secretaries	Comply		
15	Petroleum Development Act 1974	An Act to provide for exploitation of petroleum whether onshore or offshore by a Corporation in which will be vested the entire ownership in and the exclusive rights, powers, liberties and privileges in respect of the said petroleum, and to control the carrying on of downstream activities to petroleum and its products	Related to all activities in the value chain of the oil and gas industry in Malaysia	PETRONAS Ministry of International Trade and Industry (MITI) Ministry of Domestic Trade, Co-operatives and Consumerism (MDTCC)			Not Applicable		

External governing laws, regulations, guidelines, licences, directives, guidance and practice notes

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LAW AND ACTS THAT APPLICABLE TO SHIPPING INDUSTRY IN MALAYSIA AND OTHER REQUIREMENT									
a) RELATED TO INDUSTRY							COMPLIANCE STATUS AS AT 31/12/2022		
No	Sections/Clauses	Description of The Act		Authorities/ Ministries	Department Responsible	Department/ Companies	Compliance Status	Reasons for Non Compliance	Remedial Actions
16	Occupational Safety and Health Act 1994	An Act for securing the safety, health and welfare of persons at work for protecting others against risks to safety or healthy in connection with the activities of person at work. It imposes duties on employer and employee to secure workplace health and safety for employees and also others who may be affected by the activities at the workplace	Part IV, Sec 15 - General Duties of Employers and Self Employed Persons  Sec 16 - Duty to formulate Safety and Health Policy  Sec 17 - General duties of Employers and Self-employed Persons to Persons other than their Employees Part VI, Sec 24 - General Duties of Employees  Part VII, Sec 29-31 Safety and Health Organisation  Part VIII, Sec 32 - 49 Notification of Accidents Dangerous Occurrence, Occupational, Poisoning and Occupational Disease and Inquiry	Ministry of Human Resource	DOSH	HSSEQ Department	Comply		
17	Environmental Quality Act 1974	An Act relating to the prevention abatement, control of pollution and enhancement of the environment, and for purposes connected therewith	1. Restrictions of pollution on inland water 2. Prohibition of discharge of oil into Malaysian water 3. Prohibition of discharge of waste into Malaysian water	Ministry of Environment	Dept of Environment	HSSEQ Department	Comply		
18	International Safety Management Code (ISM Code)	It is an international standard for the safe operation of ships and for pollution prevention	Relevant to Safety Management Requirements	MARDEP MOT		All Department	Comply		
19	International Ship & Port Facility Security Code (ISPS Code)	It is a set of measures to enhance the security of ships and port facilities	Relevant to Ship Security Requirements	MARDEP MOT		All Department	Comply		
20	international Convention on Load Lines 1966	It is an uniform principles and rules with respect to the limits to which ships on international voyages may be loaded having regard to the need for safeguarding life and property at sea	All in the ACTS	MARDEP Class		Operation Department	Comply		
<b>b) GENERAL ACT</b>									
21	International Convention For Safety of Life at Sea 1974 (SOLAS)	It is an international maritime treaty which sets minimum safety standards in the construction, equipment and operation of merchant ships	All in the ACTS	MARDEP IMO		All Department	Comply		
22	International Convention For The Prevention of Pollution from Ships 1973/1978 (MARPOL)	It is an international convention covering prevention of pollution of the marine environment by ships from operational or accidental causes	All in the ACTS	MARDEP MOT DOE		All Department	Comply		
23	International Convention on Standards Of Training, Certification and Watchkeeping For Seafarers 1978 (STCW)	It is a convention that sets qualification standards for masters, officers and watch personnel on seagoing merchant ships	All in the ACTS	MARDEP MOT		All Department	Comply		
24	Factory And Machinery Act 1967	An Act to provide for the control of factories with respect to matters relating to safety, health and welfare if person therein (including the registration and inspection of machinery)	Relevant to dry docking only	MARDEP OSHA 18001		All Department	Not Applicable		



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Code of Practise And Guidelines That Applicable To Shipping Industry In Malaysia And Other Requirements									
LAW AND ACTS THAT APPLICABLE TO SHIPPING INDUSTRY IN MALAYSIA AND OTHER REQUIREMENT									
							COMPLIANCE STATUS AS AT 31/12/2022		
No	Sections/Clauses	Description of The Act		Authorities/ Ministries	Department Responsible	Department/ Companies	Compliance Status	Reasons for Non Compliance	Remedial Actions
1	Employee Handbook	It is a guide and on overview of the company's philosophy and work rules	All in the book			HR & Administration Department	Comply		
2	Polisi Kualiti	It is a mandate from top management	1. Related to Company Policy 2. International Safety Management (ISM) requirements 3. ISO 9001	Designated Person Ashore (DPA)		All Department	Comply		
3	Prosedur ISO	It is a specific integrated management procedure	4. ISO 9001 5. ISO 14001 6. ISO 45001 7. ISO 37001	N/A	N/A	1. HR/Manning 2. Technical 3. Operations 4. Procurement 5. Commercial	Comply		
4	Standard of Operating Procedure (SOP)	It is a procedure specific to operation that describes the activities necessary to complete tasks in accordance with industry regulations, laws or standards in running the business	Relevant to HR			HR & Administration Department	Comply		
5	Financial Procedures	A financial manual which guide operations and lay out how the organisation uses and manages its money	Relevant to Account & Finance			Accounts Department	Comply		
6	Prosedur Fail & Arkib		Relevant to HR			HR & Administration Department	Comply		
7	Variation Order Policy /Policy on Extension of Time		Refer to 2017 Annual Report on SORMIC			Tender/ Commercial Department	Comply		
8	Stamp Act 1949	An Act relating to stamp duties	Relevant to Stamp Duty			Corporate Finance Department/ Company Secretary	Comply		

## MATERIAL SUSTAINABILITY MATTERS

E.A. Technique’s material matters relate to risks and opportunities that exist in the Company’s key economic, environmental and social aspects of the business. The Company believes that by allocating proper resources to manage material matters, it can formulate a targeted and strategic sustainability agenda to promote growth.

Every year, the Company conducts a review of material sustainability matters to ensure that we are on track to achieve our goals and aspirations. The review examines internal issues and external challenges during the year to recalibrate future direction, as and when needed.

In FY2022, we conducted a materiality assessment to strengthen E.A. Technique’s financial framework so as to address cash flow challenges faced by the Company particularly due to legacy issues, we also strengthened the operational core of our business. With a more robust financial and operational foundation, by end-2022 the company was well-positioned to revert to our previous listed position and pursue a pathway for growth in existing and new markets..

## MATERIALITY ASSESSMENT PROCESS –

### IDENTIFICATION

Since FY2020, we have been reviewing the Company’s material matters, which are based on inputs from key internal and external stakeholders, Bursa’s Sustainability Reporting Guide (3rd Edition), GRI Standards, market trends, peer disclosures and media coverage.

### PRIORITISATION

During the year, key internal stakeholders, namely, Management and employees were asked to fill survey forms to gauge, to reprioritise material matters that affected or likely to affect performance in the future.

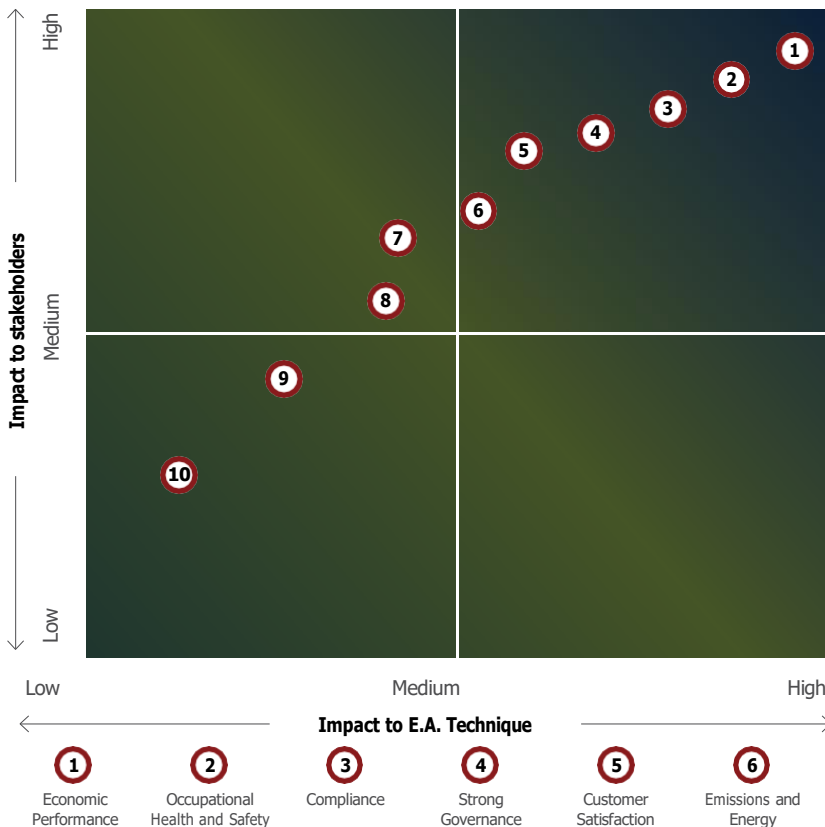
The prioritisation of material matters was carried out based on the Company’s EES impacts and their influence on decision-making by our nine key stakeholders.

### VALIDATION

The Materiality Matrix, which is based on internal and external findings, is refreshed and validated every year.

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## FY2022: MATERIALITY MATRIX



We have attempted to explain all key changes to our matrix as follows:

- “Responsible Procurement” has been added as a new material matter to reflect our current efforts in managing the sustainability of our supply chain.
- We have split “Good Governance” into “Compliance”, “Strong Governance” and “Customer Satisfaction” for a more targeted approach in managing these material matters. Likewise, we have separated “Environmental Management” into “Emissions and Energy” and “Pollution and Resource Management” to dedicate focus towards managing the two (2) environmental matters.
- We renamed “Capability Building” to “Employee Management” to reflect our holistic approach in managing and upskilling our workforce.






This year, we have enhanced our sustainability reporting scope to include disclosure of all material matters in the matrix, as follows:

NO.	MATERIAL MATTERS	OUR APPROACH
1	<b>ECONOMIC PERFORMANCE</b> Economic value generated from our operations and distributed to our key stakeholders.	Improving our economic performance through enhancing efficiency of our business operations to ensure long term value creation for our key stakeholders.
2	<b>RESPONSIBLE PROCUREMENT</b> Assessing our suppliers to meet our procurement policy requirements while channeling support towards local suppliers at significant location of operations.	Establishing meaningful relationships with our suppliers throughout our value chain while promoting EES practices in our suppliers' assessment
3	<b>EMISSIONS AND ENERGY</b> Emission of greenhouse gases (GHG) and environmentally hazardous substances into the atmosphere and the consumption of energy within E.A. Technique.	Implementing measures in place to help reduce GHG and other harmful emissions into the atmosphere as a way of contributing towards climate change mitigation.
4	<b>POLLUTION AND RESOURCE MANAGEMENT</b> Effective management of our environmental impact, which covers waste and effluent management, spills prevention, water management and biodiversity.	Implementing environmental management practices that are in compliance with relevant standards to showcase our environmental stewardship.
5	<b>OCCUPATIONAL HEALTH &amp; SAFETY (OHS)</b> The importance we place on ensuring the wellbeing and safe working environment for our employees, customers and contractors.	Implementing health and safety guidelines in day-to-day operations to establish an injury-free and healthy work environment.
6	<b>COMPLIANCE</b> Degree of observance to laws and guidelines, as well as efforts undertaken in assessing the anticipated environmental and social impact of our activities.	Ensuring compliance to environmental and social legislation and standards.
7	<b>STRONG GOVERNANCE</b> Operate our business in an ethical manner while upholding the highest standards of integrity.	Managing the risk and opportunities of the business to build trust and drive performance.
8	<b>CUSTOMER SATISFACTION</b> Active engagement with customers or clients to deliver products and services that meets their expectations.	Providing services that meet and exceed the needs of our customers across the oil and gas value chain and actively engaging with them and seeking feedback.
9	<b>EMPLOYEE MANAGEMENT</b> Attract, develop and retain high-performing employees and crews, creating an inclusive and diverse culture	Conducting meaningful engagements with our employees and crews and equipping them with the relevant skills and technical capabilities to boost workplace culture and productivity.
10	<b>CONTRIBUTION AND VOLUNTEERING</b> Organisational efforts to give back to the community in which we operate.	Increasing social investments and contributions towards community development to enhance livelihood and create positive social impacts.

**Supporting United Nations Sustainability Goals (UN SDGs)**

The United Nations Sustainable Development Goals (“UN SDGs”) serve as a global call for action to safeguard and enhance sustainability for current and future generations and covers all aspects of sustainable development. Malaysia has ratified the UN SDGs and aspires to achieve these goals through partnerships and collaborations from various stakeholders. The International Maritime Organisation (IMO), as an agency of the United Nations, has committed to contributing towards UN SDGs that are relevant to the industry to help achieve this 2030 Agenda for sustainable development.

This year, we have identified UN SDGs that are most relevant to our business operations and sustainability agenda and mapped these UN SDGs to our material matters. Moving forward, we aim to further assess how our business activities and sustainability efforts enhance our commitment and contribution to this global agenda.

UN SDG	OUR APPROACH	RELATED MATERIAL MATTERS
 <p><b>SDG3: GOOD HEALTH AND WELL-BEING</b></p> <p>Ensure healthy lives and promote well-being for all at all ages</p>	<p>This goal encompasses both safeguarding the health and well-being of our employees and crew by ensuring high standards of occupational health and safety, as well as public health through adequate measures for pollution control.</p>	<ul style="list-style-type: none"> <li>• OHS, page 65</li> <li>• Pollution and Resource Management, page 57</li> </ul>
 <p><b>SDG8: DECENT WORK AND ECONOMIC GROWTH</b></p> <p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p>We aspire to create an environment where our people feel valued, appreciated, safe and able to realise their own potential. We believe that a motivated workforce will boost workplace productivity and contribute positively to our business performance.</p>	<ul style="list-style-type: none"> <li>• Economic Performance, page 54</li> <li>• Responsible Procurement, page 55</li> <li>• OHS, page 65</li> <li>• Compliance, page 46</li> <li>• Strong Governance, page 46</li> <li>• Customer Satisfaction, page 65</li> <li>• Employee Management, page 66</li> <li>• Contribution &amp; Volunteering, page 67</li> </ul>
 <p><b>SDG13: CLIMATE ACTION</b></p> <p>Take urgent action to combat climate change and its impacts</p>	<p>In line with commitments made by the IMO on reducing GHG emissions, we strive to manage our carbon footprint resulting from our operations.</p>	<ul style="list-style-type: none"> <li>• Energy and Emissions, page 58</li> <li>• Pollution and Resource Management, page 57</li> <li>• Compliance, page 46</li> </ul>

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## ECONOMIC

**ECONOMIC PERFORMANCE**

In 2022, we progressed well with our efforts to exit the PN17 status. During the year, we formulated the Proposed Regularisation Plan, which included among others a workable debt restructuring plan under 'Scheme of Arrangement' and explored the option to secure long term contracts, utilising current or new vessels.

It was a profitable year, with improvement in the company's cash flow. This result is the outcome of cost containment measures, lower holding cost and the sale of vessels. We realized a gain of RM2.2 million from the sale, as well as a reversal impairment of RM13 million for a vessel. In addition, we experienced improvements in spot charter contracts.

In the face of expiring main contracts, we focused our efforts on renewing or extending them while exploring new growth opportunities. Among our strategies to achieve these goals is the acquisition of new vessels to meet the contract requirements, as well enhancing the productivity and maintenance of existing vessels to meet our contractual obligations.

To enhance customer service, the Company established Contract Management Department in 2022. The Department is entrusted to study all contractual requirements, and undertake proper planning before the commencement of new/renewal contracts.

In the immediate future, the Company focus is to perform regular maintenance and improving the productivity of our vessels.



Other strategies to enhance the Company’s economic sustainability include:

- Monitoring budget and financial statements every month
- Building long-term relationships with reliable vendors by implementing the preferred vendor system for selected services/materials
- Harnessing the group synergy strategy in the E.A. Technique Group for better cost savings, quality of services and manpower competencies
- Reducing our environmental impact with thorough inspection of raw materials to be purchased, without compromising on quality

For more information, please refer to the audited financial statement on pages 92 to 161.

**DISTRIBUTION OF ECONOMIC VALUE**

During the year, we created the following values during the year:

 <p><b>Employees</b> Employment, talent development and professional training</p>	 <p><b>Government</b> Payment of taxes; helping strengthen national maritime goals</p>
 <p><b>Investors/Providers of Capital</b> Dividends and finance costs</p>	 <p><b>Communities</b> CSR activities to improve lives and the livelihood of at-risk communities</p>

**RESPONSIBLE PROCUREMENT**

Responsible procurement is the act of sourcing services, supplies and/or works that take account of ethical and sustainable considerations relating to economic, social, labour and environmental concerns in an objective and transparent manner.

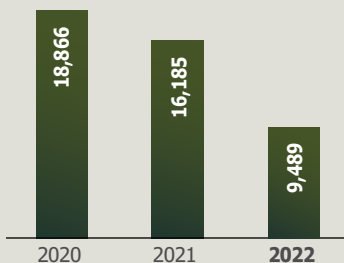
In 2022, we reviewed the Company’s internal procurement performance and external practices. Subsequently, our Procurement Department was restructured to achieve higher productivity and become more impactful.

The revitalised Department then reviewed the integrity of the vendor database, with regard to its completeness and accuracy. An analysis of the data highlighted areas of improvement.

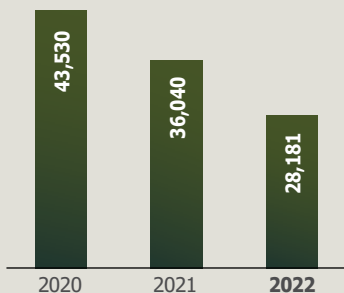
These findings led to enhanced e-procurement processes that are applicable to various types of procurement. To improve vendor data integrity, the Department revamped the vendor registration process, and requested comprehensive Know Your Client (“KYC”) information from all existing and new vendors.

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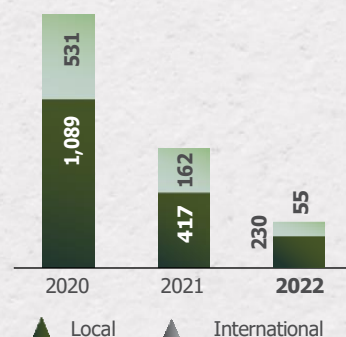
**PROVIDERS OF CAPITAL**  
(RM' 000)



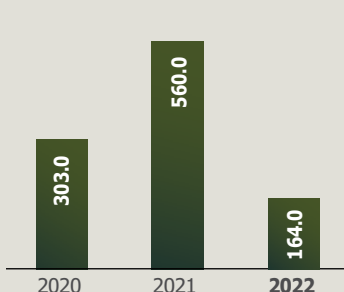
**EMPLOYEE**  
(RM' 000)



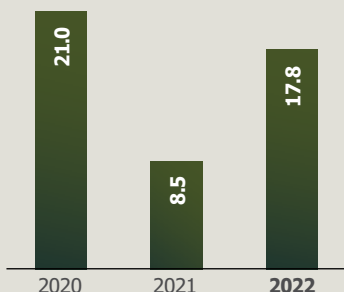
**TOTAL NUMBER OF SUPPLIER**  
(RM' 000)



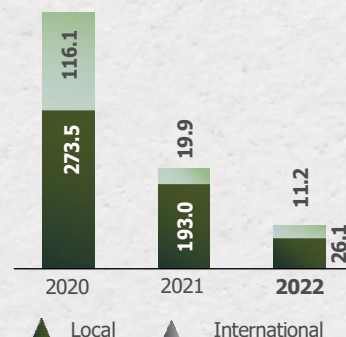
**GOVERNMENT**  
(RM' 000)



**COMMUNITY**  
(RM' 000)



**TOTAL SPENT ON PROCUREMENT**  
(RM Million)





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# ENVIRONMENT



**E.A Technique’s Quality, Health, Safety and Environment Policy (QHSE) is the overarching framework for the Environment pillar. This is supported by the Protection Policy and Environmental Manual (EMM) that govern both our marine and non-marine operations. As it stands, we have been certified with the ISO 14001: 2018 Environmental System (EMS), which lays down the framework and processes to manage, monitor and improve our environmental practices.**

Our QHSE policy and EMM are designed with national, customer and global goals in mind, and they outline climate change mitigation and natural resources management initiatives that are to be implemented across the Company.

We are committed to playing our part in helping Malaysia realise its Nationally Determined Contribution of reducing greenhouse gases by 45% by 2045, as per the 2016 Paris Agreement. Additionally, as a Petronas vendor, we have started taking various actions to realise our anchor customer’s aspiration to achieve Net Zero Carbon Emissions by 2050 that was announced in 2021.

As international shipper, we are also bound by the International Maritime Organisation’s (IMO) pursuit of an ecosystem that demands accountability for greenhouse gas emissions and targets to half carbon emissions from shipping by 2050.



QUALITY, HEALTH, SAFETY AND ENVIRONMENT POLICY



ENVIRONMENT GOAL

**1** Preventing any oil spills and pollution of the seas

**2** Creating a safe SOX/ MOX emission limit for all fleet vessels

Regulatory environment

Our goals are in line with the regulatory environment under which we operate.

Marine Operations

International Convention for the prevention of Pollution from ships 1973/1978 (MARPOL) as stipulated by the International Maritime Organisation (IMO), and covers the prevention of pollution and spillage of harmful substances from vessels

Non-Marine Operations

Malaysia Department of Environment

In 2022, E.A. Technique complied with all international and local regulations.

Energy Efficiency Milestone 2022: Carbon Intensity Index Monitoring

A significant 2022 milestone is carbon intensity Index monitoring, initiated by the Company in accordance with local and international requirements.

This calls for the verification of the carbon intensity data on a yearly basis, by a Recognised Organisation (RO). In the case of E. A. Technique, it was conducted by Class Bureau Veritas (BV) in 2022.

The Index aims to reduce accumulated carbon intensity by 2% each year, in accordance with the IMO guidelines. To achieve this, the company has devised a strategy objective to be deployed until 2025, when a further review will be undertaken and Index revised to be applicable up to 2030, to achieve the IMO's goal for a 50% reduction of carbon and GHG emissions from by 2050 shipping transportation worldwide.

MANAGING CLIMATE CHANGE AND NATURAL RESOURCES

The Company has adopted a 2-pronged approach to address environmental risks arising from climate change and natural resource management. We have introduced various sustainable practices relating to:

Emissions and energy efficiency

Natural resource management

CLIMATE CHANGE

Emissions reduction and energy efficiency initiatives

E.A. Technique's climate change goals are aligned to the milestones of the International Maritime Organisation's masterplan to cut GHG emissions from shipping by half in 2050. As such, we are continuously introducing new strategies and action plans to reduce emissions, improve fuel efficiency and adopt technologies that deliver the desired results.

In 2022, all our vessels complied with the International Convention for the Prevention of Pollution (MARPOL) regulations. With regard to PETRONAS Net Zero Carbon Emissions 2050 goal, we were not affected because the fuel oil for these vessels is supplied by PETRONAS, and would meet all their requirements.

What is challenging is compliance with the Emission Reduction and Energy Efficiency requirements enforced by IMO for the local environment because of the high implementation costs to be incurred.

By 2022, we had in place the Ship Energy Efficiency Management Plan Manual (SEEMP) I, II and III to improve energy efficiency of our vessels, as per Malaysia's shipping requirements. SEMP is applicable to all vessels, including new delivery with regard to fuel consumption and exhaust emissions. This covers CO2 and NO2 emissions and as well as reducing the carbon intensity of our vessels. In addition, the Company has developed its own portfolio of initiatives to counter environmental risks that are existing or likely to arise.

The year saw the introduction of new requirements for CII under SEEMP Part III. With performance details to be submitted at the end of every year, the new requirements are among IMO's efforts to further reduce GHG emissions.

In response, the Company launched several new measures, including methods to reduce further GHG and carbon emissions as well as how this is to be verified in the immediate and longer term. With our new engine and vessel confirmed as meeting these latest requirements of the IMO and SOLAS, the Company is confident that the key targets set out will be accomplished.

Vessel speed is closely linked to determining the actual calculated emissions. Collaboration and mutual understanding are required of vessel owners and charterers to ensure that carbon emissions data will commensurate with data stipulated in the Energy Emission Technical File for each vessel, especially for tankers.



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**ONGOING ENERGY EFFICIENCY AND GHG REDUCTION INITIATIVES**

We are continuously taking action to improve fuel efficiency and reduce GHG emissions from our vessels. Among the ongoing initiatives are:

- Installation of Propeller Boss Cap Fins**

  - To reduce fuel consumption
  - To reduce maintenance
  - To increase vessel speed
- Cleaning of Hull and Appurtenances**

  - To minimize resistance to movements through water
  - To increase fuel efficiency
- Reducing Tanker Speed**

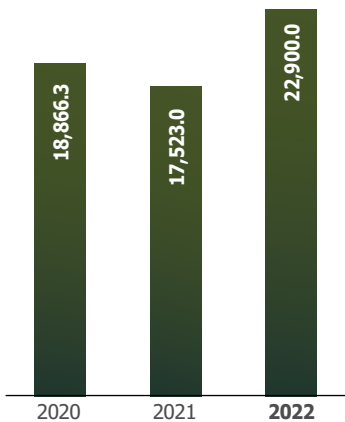
  - To reduce fuel consumption
  - To increase fuel efficiency
  - To comply with IMO’s Nominal Continuous Rating
- Following on-schedule engine maintainance**

  - To increase fuel efficiency
- Using Low Sulphur Fuel Oil**

  - To reduce emissions

In 2022, the carbon emissions has increased by 30%. This is due to vessel idling. However, all those vessels in particular, Nautica Kota Tinggi and Nautica Renggam have been sold as per initiative in the Regularisation Plan.

**CO2 EMISSION**  
(gCO2/tonne-mile)



The Company has also drawn up various plans to defuse its environmental impact. Moving forward, the Company plans to use clean fuels such as Liquefied Natural Gas for all vessels. At offices, we closely monitor energy usage from air-conditioning, lighting systems, and electrical devices, appliances and equipment.

At head office, employees have to switch off the lights during lunch breaks and at the close of business to reduce energy wastage. However, in comparison FY2021, the energy consumption for FY2022 has increased by 25% amounting of RM55,271 in electricity bills. This is due to all E.A. Technique’s office employees has returned

to office since the Government has announced to end the “work from home” directive for the public and private sector.

**NATURAL RESOURCES MANAGEMENT**

To reduce the impact of our business operations on the natural environment, the Company is guided by the regulatory framework of Malaysia’s Department of Environment compliances. To ensure adherence to DOE regulations, the Company has put in place various plans for more sustainable waste and water consumption, reduction of air and water pollution and safeguarding marine biodiversity.

We have developed a set of effective management systems and practices for more efficient natural resource management. They are based on systems and practices that govern procedure and guidelines for accreditation from recognized organisations (Classification Society), on behalf of the Contracting Government (Marine Department) that supports the IMO.

Among the plans in place are the Garbage Management Plan, Sewage Management Plan, Bilge Management Plan, Ballast Water Management plan and the Shipboard Oil Pollution Emergency Plan. All plans are subject to regular review, to ensure they are well maintained and adhere to the latest legislation.




The biggest challenge lies in educating the crew, who play an important role in achieving all stipulated requirements. Collaboration and mutual understanding between both vessel owner and clients is also vital to ensure that waste is properly handled, stored and disposed.



The recording of all data or logs has a significant impact on the Company’s business. In view of these challenges, the management has been pro-actively communicating with the Recognised Organisation (Classification Society) for updates on any new requirements that are likely to arise. In addition, frequent vessel visits and audits are conducted by our Operations and Management team. We also undertake third party verifications, such as the External ISM Audit, OVID (for offshore vessels) and SIRE (for tanker vessels) because they have a significant bearing on the achievement of our company’s natural resources management targets.

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**WASTE MANAGEMENT**

	Marine Operations	Non-Marine Operations
<b>WASTE</b> 	<b>Garbage Management Plan ("GMP")</b> <ul style="list-style-type: none"> <li>Information on handling, storing and disposal of garbage that is applicable for vessels above 100 gross tonnage and carrying more than 15 persons</li> <li>If a vessel is above 400 gross tonnage, it is required to have a Garbage Record Book to record every discharge into sea, waste incinerated, and disposal to licensed facilities</li> </ul>	Chemical and Waste Management Manual <ul style="list-style-type: none"> <li>Methods to control purchase, handling, storing and disposal of general waste and hazardous waste</li> </ul>
<b>EFFLUENTS</b> 	<ol style="list-style-type: none"> <li><b>Bilge Management Plan</b> <ul style="list-style-type: none"> <li>Procedures on handling bilge water, which are processed through an oil filtering equipment</li> <li>All bilge discharge is recorded in the Oil Record Book</li> </ul> </li> <li><b>Sewage Management Plan</b> <ul style="list-style-type: none"> <li>Procedures on handling sewage, which needs to be treated before being released at a distance of at least 12 nautical miles from land</li> </ul> </li> <li><b>Ballast Water Management Plan</b> <ul style="list-style-type: none"> <li>Developed in accordance with Regulation D1 of the International Convention for the Control and Management of Ship’s Ballast Water and Sediments ("BWM")</li> <li>All ballast water discharged from our vessels is recorded in the Ballast Water Handling Log</li> </ul> </li> </ol>	Effluent is managed according to the approved treatment process
<b>SPILLS</b> 	<b>Shipboard Oil Pollution Emergency Plan</b> <ul style="list-style-type: none"> <li>Provides the necessary course of action when pollution incident has or will likely occur</li> </ul>	Chemical and Waste Management Manual <ul style="list-style-type: none"> <li>Provides procedures to control any liquid spillage and leakage in a safe and controlled manner</li> </ul>

**WASTE SEGREGATION AND DISPOSAL**

The Company strictly adheres to MARPOL guidelines for the segregation and disposal of waste generated by our Marine Operations.

The table below identifies the types of waste generated by the Company, and how they are disposed.

Waste Category	Non-Hazardous		Hazardous	
<b>TYPES OF WASTE</b>	<ul style="list-style-type: none"> <li>Food waste</li> </ul>	<ul style="list-style-type: none"> <li>Paper</li> <li>Sludge oil</li> </ul>	<ul style="list-style-type: none"> <li>Plastic</li> <li>Incinerator ash</li> <li>Other non-hazardous solid waste</li> </ul>	<ul style="list-style-type: none"> <li>Cleaning solutions</li> <li>Expired chemical products</li> <li>Large amount of sludge oil</li> </ul>
<b>POINT OF DISPOSAL</b>	Grinded to a size smaller or equal to 25mm and disposed at sea from a distance of at least 12 nautical miles from the nearest land.	Disposed of through an onboard incinerator	Disposed at a disposal facility onshore and approved by local municipal	Disposed at a licensed facility approved by the DOE



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With the Company's Zero Plastic goal for all vessels, crew members avoid using plastic whenever possible. In addition, they are trained on waste management practices and procedures regarding hazardous and non-hazardous wastes. To prompt the right action, information signages are placed at strategic location on board vessels.

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**NATURAL RESOURCES MANAGEMENT**

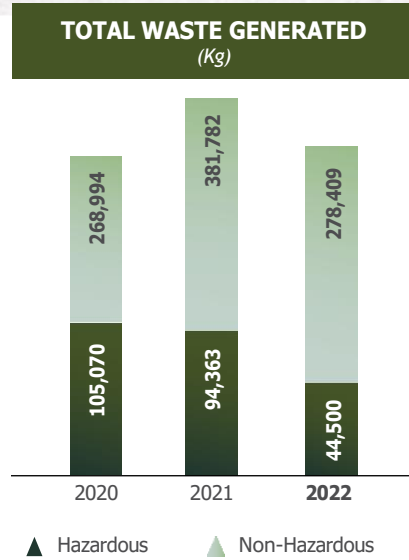
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In FY2022 we generated 322,909 kg of waste from marine and non-marine operations, a reduction of 32% over the previous year. This is mainly due to disposal of four tankers during the year.

In non-Marine Operations, hazardous waste consisted of used lubricants and hydraulic oil while non-hazardous waste was mainly in the form of scrap metal and discarded paint from shipbuilding activities. Since 2004, we have introduced material optimisation initiatives for more efficient metal usage in our shipbuilding business.

Paper consumption is carefully monitored, especially at our head office. For meetings and reports, the circulation of soft copies instead of printed hard of documents is becoming the norm. Generally, staff are encouraged to use recycled paper for non-confidential matters.

In FY2022, the Company generated 278,409 kg of non-hazardous waste (FY2021: 381,782) and 44,500 kg of hazardous waste (FY2021: 94,363).







**EFFLUENT MANAGEMENT**

Effluent produced by the Company is mainly bilge, sewage and ballast water generated by Marine Operations, and the Company has developed plans and facilities to discharge them in accordance with MARPOL guidelines.

To ensure safe disposal of effluent, crew and safety personnel are provided training to ensure safe handling, treatment and disposal so as to prevent the pollution of waterways and the atmosphere. In 2022, we are in full compliance of the MARPOL guidelines.

**SPILL MANAGEMENT**

We are governed by international laws and conventions, and adhere to a strict regimen of preventive actions to avoid spills at all costs.

E.A. Technique’s Spill Management manuals and plans guide us uphold this. In addition, we have monthly oil spill drills to ensure our vessels are in a state of readiness with robust emergency response units that can be activated in the event of an oil spill.

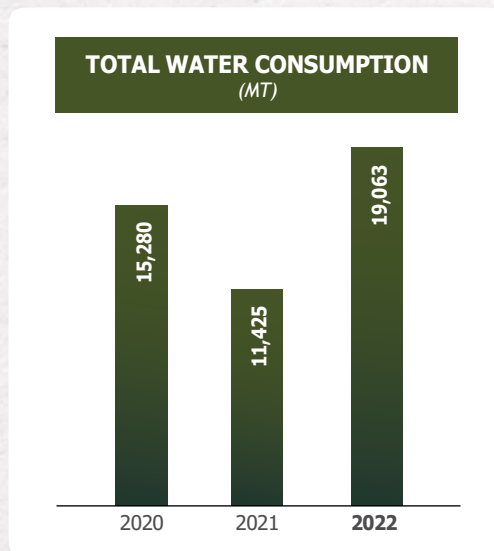
In 2022, we continued our zero-spills record for the sixth consecutive year.

**WATER MANAGEMENT**

The Company uses fresh water for domestic consumption and seawater to operate machinery on vessels, which come under the jurisdiction of our Marine Operations. For Non- Marine Operations, piped water is used for equipment as per manufacturing specifications.

As required by Maritime Labour Conventions, the Company conducts scheduled testing of potable water to ensure there is safe drinking water on board our vessels. To prevent water wastage in the light of growing depletion of this vital life-giving resource, the Company organises awareness campaigns for crew and employees.

In FY2022 the Company’s water consumption stood at 19,063 MT (FY2021: 11,425), an increase of 40% from the previous year. This is mainly due to two additional tankers that began operations in 2022, and because all our vessels are back to full operation after the Covid-19 pandemic.



**BIODIVERSITY MANAGEMENT**

Malaysia is a signatory to various international conventions, and has pledged to minimise the impact of its business operations on marine life, among other forms of water pollution. For E.A. Technique, safeguarding marine biodiversity is a priority, and we have taken several precautions in this regard.

Of prime significance is our efficient Ballast Water Management Plan, which governs ballast water exchanges between the vessel and the sea. In 2022, we were in full compliance with the D1 requirements for Ballast Water Management, which involves continuous monitoring by our Operations and Management team. Besides frequent visits and audits of our vessels by the Operations and Management team, we also conducted third-party verifications by recognised bodies such as SIRE (for Tanker Vessels). These efforts have significantly improved the company's targets towards reducing sea pollution while protecting marine life.

One of the main challenges we face is the introduction of new requirements, which need us to invest in new monitoring equipment to be installed onboard our vessels. They required additional costs. However, we have a stringent HSSE plan, which addresses all our environmental shortcomings, including those relating to marine biodiversity.

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## SOCIAL



**E. A Technique's Social pillar is wide-ranging, and is anchored by various Corporate Governance Policies and an overarching Quality, Health, Safety and Environment Policy. These policies were formulated to be aligned the requirements of Bursa Malaysia, Department of Occupational Health and Safety Malaysia, International Labour Organisation and the like. They also take account of marketplace trends and community needs, and rolled out appropriate action plans.**

### CORPORATE GOVERNANCE

As a Malaysian public listed company, E.A. Technique's governance practices are governed by the Principles and Recommendations in the Malaysian Code of Corporate Governance. Given our client profile and international exposure, the Company also upholds governance practices of accountability, integrity and transparency that are expected of established global companies.

In 2022, the Company continued its track record of good corporate governance by upholding the laws and industry regulations in jurisdictions where it operates. As a responsible business, the company has in place various internal policies to promote ethical business practices and transparency. Accordingly, our workplace is governed by Company's Code of Ethics, Conflict of Interest Policy, Whistleblowing Policy, Cybersecurity Policy and ISO 37001 ABMS Certification.



### Embedding an Anti-Corruption Culture

E.A. Technique received the ISO 37001 Anti Bribery Certification for all operations in 2021. With this, the Company has embedded anti-bribery business practices and procedures across the organisation, in accordance with the Malaysian Anti-Corruption Commission (MACC) Act. As an ABMS-certified organisation, E.A. Technique conducts internal and external surveillance audits that are now an integral part of the Company's Audit Management Programme, to ensure the effectiveness of the Company's anti-corruption practices.

To put ABMS standards into practice, staff were trained on the goals, expectations and deliverables. The Company also conducts yearly refresher courses to inculcate the anti-corruption culture in E.A. Technique.

### Communicating with Staff

The Company communicates regularly with employees to make decisions and act in a manner that supports the corporate mission and values to protect the interests of shareholders and public at large. Among the communication channels utilised are training sessions, website posts, email blasts and meetings, both face-to-face and virtual. Employees and crew are kept updated with new developments and the Company's expectations.



### Code of Ethics

E.A. Technique's Code of Ethics was framed to ensure that there are no compromises in the Company's business practices. Based on the principles of honesty, integrity, accountability and professional conduct, the Code of Ethics is applicable from top down, from the Board of Directors to junior level staff.

The Code of Ethics is a vital component of the New Joiner Induction Programme, where new employees are briefed on ethical behaviour expectations in the Company. At the end of induction programme, employees become signatories to upholding the Company's Code of Ethics. They also kept abreast of updates via web posts, email and face-to-face/virtual briefings.

E.A. Technique's Code of Ethics covers the following dimensions, providing clear directions on what needs to be done by employees, senior management and the Board.

	Employee Responsibility		Business Practices and Professionalism
	Conflict of Interest		External Directorships
	Rewards and Gifts		Entertainment of Customers
	Insider Trading		Confidentiality
	Working Environment		Sexual Harassment
	Activities relating to political, social, professional or external entities that contravene the Code of Ethics.		

### Conflict of Interest Policy

The Company's Conflict of Interest Policy is another measure to reinforce ethical conduct and transparency in the Company. The policy outlines practices to follow and actions to be taken to resolve conflicts as and when they occur in the workplace. It covers the following dimensions:

- Personal workplace relationships
- Personal financial relationships with business partners and competitors
- Outside engagements, including Board directorship, employment and other outside activities
- Gifts, meals, travel and entertainment

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### Whistleblowing Policy

The Company's Whistleblowing Policy empowers employees to report on suspected misconduct. To encourage employees to voice their grievances without fear of reprisals and at the same time ensure there is no malfeasance on their part, the Company has established clear guidelines on when and how to make a whistleblower's report. All reports are to be treated in the strictest of confidence and subject to thorough investigation before action is taken.

#### WHISTLEBLOWING ISSUES



Financial Reporting



Corruption, Bribery, Blackmail



Fraud



Criminal Offences



Non-Compliance with Legal or Regulatory Obligation



Endangerment of an Individual's Health or Safety



Miscarriage of Justice



Concealment of any or an combination of the above

#### WHISTLEBLOWING CHANNELS

Employees can raise their concerns and/or file their reports with:

- Line Manager
- Appointed Persons: [topmanagement@eatechnique.com.my](mailto:topmanagement@eatechnique.com.my)
- Audit Committee Chairman: [acchairman@eatechnique.com.my](mailto:acchairman@eatechnique.com.my)

FY2022, there was one whistleblowing case.

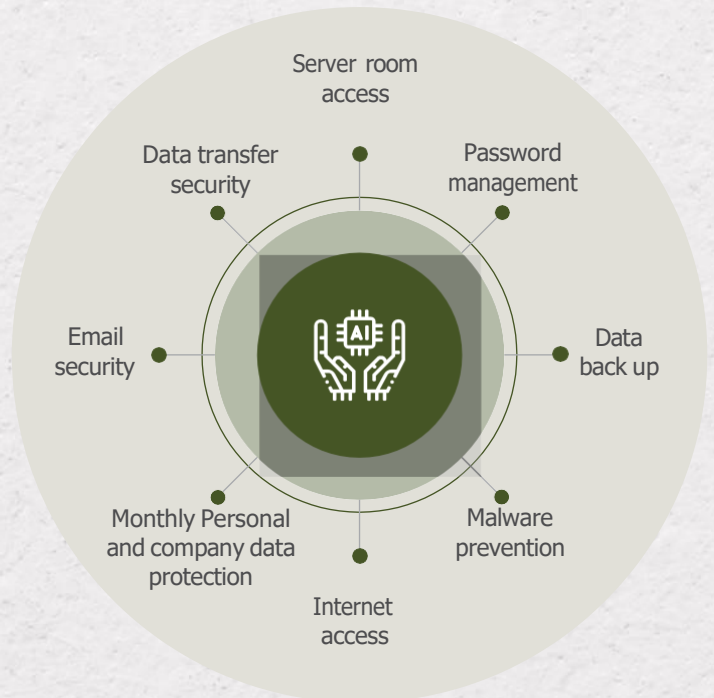


### Cybersecurity Policy

With the pervasive use of technology for management and operations, cybersecurity is paramount to ensure that the security and integrity of all systems and applications are not compromised.

In FY2019, the Company launched the Cyber Security Policy, and it was followed by the implementation of the Cybersecurity Policy and Procedures in February 2021. The Policy and Procedures are designed to protect all information and assets generated at E.A. Technique, and to prevent disruptions, minimise damage and maximise returns on the Company's investments and opportunities.

The Company has comprehensive cyber security procedures that cover the following:



Since the implementation of the Cyber Security Policy, the Company has not recorded any cyber security breaches.

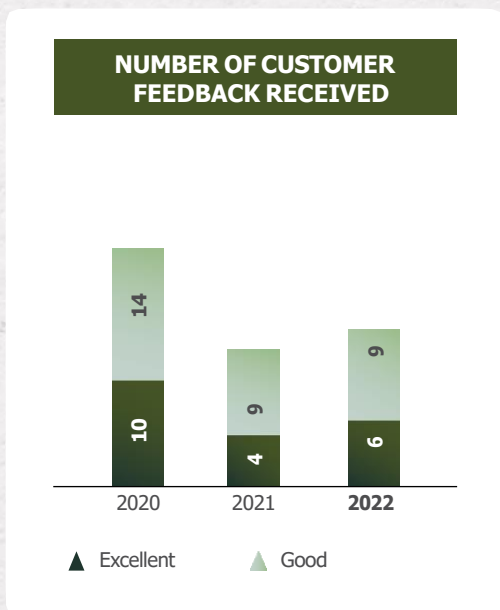


## CUSTOMER SATISFACTION

We value customer relationships because they are focal point of our business operations. At E.A. Technique, we are guided by the ISO 9001: 2015 (Quality Management System) standards that stress on building trust to forge meaningful customer relationships.

As a standard practice, the Company seeks customer feedback to improve the quality of service rendered by employees and crew. Survey forms are regularly circulated to customers to gauge their views with regard to the Company’s service quality, charter rates, communication effectiveness, responsiveness, vessel reliability and schedules.

In FY2022, the responses to our Customer Satisfaction Form were encouraging, with 40% scores in the “Excellent” range and 60% in the “Good” range of feedback. Prime issues raised during the year related to communication and reporting matters which have been acknowledged and addressed by the Management.



## OCCUPATIONAL HEALTH & SAFETY

E.A. Technique is guided by the Malaysian Occupational Health and Safety regulations and also abides by international standards pertaining to workplace health and Safety. Based on this, the Company formulated the following goals, which are encapsulated in the QHSE Policy. They are:

- Achieving zero defect, accident and downtime
- Achieving zero injury and fatality
- Creating a safe and healthy workplace
- Continuously implementing and improving management systems
- Meeting client requirements and enhancing client satisfaction

### Occupational Health and Safety Governance

The Company’s Occupational Health and Safety (OHS) comes under the purview of the Corporate Health, Safety, Security, Environment and Quality (HSSEQ) Department, which reviews our OHS performance every quarter and develops action plans based on the findings.

In addition, each vessel has a Health and Safety Committee that reports directly to the HSSEQ Department. The Committee, which is made up of representatives from the management and Marine Operations, promotes, reviews and evaluates health and safety measures that exist onboard. Their findings are used to continuously improve the OHS standard of the Company.

By industry standards, the Company’s incident rate of 0.19 (FY2021: 3.08) is comparable with that of competitors. A total of 60 near miss incidents were reported during the year. Initial investigations have indicated that human error was the primary cause of incidents on board our vessels. and a mitigation plan has been developed to address this shortfall.

The highlight of FY2022 was the reduction of Medical Treatment Cases (MTC) and Total Recordable Case. They fell by 2 (FY2021: 13) and 1 (FY2021: 4) respectively.





**OCCUPATIONAL HEALTH AND SAFETY PERFORMANCE, YOY**

Lagging Indicator	2021				2022		
	YTD	Q1	Q2	Q3	Q4	YTD Total	Target
Fatality	0	0	0	0	0	0	0
Lost Time Injury (LTI)	0	0	0	0	0	0	0
Lost Time Injury Frequency Rate (LTIFR)	0	0	0	0	0	0	0
Restricted Works Case (RWC)	0	0	0	0	0	0	0
Medical Treatments Case (MTC)							
• Injury/ Illness (Work- related)	4	1	0	2	0	3	0
• Injury/ Illness (Non- work related)	9	6	1	0	1	8	0
First Aid Case (FAC)	0	0	0	0	0	0	0
Total Recordable Case	4	1	0	2	0	3	0
Total Recordable Case Frequency	3.08	0.10	0	0.19	0	0.19	0
		Q1	Q2	Q3	Q4	YTD Total	Target
Fire/ Explosion Case	0	0	0	0	0	0	0
Property Damage Case	6	0	3	1	0	4	0
Oil Spill	0	0	0	0	0	0	0
Environmental Incident Case	0	0	0	0	0	0	0
Near Miss (NM)	0	0	0	20	40	60	Min. 2/ vessel/ Month

Moving forward, the Company plans to strengthen the accountability chain for accidents; adopt the problem management approach rather than incident management; and identify and implement more rigorous risk control measures to mitigate incidents/accidents in its fleet of vessels.

**Risk Management**

Risk Management encompasses health and safety risks, and involves hazard identification and mitigation plans as pre-emptive measures.

At E.A. Technique, we have a robust risk management system that seamlessly people, processes and tools to ensure prompt risk identification and resolution. Our risk management plan is continuously reviewed and refined to be effective and relevant.

**Working Arrangements During Covid-19 Pandemic**

Covid-19 measures taken to address health and safety issues in 2020 and 2021 continued to prevail until the pandemic entered the endemic phase in mid-2022.

**Continuous Communication and Training**

To strengthen our health and safety standards, the HSSEQ Department regularly conducts OHS campaigns, audits and inspections that are communicated to vessels via memos, newsletters and training materials. Onboard vessels, the Department appoints selected representatives and the captain to conduct OSH-related training.

**EMPLOYEE MANAGEMENT**

E.A. Technique strives for a proactive work culture that is result-oriented. This revolves around the continuous pursuit of higher working standards by ensuring employees are motivated, productive and resourceful. To achieve this, it provides employees with clear career development paths and appropriate training to meet their needs.

At E.A. Technique, we allocate substantial resources to nurture a workforce that is adequately empowered to drive us toward achieving organizational goals. Our Human Resources Department is entrusted to implement the Company's human resources policies outlined in the Employee Handbook, which covers workplace policies, guidelines and regulations pertaining to the employee management including employee benefits.

We also nurture diversity in the workplace because we believe this adds value to the organisation. As at end FY2022, E.A. Technique had 99 office staff and 358 crew employed by the organisation.



**Training and Development**

Professional development is integral to the growth of E.A. Technique, and we conduct various internal and external training programmes to boost the human capital of our Company.

Training & development programmes rebounded with the lifting of Covid-19 restrictions from June 2022 onwards, with a mix of online and physical sessions. In 2022, the Company’s training expenditure rose to RM96,458.00 (FY2021 RM30,735.00). The total training hours clocked was 1,560 hours. The average training hours per employee increase to 29 hours (FY2021: 14.25 hours).

In FY2022, we strived to return to tract with various types training pertinent for career development of our employees.

2022 TRAINING CALENDAR			
1. Bosiet & CAEBS	2. Audit Oversight Board	3. Microsoft Excel (Intermediate - Advanced)	4. The New Companies Act 2016 and Updates
5. Oil And Gas Safety Passport	6. Designated Person Ashore	7. AMRO Course and Certification	8. Seminar Maritime Professionals: Legalities of the new Norm
9. Maritime Law Course	10. Tools For New Auditors	11. OPITO CA-EBS INITIAL DEPLOYMENT	12. Incident Investigation Technique (Bow-Tie Method)
13. Emergency Responses Preparedness Training	14. BOSIET & CA-EBS TRAINING	15. SHIP TO SHIP TRANSFER -BEST PRACTICES FORUM	16. Audit Oversight Board

**Performance Review of Employees**

As part of E.A. Technique’s commitment to quality, we conduct employee performance reviews to ensure we have the personal and professional competencies to deliver quality customer service. The Company has a structured performance review process, which takes account of an employee past performance, presence capabilities and future potential. The process is used to recognise and reward them, as well as identify competency gaps for training and chart future career paths.

**Management Trainee Programme**

To realise our sustainability aspiration, the Company is on the look-out for young talent to take us to the next stage of its growth. With this in mind, we have designed a Management Trainee Programme to shape bright minds for future leadership positions. Trainees for the programme are selected on the basis of their academic credentials, aptitude and attitude, and are required to undergo a one-year programme to acquire pertinent knowledge and skills sets in key management and operational functions of the Company.

In FY2022, we welcomed two management trainees to the Company (FY2021: 1)

**COMMUNITY OUTREACH**

The community is an important stakeholder, and the Company is committed to ensure equity by creating opportunity and assisting in poverty alleviation. Our Community Outreach initiatives centre around boosting employment opportunities among youths from low-income homes, and improving the livelihoods of underserved groups.

In addition, efforts are directed at improving the environment such as beach cleaning and tree planting; the latter is our current focus.

Given our PN17 status and limited cash flow, our contributions in FY2022 stood at RM17,790.69 (FY2021: RM8,500).

**Creating opportunity with internships**

The Company offers internship opportunities to deserving candidates from needy families who are keen to pursue a career in the maritime industry. We have in place a buddy system, where an intern work with a mentor (buddy), who will guide and familiarize the youth on specific aspects of operations and deliverables. Upon the completion of the internship, which ranges from three to six months, interns are evaluated on their performance. Those who meet the Company’s evaluation criteria stand a chance of being absorbed in the permanent workforce.

We have accepted ten applications for internships throughout the year of 2022.



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## SUSTAINABILITY PERFORMANCE

MATERIAL MATTERS	INDICATORS	FY 2020	FY 2021	FY 2022	
<b>Economic Performance</b>	Revenue (RM million)	303.2	160.6	<b>153.6</b>	
<b>Environmental Management</b>	Carbon emissions (gCO <sub>2</sub> /tonne-mile)	18,866.3	17,523.0	<b>22,900.0</b>	
	Non-hazardous waste disposed (kg)	268,994	381,782	<b>278,409</b>	
	Hazardous waste disposed (kg)	105,070	94,363	<b>44,500</b>	
	Total water consumption (MT)	15,280	11,425	<b>19,063</b>	
<b>Occupational Health And Safety</b>	Number of fatalities	0	0	<b>0</b>	
	Fatality accident rate	0	0	<b>0</b>	
	Total safe manhours	1,921,528	1,305,299	<b>1,324,458</b>	
	Lost time injury rate ("LTIF")	0	0	<b>0</b>	
<b>Customer Satisfaction</b>	Total number of feedbacks received on customer satisfaction	29	18	<b>15</b>	
<b>Employee Management</b>	Total number of employees	642	466	<b>457</b>	
		Male	65	59	<b>64</b>
	Office-based employees	Female	40	29	<b>35</b>
		Total	105	88	<b>99</b>
	Percentage of office-based employees (%)	Male	62	67	<b>65%</b>
		Female	38	33	<b>35%</b>
	Number of onboard employees	Male	532	376	<b>357</b>
		Female	5	2	<b>1</b>
		Total	537	378	<b>358</b>
	Percentage of onboard employees (%)	Male	99	99	<b>99%</b>
		Female	1	1	<b>1%</b>
		Total	7	6	<b>6</b>
	Percentage of female employees (%)	Board composition	12.5	17	<b>17%</b>
	Percentage of employees by employment type (%)	Permanent	2	2	<b>2%</b>
		Part time	6	4	<b>6%</b>
		Contract	92	94	<b>92%</b>
Percentage of employees by age group (%)	Below 30	36	37	<b>33%</b>	
	30 – 50	52	49	<b>51%</b>	
	Above 50	12	14	<b>16%</b>	
Number of Employee turnover by category	Office-based	25	30	<b>25%</b>	
	Onboard	282	306	<b>204</b>	

MATERIAL MATTERS	INDICATORS	FY 2020	FY 2021	FY 2022	
<b>Employee Management (continue)</b>	Employee turnover rate by category (%)	Office-based	24	34	<b>11</b>
		Onboard	52.5	81	<b>89</b>
	Number of Employee turnover by gender	Male	299	319	<b>218</b>
		Female	8	17	<b>11</b>
	Employee turnover rate by gender (%)	Male	97	95	<b>95</b>
		Female	3	5	<b>5</b>
	Number of Employee turnover by age group	Below 30	107	134	<b>83</b>
		30 – 50	103	160	<b>109</b>
		Above 50	97	42	<b>37</b>
	Employee turnover rate by age group (%)	Below 30	17	40	<b>36</b>
		30 – 50	52	48	<b>48</b>
		Above 50	12	12	<b>16</b>
	Amount invested for training (RM)		115,963	30,735	<b>96,458</b>
	Total number of training hours		1,460	500	<b>1,560</b>
	Average training hours per employee		2.0	1.0	<b>29</b>
Total number of training hours by category	Office-based	796	356	<b>1,440</b>	
	Onboard	664	144	<b>120</b>	
Average training hour per employee by category	Office-based	10.1	4.0	<b>33</b>	
	Onboard	1.2	0.4	<b>12</b>	
<b>Contribution And Volunteering</b>	Total amount of contribution (RM)	21,000	8,500	<b>17,800</b>	
	Number of interns	11	10	<b>10</b>	



02  
03  
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05  
06

# CALENDAR OF EVENTS 2022

## Jan

4

HSSE Recognition Award 2021 was awarded to E.A. Technique (M) Berhad by MISC Maritime Services Sdn Bhd



14

Protocol Delivery & Acceptance Ceremony between SAZ Marine & Engineering Sdn Bhd and E.A. Technique (M) Berhad at Setiawangsa, Kuala Lumpur



2

Hari Raya Aidil Fitri Celebration at E.A. Technique (M) Berhad, Setiawangsa, Kuala Lumpur



## June

21

Protocol Delivery & Acceptance Ceremony of M.T. Nautica Renggam at E.A. Technique (M) Berhad, Setiawangsa, Kuala Lumpur



13

28<sup>th</sup> Virtual Annual General Meeting of E.A. Technique (M) Berhad



## Jul

26

In-house training on Bursa Main Market Listing Requirement at Ikram Training Room, Setiawangsa Business Suites, Kuala Lumpur





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# Sept Oct

**12**

Extraordinary General Meeting at Sapphire, Level 9, Holiday Inn Johor Bahru City Centre, Johor



**9**

Engagement Meeting with Top Management of Kerteh Port Sdn Bhd at Hotel Maya, Kuala Lumpur



**25**

Extraordinary General Meeting at Rex, Level 6, Amari Johor Bahru, Johor

# Nov

**22**

E.A. Technique (M) Berhad's Townhall at Red Room, Rebung Restaurant, Bukit Aman, Kuala Lumpur



**24**

HSSEQ Emergency Evacuation Fire Drill Program at Setiawangsa Bussiness Suite, Kuala Lumpur



**27**

CSR Program at Badan Amal Nur Zaharah, Janda Baik, Pahang



# Dec

**5**

Court Convened Meeting ("CCM") at Glenmarie Ballroom, Glenmarie Hotel & Golf Resort, Selangor



**20**

E.A. Technique (M) Berhad's Townhall at Private Room, Yahala Arabic Restaurant, Jalan Ampang, Kuala Lumpur

