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HAI LECK HOLDINGS LIMITED

Securities

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Attachments[Hai Leck Holdings Limited - Sustainability Report 2024.pdf](#)

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HAI LECK



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SUSTAINABILITY REPORT

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ABOUT THIS REPORT

This report has been prepared with reference to the Global Reporting Initiative (“GRI”) Standards which provide an extensive framework that is widely accepted as a global standard for sustainability reporting. The requirements of Sustainability Reporting Guide in Practice Note 7.6 of the Singapore Exchange Securities Trading Limited (“SGX”) Listing Manual and the recommendations of the Task Force on Climate-based Financial Disclosures (“TCFD”) have also been taken into consideration in the preparation of this report.

This report covers the Group’s subsidiaries in Singapore, which accounts for the major business operations of the Group. Information on the Group’s structure may be found in the 2024 Annual Report.

The data and information provided in this report covers the financial year ended 30 June 2024 (“FY2024”) as well as selected comparative data. We have engaged our internal auditors, RSM SG Risk Advisory Pte. Ltd. to review the current sustainability reporting process involved in preparing this report as required by Rule 711B(3) of the SGX Mainboard Rules. We did not seek external assurance for this report.

As part of our effort to conserve the environment, we have not printed physical copies of this report. Instead, electronic copies of this report have been uploaded to the SGXNet and the Group’s website at www.haileck.com.

Material ESG topics

Our evaluation of material ESG topics is based on our assessment of matters that are important to the Group’s operations and our understanding of stakeholder expectations. We also benchmark against the reporting frameworks and practices of our peers within our industry and take into consideration SGX Listing Manual requirements.

Material ESG topics identified for FY2024 are as follows:

- GRI 11: Oil and Gas Sector 2021 (new)
- GRI 201: Economic Performance 2016
- GRI 205: Anti-corruption 2016
- GRI 302: Energy 2016 (new)
- GRI 305: Emissions 2016 (new)
- GRI 306: Waste 2020
- GRI 403: Occupational Health and Safety 2018
- GRI 405: Diversity and Equal Opportunity 2016

Sustainability contact

Constructive views and feedback on the Group’s sustainability practices and reporting are welcomed at info@haileck.com.

MESSAGE FROM THE BOARD

DEAR STAKEHOLDERS,

The Board considers sustainability to be of strategic importance and is committed to the economic, social and environmental well-being of its stakeholders.

The Group's governance framework integrates sustainability into key aspects of its operations, with the Board of Directors providing oversight and strategic direction to ensure that the Group's sustainability objectives align with its long-term goals and core values.

The safety of employees remains a top priority. The Group has implemented comprehensive safety policies, provided regular training, and established incident monitoring and reporting systems. There is active engagement with the workforce to address safety concerns and continuously enhance safety practices.

The Group recognises that employees are its key resource and is dedicated to fostering a diverse and inclusive workplace. The Group is committed to engaging fair hiring processes and strive to build a diverse workforce. Policies promote inclusion, providing equal opportunities for all employees.

Majority of the Group's operations, being outdoors, are subject to unpredictable climate conditions. Therefore, the Group recognises the urgent need to regularly assess the risks and opportunities associated with climate change and develop and implement strategies to adapt to climate-related impacts, ensuring resilience and sustainability in its operations.

Proper waste management is a critical component of the Group's climate strategy. Waste reduction practices have been implemented, recycling and re-use are promoted. In addition, the Group strives to minimise the environmental impact of its waste by ensuring proper disposal in line with regulatory requirements.

“...the Group recognises the urgent need to regularly assess the risks and opportunities associated with climate change...”

The Group faces extremely keen competition in the sectors that it operates in. Furthermore, the global political situation remains uncertain. Developments in the global political scene will likely have follow-on impacts on the global economy. This, in turn, will also affect the local economy and relevant sectors.

Nonetheless, the Group endeavours to manage its economic performance while balancing its sustainability goals. The Group's strategies are designed to drive long-term value creation and ensure that it remains resilient and competitive in the industries in which it operates. Economic performance is continuously monitored and reported on to ensure transparency and accountability to stakeholders.

The Board oversees these foregoing key areas, ensuring that the Group's practices remain effective and are aligned with its strategic objectives. The Group continuously strives to improve and adapt its practices to meet evolving expectations.

The Board would also like to take this opportunity to thank all stakeholders: customers, shareholders, employees, suppliers, bankers and business partners for the support given through the years. The Group looks forward to being able to contribute to the well-being of all stakeholders for many years to come.

Sincerely
Board of Directors
Hai Leck Holdings Limited

ABOUT HAI LECK

AN INTEGRATED SERVICE PROVIDER

Hai Leck Holdings Limited is a limited liability company which is listed on the SGX.

Established in 1975, the Group is one of the leading Singapore companies that provides project and maintenance services mainly to the oil and gas and petrochemical industries.

The Group is headquartered in Singapore and has presence in Singapore and Thailand. As at 30 June 2024, the Group commanded a workforce headcount of approximately 2,000 employees and also engaged approximately 50 personnel via manpower supply agencies to support our operations. Details of employees by gender as at 30 June 2024 are as follows:

Female	Male	Total
Number of employees (headcount)		
412	1,541	1,953
Number of permanent employees (headcount)		
395	1,526	1,921
Number of temporary employees (headcount)		
3	9	12
Number of non-guaranteed hours employees (headcount)		
14	6	20
Number of full-time employees (headcount)		
397	1,535	1,932
Number of part-time employees (headcount)		
15	6	21

Singapore	Thailand	Total
Number of employees (headcount)		
1,318	635	1,953
Number of permanent employees (headcount)		
1,298	623	1,921
Number of temporary employees (headcount)		
-	12	12
Number of non-guaranteed hours employees (headcount)		
20	-	20
Number of full-time employees (headcount)		
1,297	635	1,932
Number of part-time employees (headcount)		
21	-	21

The Group's principal activities are:

Project and maintenance services

- Scaffolding erection services; corrosion protection services utilising automated blasting; thermal insulation services; refractory services as well as mechanical engineering services in structural steel and piping fabrication and installation.
- Maintenance services provided on a routine and turnaround basis.

Business process outsourcing – provision of contact centre services

- Premium contact centre providing outsource services with professional and integrated solutions. Contact centre solutions include customer service support; technical helpdesk; virtual receptionist services; lead generation; live web chat as well as email management.

Our competitive strengths include our seamless integration of in-house competencies, strong performance track record, good safety performance, technical competency, effective project management, skilled manpower, quality workmanship and high responsiveness to customers' requests.

The Group manages its project and maintenance services through seamless integration of in-house competencies such as automated shop blasting and coating, steel structure and piping shop fabrication and field installation, tankage, scaffolding, corrosion protection, thermal insulation and refractory works.

With our operational expertise, our dedicated project management team proactively participates in our customers' project planning, anticipating and providing solutions to challenges. We manage and measure our projects with key performance indicators that focus on safety, quality, productivity and timely completion of the entire project. With our experienced management team, skilled tradesmen and advanced fabrication facilities and equipment, the Group is confident of meeting project and maintenance requirements and expectations with high safety, reliability and quality standards.

Through the combined efforts of our management and operations teams above, the Group strives to create value for our customers and stakeholders.

INDUSTRY ASSOCIATIONS

We engage relevant industry associations through our membership with these associations. The Group's memberships include:

- Access Solution Industry Association
- Association of Process Industry (ASPRI)
- Contact Centre Association of Singapore
- Singapore Business Federation
- Singapore Welding Society

SUSTAINABILITY MANAGEMENT

Our sustainability efforts are led by the Board of Directors with support from all levels within the Group. All Directors in office during FY2024 have undergone training on sustainability matters as prescribed by SGX.

Board of directors

- Responsible for direction setting, strategies and policies formulation

Senior management

- Provide advice and support to the Board
- Responsible for overall management and monitoring of sustainability efforts

Heads of department

- Report on outcomes of sustainability efforts
- Communicate sustainability policies and initiatives to each department

All personnel

- Implement sustainability initiatives
- Provide feedback for improvement

Together in our journey towards greater sustainability, we will continuously strive to ensure that we have the right policies and practices in place.

SUSTAINABILITY STRATEGY

We recognise the importance of sustainable development in shaping our future and strive to integrate sustainable practices into our operations, seek to minimise our environmental impact, promote social responsibility and create long-term value for our stakeholders.

COMMITMENTS

We are committed to ensuring that we continue to prioritise the health and safety of our workforce, uphold our diversity and equal opportunity policies and comply with applicable laws and regulations as we seek to create long-term value for our stakeholders. We are also committed to doing our part to integrate sustainable practices into our operations and seek to minimise our environmental impact.

CLIMATE-RELATED RISK AND OPPORTUNITIES

SGX mandates issuers classified under the Energy sector to provide climate reporting on a 'comply or explain' basis from 1 January 2023, consistent with the TCFD recommendations. As the Company is classified under the Energy

sector, climate-related disclosures have been included in this report. A description of how we manage climate-related risks and opportunities, with reference to the four key pillars recommended by TCFD is as follows:

TCFD Pillar	Disclosure	Key Points
Governance	Describe the Board's oversight of related risks and opportunities	The Board includes sustainability considerations when formulating the Group's strategic direction. The Board understands climate-related risks and opportunities and decides on mitigation strategies and initiatives.
	Describe management's role in assessing and managing climate-related risks and opportunities	Our sustainability team reports to the Board on sustainability matters and is supported by the heads of all business units and corporate departments. The sustainability team facilitates execution of climate-related strategies and monitors performance against sustainability goals and targets.
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term	We identify challenges in maintaining our profitability and sustaining our growth through our materiality assessments. Identified climate-related risks are: <ul style="list-style-type: none"> ▪ Uncertainty in market signals ▪ Rising mean temperatures ▪ Costs to transition to lower emissions technology ▪ Enhanced emission-reporting obligations
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Our Group's strategies are formulated with reference to risks and opportunities faced by our customers whose landscapes are evolving in response to their need to transition to cleaner energy sources. The energy transition journey undertaken by our customers provides us with opportunities to participate in their decarbonisation efforts.
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	We will continue to improve on our climate-related disclosures based on TCFD recommendations and SGX's phased approach. We will also continuously review our climate-related targets against industry standards and best practices.
Risk management	Describe the organisation's processes for identifying and assessing climate-related risks	Our Enterprise Risk Management ("ERM") matrix helps to identify and manage anticipated risks that threaten our business objectives. The matrix provides a visual presentation of the probability of risk occurrence against the severity of the potential impact, which helps us to prioritise the risks to be handled. Climate-related risks have been included in our ERM assessment.

TCFD Pillar	Disclosure	Key Points
Risk management	Describe the organisation's processes for managing climate-related risks	The Board is responsible for risk governance while the management personnel maintain a sound system of risk management and internal controls. Climate-related risks are considered in our ERM assessment which is presented to the Board annually. The ERM matrix incorporates inputs from all departments in collating relevant risks and their mitigating factors and/or strategies. Goal and targets for addressing climate-related issues are reviewed by the Board annually.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Climate-related risks are considered alongside other strategic, operational, financial and compliance risks. Appropriate risk mitigation and adaptation strategies are then developed and monitored accordingly.
Metrics and targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	Metrics used are in terms of revenue generated (\$) and productivity utilisation (man-days). We intend to reference to industry best practices to progressively improve our data analysis.
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions, and the related risks	Our Scope 1 emissions are mostly from diesel and petrol consumption by our equipment and vehicles while our Scope 2 emissions are mostly due to power used from the grid. Scope 3 emissions are not disclosed in this report as we are still in the process of identifying and assessing significant value chain emission sources.
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	<p>We target to maintain our energy intensity for Scope 1 and Scope 2 emissions in the next 1-2 years compared to FY2024.</p> <p>Nonetheless, we will still endeavour to do our part to combat climate change with the following ongoing and planned initiatives:</p> <ul style="list-style-type: none"> ▪ Installation of solar panels at our office premises ▪ Reduction of idle vehicle time to reduce consumption of diesel/petrol ▪ Install energy saving lightings on our premises ▪ Replacement of air-conditioning units with more energy efficient models ▪ Air-conditioner temperature to be set at no lower than 24°C ▪ Progressive shift from conventional vehicles to electric/hybrid vehicles ▪ Insulate hot water pipes at our premises to reduce heat loss ▪ Upgrade existing water fixtures to fixtures which are more water saving ▪ Promotion of recycling ▪ Promotion of paperless or near paperless operations

STAKEHOLDER ENGAGEMENT

A variety of channels are used to update our stakeholders regarding our developments and to gather their feedback.

Based on the impact our business has on them, our key stakeholders have been identified as follows:

Stakeholders	Engagement platforms	Issues of concern	Section reference
Employees	<ul style="list-style-type: none"> ▪ Department and company meetings ▪ Performance appraisals ▪ Informal feedback ▪ Training courses 	<ul style="list-style-type: none"> ▪ Remuneration and benefits ▪ Workplace safety ▪ Fair treatment ▪ Training and development 	<ul style="list-style-type: none"> ▪ Diversity and equal opportunity ▪ Occupational health and safety
Shareholders	<ul style="list-style-type: none"> ▪ Annual general meetings ▪ Regular SGX announcements ▪ Annual reports ▪ Sustainability reports ▪ Corporate website 	<ul style="list-style-type: none"> ▪ Sound management ▪ Profitability ▪ Dividend payment 	<ul style="list-style-type: none"> ▪ Economic performance ▪ Anti-corruption
Customers	<ul style="list-style-type: none"> ▪ Regular meetings ▪ Annual reports ▪ Sustainability reports 	<ul style="list-style-type: none"> ▪ Safety standards ▪ Compliance with environmental regulations ▪ Financial stability 	<ul style="list-style-type: none"> ▪ Occupational health and safety ▪ Waste management ▪ Economic performance
Government and regulators	<ul style="list-style-type: none"> ▪ Regular SGX announcements ▪ Annual reports ▪ Sustainability reports ▪ Submission of surveys 	<ul style="list-style-type: none"> ▪ Compliance with safety standards ▪ Compliance with environmental regulations ▪ Anti-corruption 	<ul style="list-style-type: none"> ▪ Occupational health and safety ▪ Waste management ▪ Anti-corruption
Suppliers	<ul style="list-style-type: none"> ▪ Supplier qualification process ▪ Quotations and proposals ▪ Annual reports ▪ Sustainability reports 	<ul style="list-style-type: none"> ▪ Financial stability ▪ Fair business practices 	<ul style="list-style-type: none"> ▪ Economic performance ▪ Anti-corruption
Communities	<ul style="list-style-type: none"> ▪ Community services 	<ul style="list-style-type: none"> ▪ Safety standards ▪ Environmental protection ▪ Good corporate citizenship ▪ Social development 	<ul style="list-style-type: none"> ▪ Occupational health and safety ▪ Waste management ▪ Anti-corruption ▪ Economic performance

OCCUPATIONAL HEALTH AND SAFETY

We have zero tolerance where workplace safety is concerned, and this is a culture that we actively cultivate within the Group.

We have a target of a zero accident workplace. To that end, our project and maintenance operations have implemented a robust workplace safety and health management system that is ISO 45001:2018 and ISO 9001:2015 compliant. We have also maintained our bizSAFE Level Star certification, which is the highest certification level accorded by the Workplace Safety and Health (“WSH”) Council.

Work-related hazards relating to our project and maintenance operations which have been identified through the Group’s risk assessment process include close proximity during lifting activity and risk of tripping and falling. Identified work-related hazard that pose a risk of ill health relates to exposure to asbestos. No significant work-related hazards or ill health relating to our business process outsourcing operations have been identified in view of the nature of the work.

In line with our culture of zero tolerance where safety is concerned, we believe that everyone is responsible for their own safety and the safety of others. To inculcate this culture right from the start, each new hire is required to attend the necessary

safety induction courses tailored to their respective scope of work, during which workplace hazards and at-risk areas are highlighted. They are also issued with standard personal protective equipment as well as specialised safety equipment suited to their nature of work. External training courses and all medical examinations required under the Workplace Safety and Health Act are carried out by qualified service providers.

We regularly share best safety practices in order to continuously improve on our safety standards. Recent accidents in the industry or near misses are periodically shared as learning points and to serve as reminder of the importance of safety at our workplace. To further reinforce the importance of workplace safety, we regularly conduct safety campaigns and actively participate in campaigns organised by our customers.

In fact, safety is so deeply ingrained into our corporate culture that compliance with the Group’s safety requirements and safety awareness form part of our performance appraisal.

Our safety performance record for FY2024 and the financial year ended 30 June 2023 (“FY2023”) are as shown below. Rates have been calculated based on 200,000 hours worked.

Performance indicator	Employees		Workers who are not employees but whose work and/or workplace is controlled by the Group	
	FY2024	FY2023	FY2024	FY2023
Number of fatalities	0	0	0	0
Rate of fatalities	0	0	0	0
Number of high-consequence work-related injuries (excluding fatalities)	1	1	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	0.09	0.06	0	0
Number of recordable work-related injuries	1	2	0	0
Rate of recordable work-related injuries	0.09	0.11	0	0
Number of hours worked	2,196,823	3,500,578	64,936	282,238

The main types of work-related injury in FY2024 relates to being struck by object.

In FY2024 and FY2023, there were no fatalities as a result of work-related ill health nor recordable work-related ill health in respect of our employees and all workers who are not employees but whose work and/or workplace is controlled by us.

In recognition of our safety efforts, we received accolades from our customers such as Zero LTI in 2023, Zero Recordable Injury for continuous years and Safety Performance for an Injury Free 2023.

The Group received further affirmation from the WSH Council through the following awards in August 2023:

- WSH Innovation “Gold” Award
- WSH Performance (Silver) Award
- WSH Safety and Health Award Recognition for Projects (SHARP) Awards

and in July 2024:

- WSH Innovation “Silver” Award
- WSH Performance (Silver) Awards

The WSH Innovation Award recognises teams who have created innovative solutions to improve safety and health standards in the workplace while the WSH Performance Award recognises companies that have implemented sound safety and health management systems, and went to extraordinary lengths to safeguard their employees, and contractors across all their workites.

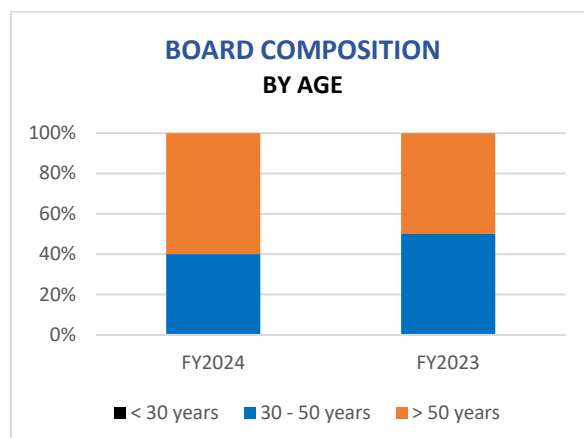
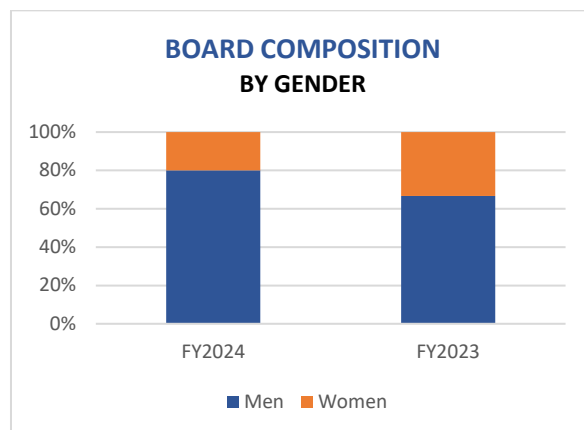
We also provide our employees with access to panel doctors and medical treatment at public medical facilities.

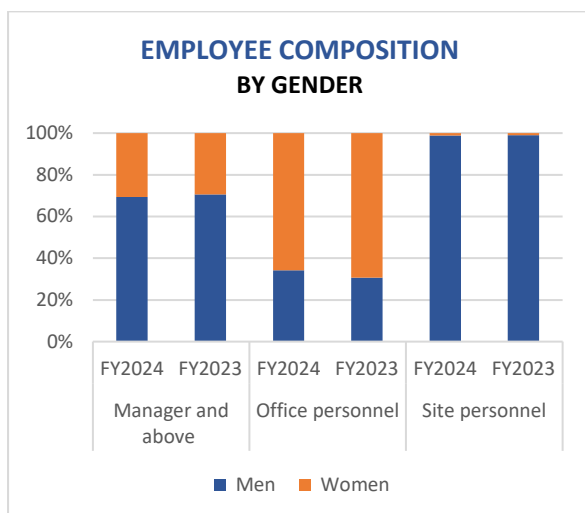
DIVERSITY AND EQUAL OPPORTUNITY

Our people are one of the most important and valuable resources to us. To ensure successful execution of our work, we need employees with a wide range of experiences and qualifications, who will bring different perspectives with them.

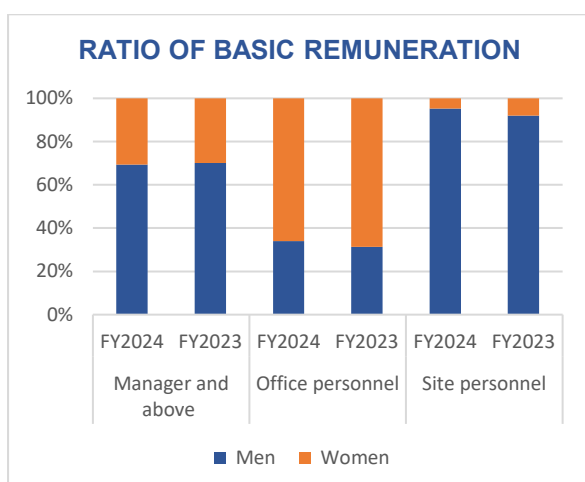
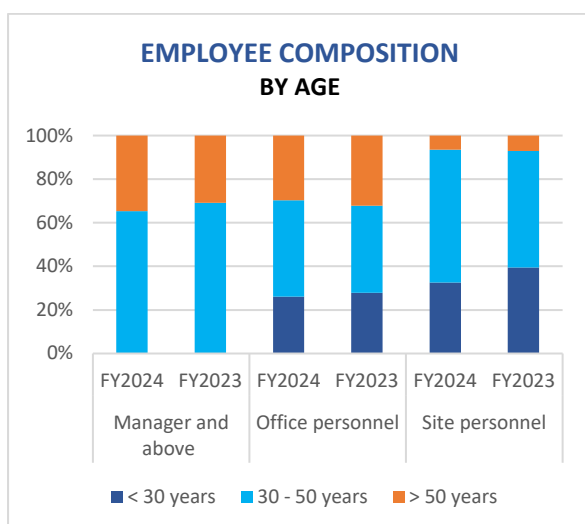
Hence, the Group advocates equal opportunity, as well as gender and age diversity. Employment and promotion are based on merit, regardless of their gender, race, age, religion and marital status. We prohibit engagement of child labour or forced labour in all of our operations.

Our Board and employee profiles by gender and age as well as employee ratio of basic remuneration of women to men are presented as follows:

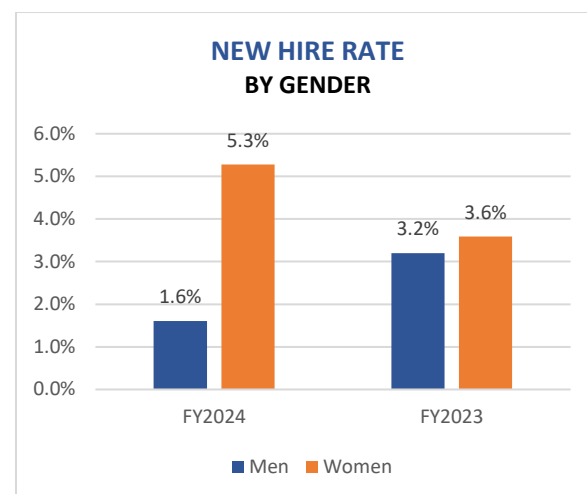




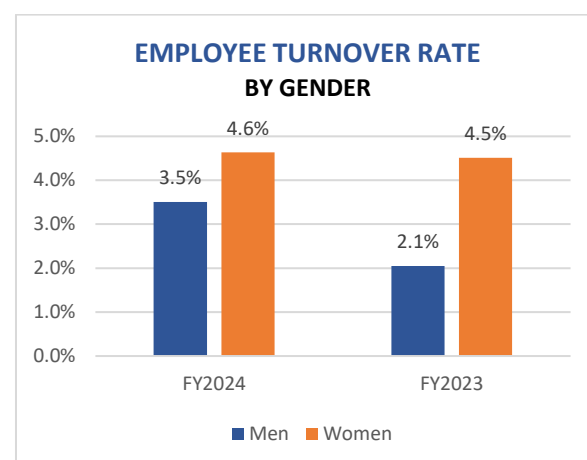
Note: Site personnel are almost exclusively men due to the physically demanding nature of the work involved.



We embrace equality and diversity in our recruitment practices. Employment is based on merit in order to attract diverse backgrounds and skills. Information on our new hires and employee turnover by gender are as shown below.



Note: New hire rate is computed based on the number of new permanent hires by gender divided by total number of permanent headcount for the year by gender.



Note: Employee turnover rate is computed based on the number of voluntary resignations by permanent employees by gender divided by total number of permanent headcount for the year by gender.

ENERGY AND EMISSIONS

We have always been mindful of the need to conserve energy and minimise emissions. To that end, we have already taken the following key actions in the past years:

- installed energy saving lightings on our premises;
- replaced our air-conditioners with more energy efficient models;
- set air-conditioner temperature at no lower than 24°C; and
- minimise idle vehicle time.

We have also sought to reduce our carbon footprint via the following key initiatives since past years:

- reduced paper usage by encouraging double sided printing and use of recycled paper;
- installed self-closing taps in rest rooms on our premises;
- minimise usage of single-use plastic cups, bottles and cutleries; and
- promote recycling of plastic bottles and metal cans.

Future initiatives that are under evaluation include:

- installation of solar panels on our premises;
- insulate hot water pipes at our premises to reduce heat loss
- progressive shift from conventional vehicles to electric/hybrid vehicles;
- upgrade existng water fixtures to fixtures which are more water saving; and
- move to paperless or near paperless operations.

Scope 1 emissions are direct emissions that result from activities that are within our control. Our Scope 1 emissions predominantly arise from diesel and petrol used by our equipment and vehicles.

Scope 2 emissions are indirect emissions arising from our consumption although we are not directly in control of the emissions. Our Scope 2 emissions predominantly arise from our consumption of electricity supplied by local power supply companies.

Total Scope 1 and Scope 2 energy consumption in FY2024 was 18,874 gigajoules (FY2023: 19,174 gigajoules). Details of our energy consumption are as follows:

	Scope 1 Diesel and petrol consumption (litres)	Scope 1 Diesel and petrol consumption (gigajoules)	Energy intensity (gigajoules per man-hour)	Scope 1 emissions (tCO ₂)	Emissions intensity (kgCO ₂ per man-hour)
FY2024	338,815	12,973	0.0057	896	0.4
FY2023	333,221	12,759	0.0034	883	0.2

Note:

- Conversion of litres of diesel and petrol to joules is based on U.S. Energy Information Administration Energy conversion calculator.
- Conversion of litres of diesel and petrol to CO₂ is based on LCOS SME Carbon Footprint Calculator.

	Scope 2 Electricity consumption (kWh)	Scope 2 Electricity consumption (gigajoules)	Energy intensity (gigajoules per man-hour)	Scope 2 emissions (tCO ₂)	Emissions intensity (kgCO ₂ per man-hour)
FY2024	1,639,215	5,901	0.0026	683	0.3
FY2023	1,782,110	6,415	0.0017	743	0.2

Note:

- Conversion of kWh to joules is based on U.S. Energy Information Administration Energy conversion calculator.
- Conversion of kWh to CO₂ is based on 2022 Singapore grid emission factor published by Energy Market Authority.

WASTE MANAGEMENT

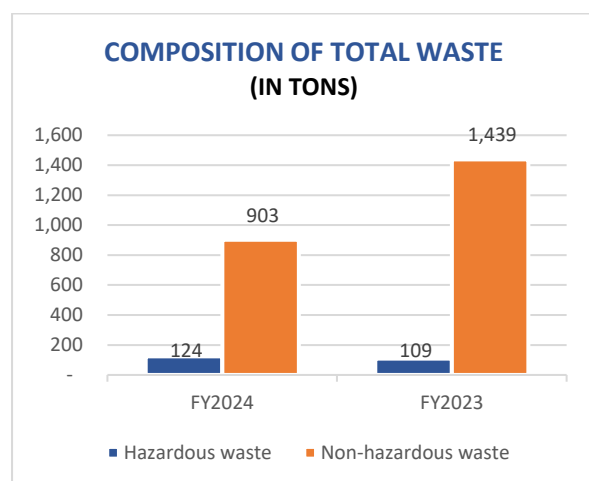
We dispose of waste in a safe and environmentally sound manner in accordance with local regulations.

The waste generated by our project and maintenance operations are categorised into hazardous and non-hazardous waste. Due to its potential impact on the environment and persons who come into contact with them, waste disposal, particularly hazardous waste, is taken seriously. All wastes are collected by licensed waste collector to ensure proper transportation and disposal.

The amount of waste generated is a function of the level and type of activities during the year. Nonetheless, the Group is careful not to procure excess raw materials with limited shelf life that may eventually end up as waste.

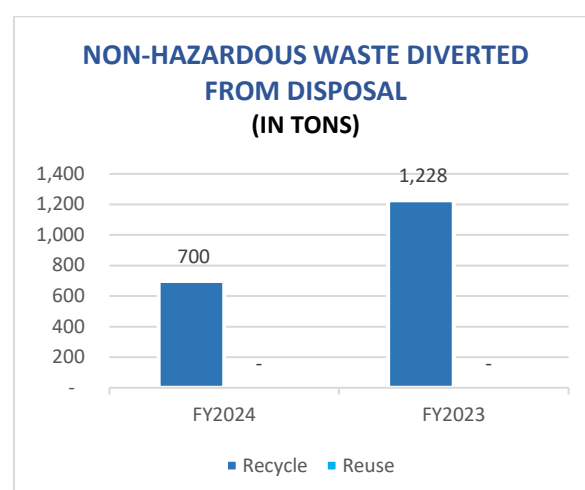
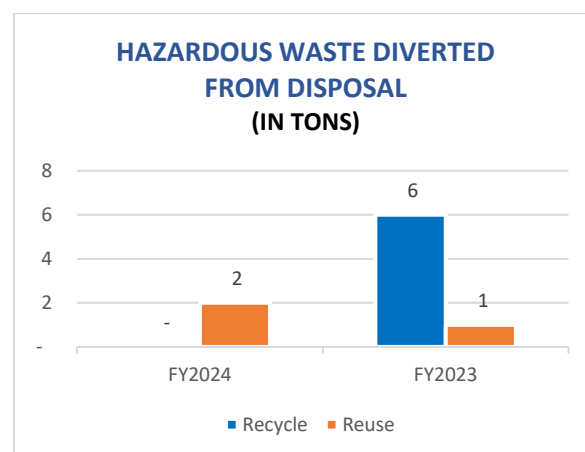
The quantities of hazardous and non-hazardous waste disposed in FY2024 and FY2023 are tabulated based on waste transfer notes or weighbridge measurement from contracted waste collectors where the data is readily available, or estimated based on contractual arrangements.

Breakdown of waste is as follows:

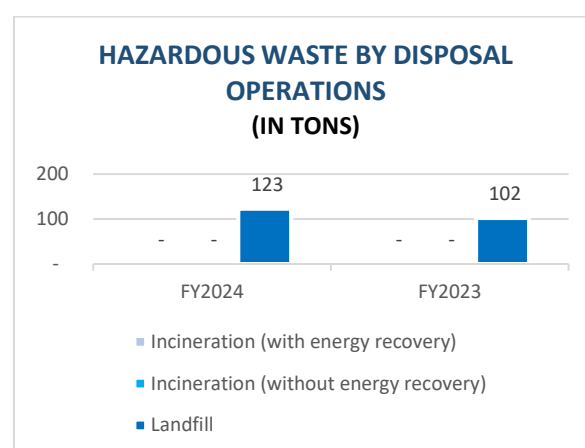


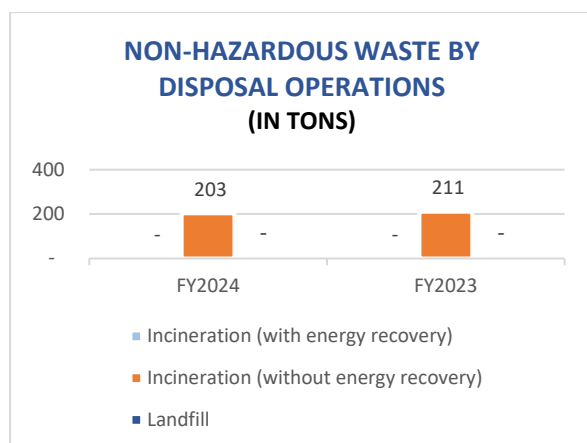
Where feasible, waste are diverted from disposal for recycling or reuse offsite. In FY2024, 702 tons (FY2023: 1,235 tons) of waste were diverted from disposal.

Total weight of hazardous and non-hazardous waste diverted from disposal, broken down by recovery operations is as follows:



Remaining waste are directed to disposal. Breakdown of hazardous and non-hazardous waste by disposal operations is as follows:





Our target is to have no violation of local regulations. There were no violations in FY2024.

ANTI-CORRUPTION

The Group complies with all applicable anti-corruption laws of the countries in which we operate.

All new staff are briefed on the established Code of Professional Conduct which includes anti-corruption matters during their orientation. All staff are required to declare any possible conflict of interest and are prohibited from offering or accepting favours or gifts from third parties. As such, all employees who were hired in FY2024, representing 20% of all employees as at 30 June 2024 received anti-corruption training in FY2024.

Our Whistle Blowing policy and procedures enable employees to report any illegal or unethical behaviour.

There were no confirmed incidents of corruption in FY2024.

ECONOMIC PERFORMANCE

We are committed to creating wealth for our stakeholders. Therefore, we constantly seek opportunities for operational and financial improvements.

The Group's direct economic value generated in FY2024 and FY2023 is as shown below:

	FY2024 \$'000	FY2023 \$'000
Revenue	54,348	68,617

A summary of economic value distributed in FY2024 and FY2023 is as follows:

	FY2024 \$'000	FY2023 \$'000
Operating costs	14,928	21,831
Employee wages and benefits	35,292	42,541
Payments to providers of capital	4,682	4,673
Payments to government	731	3,873
Community investments	22	11
Economic value distributed	55,655	72,929

More information regarding the Group's financial results and analysis may be found in the 2024 Annual Report.

We are committed to understanding and addressing climate change related risks and opportunities. Key risks identified are as presented in the following table. Climate change presents very limited opportunities for the industries that we operate in. However, as such risks and opportunities continue to evolve, we will review and fine-tune our risk and opportunities identification and responses when necessary. The costs of our proposed actions taken to manage the risks and opportunities are not quantifiable.

Risks	Description	Classification	Impact	Likelihood	Time frame	Financial implications	Methodology
Uncertainty in market signals	Oil price fluctuations due to uncertain market or market demand	Market	Uncertainty in customers' investment/expenditure plans potentially resulting in lower revenue and profits	Frequent	Short-term	Not quantifiable	We take this opportunity to transform and seek new opportunities in the global and local initiatives to shift to cleaner energy
Rising mean temperatures	Unpredictable rain pattern disrupts operation schedule and results in additional man-days lost	Physical	Lower revenue and profits	Likely	Short-term	Not quantified this year	We endeavour to optimize our manpower usage when weather conditions are unpredictable
	Increase in costs of maintaining working conditions	Physical	Increase in energy cost to maintain optimum working environment in the office and man-hours lost in operations to allow for additional rest periods	Likely	Medium-term	Not quantifiable	We will explore use of clean energy sources and take necessary steps to ensure the health and safety of our site personnel
Costs to transition to lower emissions technology	Capital expenditure required to invest in relevant technology or equipment and associated costs to adopt and deploy new practices and processes	Technology	There may be limited opportunities to innovate due to the nature of our site operations	Possible	Medium-term	Not quantified this year	We will continue to explore other cost-effective measures to reduce our emissions, in addition to the initiatives that are already in place
Enhanced emission-reporting obligations	Increase in costs due to higher compliance requirements	Regulatory	More stringent and comprehensive policies and regulations around climate reporting, especially for the energy sector	Likely	Short-term	Not quantified this year	We will comply with regulatory requirements insofar as practicable

Definition of time horizon:
Short-term – 1-2 years
Medium term – 3-5 years

GRI DISCLOSURE CONTENT INDEX

Statement of use	Hai Leck Holdings Limited has reported the information cited in this GRI content index for the financial year ended 30 June 2024 with reference to the GRI Standards
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location
GRI 2: General Disclosures 2021	2-1 Organisational details	Sustainability report ("SR") front cover, pgs 3, 4
	2-2 Entities included in the organisation's sustainability reporting	SR pg 1
	2-3 Reporting period, frequency and contact point	SR pg 1
	2-4 Restatements of information	Not applicable
	2-5 External assurance	SR pg 1
	2-6 Activities, value chain and other business relationships	SR pgs 3, 4
	2-7 Employees	SR pgs 3, 9, 10
	2-8 Workers who are not employees	SR pg 3
	2-9 Governance structure and composition	Annual report ("AR") pgs 19 to 20
	2-10 Nomination and selection of the highest governance body	AR pgs 22 to 25
	2-11 Chair of the highest governance body	AR pgs 19, 21 and 22
	2-12 Role of the highest governance body in overseeing the management of impacts	SR pg 4
	2-13 Delegation of responsibility for managing impacts	SR pg 4
	2-14 Role of the highest governance body in sustainability reporting	SR pg 4
	2-15 Conflicts of interest	AR pg 15
	2-16 Communication of critical concerns	AR pgs 18 to 19, 36
	2-17 Collective knowledge of the highest governance body	AR pgs 15 to 16
	2-18 Evaluation of the performance of the highest governance body	AR pgs 26 to 27
	2-19 Remuneration policies	AR pgs 27 to 28
	2-20 Process to determine remuneration	AR pg 29
	2-21 Annual total compensation ratio	Not disclosed due to confidentiality
	2-22 Statement on sustainable development strategy	SR pg 4
	2-23 Policy commitments	SR pg 4
	2-24 Embedding policy commitments	SR pgs 8 to 14
	2-25 Processes to remediate negative impacts	AR pg 36, SR pgs 8 to 14
	2-26 Mechanisms for seeking advice and raising concerns	AR pg 36, SR pg 13
	2-27 Compliance with laws and regulations	SR pg 13
	2-28 Membership associations	SR pg 4
	2-29 Approach to stakeholder engagement	SR pg 7
	2-30 Collective bargaining agreements	Not applicable. No collective bargaining agreements
GRI 3: Material Topics 2021	3-1 Process to determine material topics	SR pg 1
	3-2 List of material topics	SR pg 1
	3-3 Management of material topics	SR pgs 8 to 14

GRI Standard	Disclosure	Location
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	SR pg 13
	201-2 Financial implications and other risks and opportunities due to climate change	SR pgs 13 to 14
	201-3 Defined benefit plan obligations and other retirement plans	Not applicable. None in Singapore other than the Central Provident Fund contributions
	201-4 Financial assistance received from government	Not applicable. No material financial assistance received from government
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	SR pg 13
	205-2 Communication and training about anti-corruption policies and procedures	SR pg 13
	205-3 Confirmed incidents of corruption and actions taken	SR pg 13
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	SR pg 11
	302-2 Energy consumption outside of the organisation	Not applicable as Scope 3 is not reported
	302-3 Energy intensity	SR pg 11
	302-4 Reduction of energy consumption	Not applicable. Not able to quantify
	302-5 Reductions in energy requirements of products and services	Not applicable. Not relevant to business operations
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	SR pg 11
	305-2 Energy indirect (Scope 2) GHG emissions	SR pg 11
	305-3 Other indirect (Scope 3) GHG emissions	Not applicable as Scope 3 is not reported
	305-4 GHG emissions intensity	SR pg 11
	305-5 Reduction of GHG emissions	Not applicable. Not able to quantify
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable. Not relevant to business operations
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable. Not relevant to business operations
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	SR pg 12
	306-2 Management of significant waste-related impacts	SR pg 12
	306-3 Waste generated	SR pg 12
	306-4 Waste diverted from disposal	SR pg 12
	306-5 Waste directed to disposal	SR pgs 12 and 13
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	SR pgs 8 and 9
	403-2 Hazard identification, risk assessment, and incident investigation	SR pgs 8 and 9
	403-3 Occupational health services	SR pgs 8 and 9
	403-4 Worker participation, consultation, and communication on occupational health and safety	SR pgs 8 and 9
	403-5 Worker training on occupational health and safety	SR pgs 8 and 9
	403-6 Promotion of worker health	SR pgs 8 and 9
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR pgs 8 and 9
	403-8 Workers covered by an occupational health and safety management system	SR pgs 8 and 9
	403-9 Work-related injuries	SR pgs 8 and 9
	403-10 Work-related ill health	SR pgs 8 and 9
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	AR pg 21, SR pgs 9, 10
	405-2 Ratio of basic salary and remuneration of women to men	SR pgs 9, 10

GRI SECTOR SPECIFIC TOPICS CONTENT INDEX

GRI Standard	Topic	Location
GRI 11: Oil and Gas Sector 2021	11.1 GHG emissions	SR pg 11
	11.2 Climate adaptation, resilience, and transition	SR pg 11
	11.3 Air emissions	No material significance as we only provide support services for the energy industry.
	11.4 Biodiversity	No material significance as we only provide support services for the energy industry.
	11.5 Waste	SR pgs 12 and 13
	11.6 Water and effluents	No material significance as we only provide support services for the energy industry.
	11.7 Closure and rehabilitation	No material significance as we only provide support services for the energy industry.
	11.8 Asset integrity and critical incident management	No material significance as we only provide support services for the energy industry.
	11.9 Occupational health and safety	SR pgs 8 and 9
	11.10 Employment practices	No material significance as we only provide support services for the energy industry.
	11.11 Non-discrimination and equal opportunity	SR pgs 9 and 10
	11.12 Forced labor and modern slavery	SR pgs 9 and 10
	11.13 Freedom of association and collective bargaining	Not applicable. No collective bargaining agreements
	11.14 Economic impacts	SR pgs 13 and 14
	11.15 Local communities	No material significance as we only provide support services for the energy industry.
	11.16 Land and resource rights	No material significance as we only provide support services for the energy industry.
	11.17 Rights of indigenous peoples	No material significance as we only provide support services for the energy industry.
	11.18 Conflict and security	No material significance as we only provide support services for the energy industry.
	11.19 Anti-competitive behavior	No material significance as we only provide support services for the energy industry.
	11.20 Anti-corruption	SR pg 13
	11.21 Payments to governments	No material significance as we only provide support services for the energy industry.
	11.22 Public policy	No material significance as we only provide support services for the energy industry.



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