RICHTECH DIGITAL BERHAD
[REGISTRATION NO. 202301037196 (1531119-U)]

Sustainability Policy

1.   INTRODUCTION

This policy is intended to address Richtech Digital Berhad ("Company") and all subsidiary companies within the Richtech Group, hereinafter refer to as the Group.

Sustainability encompasses all aspects of ethical business practices, addressing relevant Environment, Social and Governance ("ESG") issues responsibly and profitably.

2.   OBJECTIVES

This policy aims to:

(a)   Endeavour to integrate the principles of sustainability into the Group's strategies, policies and procedures;

(b)   Promote sustainable practices;

(c)   Ensure that the Board and senior management are involved in implementation of this policy and review the sustainability performance; and

(d)   Create a culture of sustainability within the Group, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.

3.   SOCIAL SUSTAINABILITY

Social sustainability is focused on the development of programs and processes that promote social interaction and cultural enrichment. It emphasizes protecting the vulnerable, respecting social diversity and ensuring that the Group put prioritises on social capital.

(a)   To maintain a safe and healthy workforce;

(b)   To recruit and retain high potential and high performing employees;

(c)   To use training and development as a strategic investment and a way of shaping culture and behaviour in the Group;

(d)   To enable employees to further develop their professional and personal skills;

(e)   To promote racial harmony and prevent racial discrimination;

(f)   To prevent sexual harassment and other forms of violence against women;

(g)   To be recognised as a good corporate citizen;

(h)   To align our charitable giving with the Group's activities;

Sustainability Policy

(i)   To engage positively with communities and stakeholders where we operate;

(j)   To respond in a professional and timely manner to public enquiries;

(k)   To continue to improve public perception and experience of the Group; and

(l)   To support and encourage community development.

4. ENVIRONMENTAL SUSTAINABILITY

The Group is committed to identify, manage and minimise the environmental impact of business operations.

(a)   To reduce consumption of non-renewable, non-recycled materials;

(b)   To pursue and encourage the use of renewable resources;

(c)   To minimise the level of pollutants entering into the air and water from daily business operations;

(d)   To comply with environmental regulatory and legal requirements;

(e)   To create an ever-increasing awareness of this policy within the Group and stakeholders; and

(f)   To establish processes to identify and manage risks and opportunities that cause climate change.

5. GOVERNANCE SUSTAINABILITY

Governance sustainability is becoming more essential in gaining the confidence of investors, other stakeholders and the public. The Group recognises the importance of governance sustainability and incorporating it into all functions and processes which include strategic planning, accountability, sustainable planning and development.

(a)   To ensure sustainability forms an integral part of the Strategic Planning;

(b)   To enhance sustainability through regular updates of strategies, policies, procedures and provide relevant training;

(c)   To establish and continue to improve appropriate governance structures and processes;

(d)   To assess the impacts and outcomes of sustainability; and

(e)   To plan for long term resources including human and financial.

<u>Sustainability Policy</u>

6.   REVIEW

The Company will review this policy to take account of evolving policies, standards, best practices and technology.

7.   REPORTS AND DISCLOSURES

The Company will disclose the Sustainability Statement on the annual report. This policy was established on _____.

-END-