PRIVA
PRIVASIA
TECHNOLOGY
BERHAD

BUILDING A

SUSTAINABLE

COMPANY

Welcome to the PRIVASIA Technology Berhad ("PRIVASIA") Sustainability Report 2023, which details the Group's progress on its sustainability journey. It serves as our primary annual disclosure on Environmental, Social and Governance ("ESG") performance and should be read with the Annual Report 2023.

Data in this report covers the period between 1 January 2023 and 31 December 2023 unless otherwise indicated.

This report covers PRIVASIA's operations across our three business segments: Information Technology ("IT"), Information and Communication Technologies ("ICT") and Satellite-based network services ("SAT"). References to "PRIVASIA", "the Group", "the Company", "we", "our", and similar refer to PRIVASIA and its operating companies. We strive to extend our scope and boundary to include all parties involved in our value chain network.

PRIVASIA prepared this report according to the Global Reporting Initiative ("GRI") Universal Standards and other local and international sustainability guidelines, including the following:

· *United Nations Sustainable Development Goals ("UNSDG");*

· *Bursa Malaysia Illustrative Sustainability Report Guide, 3rd Edition;*

· *ISO 26000 Guidance on Social Responsibility*

Bursa Malaysia's updated reporting requirements mandate implementing the Task Force's recommendations on Climate-related Financial Disclosures ("TCFD") by 2025. PRIVASIA has disclosed a basic transition plan towards a low-carbon economy to elevate sustainability reporting in ACE market listed companies.

This report contains forward-looking statements that are meant to provide our stakeholders with the opportunity to understand our opinions and plans in respect of the future. These statements should not be construed as absolute guarantees or predictions of PRIVASIA's future outcomes and readers are advised not to place undue reliance on them.

This report includes selected data on material sustainability topics. For a complete overview of our sustainability data disclosures, please refer to our 2023 Sustainability Performance Data on page 28.

We welcome your queries and feedback on this report. Please get in touch with the PRIVASIA office at:

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OUR APPROACH TO SUSTAINABILITY

INTRODUCTION

Sustainability underpins how we do business and how we respect and create value for our stakeholders. It has been ingrained in our processes, policies, business values, and company culture for many years. Today, ESG goals are a vital element of our corporate strategy.

Our sustainable approach to creating long-term value helps us deliver positive outcomes for stakeholders, minimise adverse impacts, contribute to society and conserve the environment.

COMPANY

Our primary focus is mainly on value creation for all stakeholders. Our vision is to elevate sustainability through governance, transparency via engagement with direct board oversight and accountability over social, environmental and economic issues.

SERVICES

We endeavour to provide the best quality service to all our clients as they are part of our esteemed valued stakeholders.

ALIGNING OUR SUSTAINABILITY FOCUS AREAS WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UNSDG)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS **17** PARTNERSHIPS FOR THE GOALS
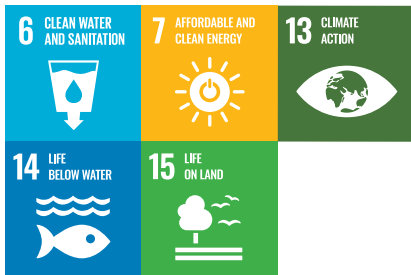
GOVERNANCE

I. Develop and maintain a system of governance aligned with the best national and international standards and practices.

3 GOOD HEALTH AND WELL-BEING **4** QUALITY EDUCATION **5** GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH **10** REDUCED INEQUALITIES

PEOPLE

I. Foster the involvement, well-being and development of our people.

II. Continually improve, innovate and guarantee high safety standards along the value chain.

6 CLEAN WATER AND SANITATION **7** AFFORDABLE AND CLEAN ENERGY **13** CLIMATE ACTION
14 LIFE BELOW WATER **15** LIFE ON LAND

ENVIRONMENT

I. Achieve carbon neutrality by 2035.

II. Reduce environmental footprint with a circular economy approach.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE **12** RESPONSIBLE CONSUMPTION AND PRODUCTION

INNOVATION

I. Play an essential part in supporting our clients and community in the digitalisation of our nation.

4 QUALITY EDUCATION **11** SUSTAINABLE CITIES AND COMMUNITIES

COMMUNITY

I. Contribute to the social, technological and economic development of our communities.

SUSTAINABILITY GOVERNANCE

INTRODUCTION

We are committed to protecting our people, environment, assets and reputation. Good governance is instrumental in upholding a history of high ethical standards and improving the Group's decision-making processes. It forms the foundation of our sustainability strategy.

The Board of Directors of the Group is responsible for supervising the Group's sustainability and ESG strategy, which encompasses climate-related matters.

Dedicated to embedding sustainability within our long-term growth strategy, our Board of Directors is firmly committed to seamlessly integrating the sustainability governance structure into our corporate governance framework. This includes incorporating sustainability factors into the development of our strategies and the implementation of our business plans.

BOARD OF DIRECTORS

Deliberating on and approving key sustainability-related strategies and objectives.

GROUP CEO/ MANAGING DIRECTOR

Delivering sustainability management, executing and monitoring sustainability strategies and updating the Board on their progress and other issues arising.

SUSTAINABILITY WORKING COMMITTEE

Represented by the operating companies Head of Departments, they are responsible in executing all sustainable measures cascaded down from the Board.

MATERIALITY ASSESSMENT 2023

Materiality assessments are formal exercises that engage stakeholders to learn how vital sustainability issues are to them. These insights guide strategy and communication and help PRIVASIA tell a more meaningful sustainability story. This exercise forms one of the channels used to maintain continuous engagement with our stakeholders.

We conduct periodic materiality assessments to identify ESG issues linked to the stakeholder interests and relevant to business success. We assess the importance of these issues to our stakeholders and the Group. The assessment helps prioritise areas which matter the most to key stakeholders and our business.

In 2022, we performed a comprehensive materiality assessment. The process, led by an external consultant, identified 13 critical topics grouped into three main pillars: economic, environmental and social. The study reviewed market trends, peers and competitors and reporting frameworks. The review ranks the importance of different topics to PRIVASIA and its stakeholders.

IDENTIFICATION OF SUSTAINABILITY MATTERS — Identified key issues and defined stakeholders

PRIORITISATION OF MATERIAL SUSTAINABILITY MATTERS — Conducted an online survey across 7 stakeholder groups to validate the material matters

REVIEW AND VALIDATION OF PROCESS AND OUTCOME — Board of directors confirmed relevance of identified material matters

STAKEHOLDER ENGAGEMENT, ISSUE PRIORITISATION AND RESULTS

In 2023, we conducted a materiality validation exercise to ensure alignment with stakeholders needs and aimed at responding to evolving stakeholder expectations and addressing emerging risks, concentrating on issues that have the most substantial impact, and are closely aligned with our business strategies.

MATERIALITY ASSESSMENT TOPICS

PRIVASIA queried stakeholders on the importance of 13 Economic, Environmental and Social issues. These issues, along with their related GRI topics and the UNSDGs, are presented in the table below.

MATERIAL ISSUE	DESCRIPTION	RELATED GRI-TOPIC	RELATED UNSDG
ECONOMIC			
REGULATORY COMPLIANCE	Preventing anti-competitive behaviour and corruption while complying with all other economic, environmental and social legislation	I. Anti-Competitive Behaviour II. Environmental Compliance III. Socio-economic Compliance	3 GOOD HEALTH AND WELL-BEING; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
SUSTAINABLE SUPPLY CHAIN MANAGEMENT	Integrating environmentally and socially viable practices into the complete supply chain lifecycle	I. Procurement Practices II. Supplier Environmental Assessment III. Supplier Social Assessment	8 DECENT WORK AND ECONOMIC GROWTH; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
INDUSTRIAL ADVANCEMENT & NATION BUILDING	Advancing the industry and nation with High-Speed Internet Access and other software and IT services	I. Indirect Economic Impacts	1 NO POVERTY; 3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 11 SUSTAINABLE CITIES AND COMMUNITIES

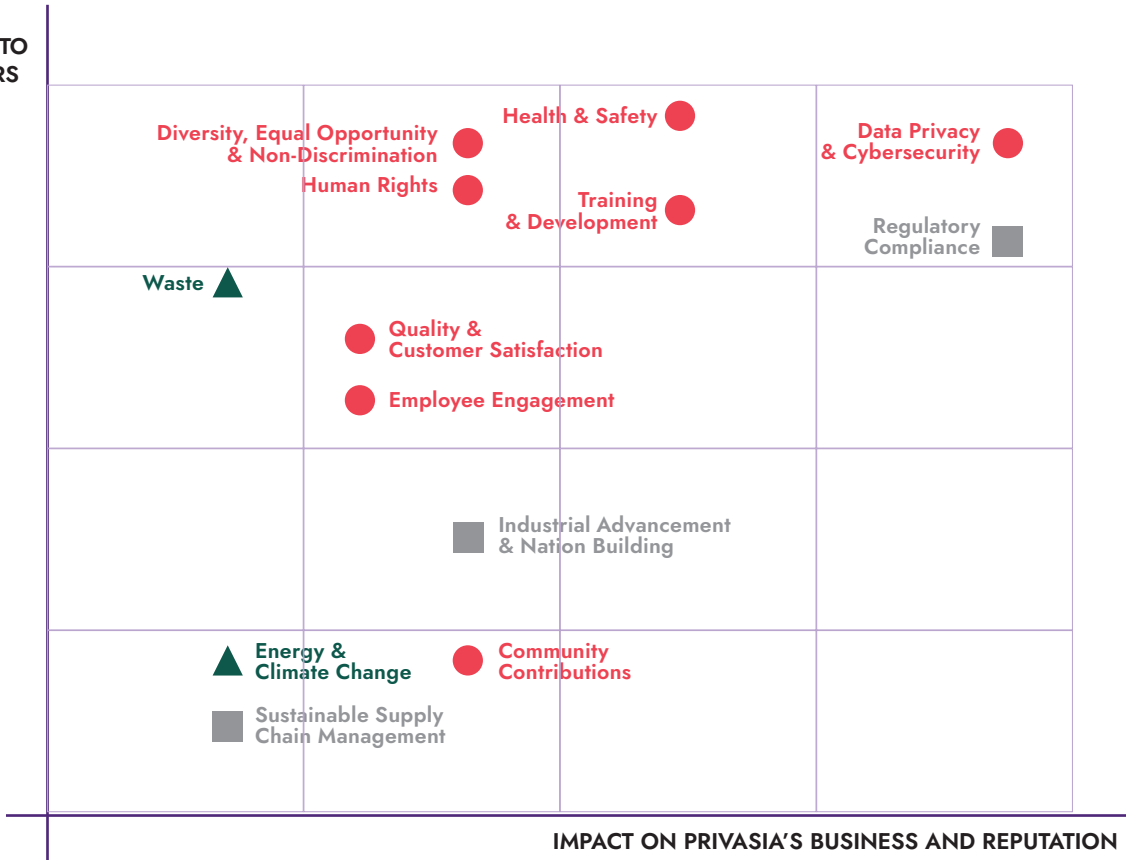| MATERIAL ISSUE	DESCRIPTION	RELATED GRI-TOPIC	RELATED UNSDG
ENVIRONMENT			
ENERGY & CLIMATE CHANGE	Managing and reporting our energy and greenhouse gases produced by our data centres and vehicles	I. Energy II. Emissions	7 AFFORDABLE AND CLEAN ENERGY; 8 DECENT WORK AND ECONOMIC GROWTH; 11 SUSTAINABLE CITIES AND COMMUNITIES; 13 CLIMATE ACTION
WASTE	Minimising e-waste, paper and all types of waste and recycling whenever possible	I. Effluents And Waste	3 GOOD HEALTH AND WELL-BEING; 11 SUSTAINABLE CITIES AND COMMUNITIES

MATERIALITY ASSESSMENT TOPICS (continued)

MATERIAL ISSUE	DESCRIPTION	RELATED GRI-TOPIC	RELATED UNSDG
SOCIAL			
DIVERSITY, EQUAL OPPORTUNITY & NON-DISCRIMINATION	Promoting diversity and equal opportunities and eliminating all forms of discrimination in the workplace	I. Diversity And Equal Opportunity II. Non-Discrimination	4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES
COMMUNITY CONTRIBUTIONS	Having a positive influence on local communities through charitable contributions and Corporate Social Responsibility initiatives	I. Local Communities	1 NO POVERTY; 2 ZERO HUNGER
HUMAN RIGHTS	Protecting all aspects of human rights, including protecting the indigenous population, staff welfare and security and ensuring there is no child or forced labour	I. Human Rights Assessment II. Rights Of Indigenous Peoples III. Security Practices IV. Child Labour V. Forced Labour	2 ZERO HUNGER; 8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
EMPLOYEE ENGAGEMENT	Respecting employees' rights to joint representation and consultative practices	I. Labour/Management Relations II. Freedom Of Association And Collective Bargaining	8 DECENT WORK AND ECONOMIC GROWTH
TRAINING AND DEVELOPMENT	Providing training and education to employees to expand their knowledge base for career development	I. Employment II. Training And Education	3 GOOD HEALTH AND WELL-BEING; 4 QUALITY EDUCATION; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES
HEALTH & SAFETY	Keeping all customers and employees safe and free from injury, electromagnetic fields ("EMF") and noncommunicable and infectious diseases	I. Occupational Health And Safety II. Customer Health And Safety	3 GOOD HEALTH AND WELL-BEING; 8 DECENT WORK AND ECONOMIC GROWTH; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
QUALITY & CUSTOMER SATISFACTION	Promoting quality through our software and services to ensure high levels of customer satisfaction	I. Marketing And Labelling	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
DATA PRIVACY & CYBERSECURITY	Protecting all data in our software and IT services, including confidential business data and other data	I. Customer Privacy	12 RESPONSIBLE CONSUMPTION AND PRODUCTION

**MATERIALITY
MATRIX**

LEVEL OF
IMPORTANCE TO
STAKEHOLDERS

Diversity, Equal Opportunity
& Non-Discrimination

Health & Safety

Data Privacy
& Cybersecurity

Human Rights

Training
& Development

Regulatory
Compliance

Waste

Quality &
Customer Satisfaction

Employee Engagement

Industrial Advancement
& Nation Building

Energy &
Climate Change

Community
Contributions

Sustainable Supply
Chain Management

IMPACT ON PRIVASIA'S BUSINESS AND REPUTATION

LEGEND

● SOCIAL

■ ECONOMIC

▲ ENVIRONMENT

PRIORITY
SUMMARY

1   DATA PRIVACY & CYBERSECURITY
2   REGULATORY COMPLIANCE
3   HEALTH & SAFETY
4   TRAINING & DEVELOPMENT
5   DIVERSITY, EQUAL OPPORTUNITY & NON-DISCRIMINATION
6   HUMAN RIGHTS
7   QUALITY & CUSTOMER SATISFACTION
8   EMPLOYEE ENGAGEMENT
9   INDUSTRIAL ADVANCEMENT & NATION BUILDING
10 WASTE
11 COMMUNITY CONTRIBUTIONS
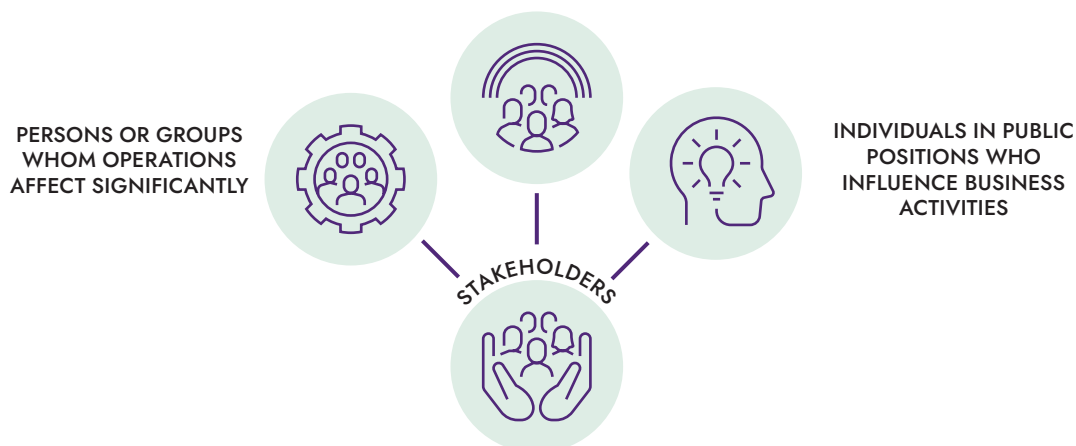12 ENERGY & CLIMATE CHANGE
13 SUSTAINABLE SUPPLY CHAIN MANAGEMENT

STAKEHOLDER ENGAGEMENT

PRIVASIA values stakeholder input and is committed to proactive and constructive engagement with a wide range of stakeholders on local, national and international levels. Engaging with stakeholders allows us to achieve transformation across the industry value chain beyond our immediate activities. These meaningful engagements have also helped us improve our sustainability policies and strategies to meet the needs of stakeholders.

DEFINING STAKEHOLDERS

PERSONS OR GROUPS WITH A VESTED INTEREST IN OUR SUSTAINABILITY OR ECONOMIC, ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PERFORMANCE

PERSONS OR GROUPS WHOM OPERATIONS AFFECT SIGNIFICANTLY

INDIVIDUALS IN PUBLIC POSITIONS WHO INFLUENCE BUSINESS ACTIVITIES

STAKEHOLDERS

Please refer to the table, which details the interests and critical concerns, engagement methods employed, and key engagement outcomes for the respective stakeholder groups.

We carefully consider the interests and concerns of stakeholders in our strategy, management decisions and operations.

We are committed to making information on these impacts publicly available in formats and languages relevant to the affected stakeholders.

STAKEHOLDER GROUP	ENGAGEMENT METHOD & FREQUENCY	AREAS OF INTEREST	OUR APPROACH
SHAREHOLDERS AND INVESTORS	**Annually** Annual Reports, Annual General Meetings, Materiality Survey; **Quarterly** Quarterly Reports; **Ad-Hoc** Press Releases, Extraordinary General Meetings, Company Website	Risk Management; Corporate Governance; Company Reputation	I. Develop robust corporate governance policies including the Anti-bribery and Anti-corruption ("ABC") Policy, Whistleblowing Policy, Board Charter etc; II. Identify and minimise potential risks through risk assessments; III. Develop beneficial relationships with the media to ensure balanced and accurate news coverage for PRIVASIA
PUBLIC	Company Website, Bursa Website (Stock Code : PRIVA0123), Annual Report		
REGULATORS	Bursa Malaysia (Bursa), Lembaga Hasil Dalam Negeri (LHDN), Suruhanjaya Syarikat Malaysia (SSM), Royal Malaysian Customs Department (RMCD)	Legal Compliance	Establish policies to ensure compliance with relevant legislation and regulatory requirements
EMPLOYEES	**Annually** Townhall, Team Building, Employee Satisfaction Survey; **Weekly** Departmental Meetings; **Ad-Hoc** Festive Celebrations, Training & Talent Development, Whistleblowing Channel	Corporate Direction and Updates; Workplace Health & Safety; Mental Well-Being	Conduct employee engagement programmes to motivate and maintain close communication; Conduct training programmes to support career growth, personal development and instill a culture of teamwork and excellence; Provide a safe, inclusive and conducive working environment
CUSTOMERS	**Annually** Customer Satisfaction Surveys	Customer Service & Experience	Engagement with customers
SUPPLIERS/ CONTRACTORS	**Annually** Supplier Performance Evaluations, Vendor Registrations, Contract Negotiation	Governance compliance; Fair Procurement	Conduct supplier/contractor evaluations

ECONOMIC

ICT infrastructure plays a substantial role in catalysing economic growth, especially in today's internet and mobile telecommunication era. We strongly believe a robust information communication technology infrastructure can boost the nation's economic growth.

Digitalisation has shown us that it is the largest social equaliser and economic multiplier. It continues to be the catalyst that steers societal transformations toward a more sustainable world. PRIVASIA delivers the most robust infrastructure to our most ambitious projects shaping the country's bright future through the following segments: Outsourcing and consulting, eProcurement, Information and Communication Technologies Distribution, Information and Communication Technologies Services, Satellite-Based Network Services and Radio Network Optimisation Services.

PRIVASIA creates economic and social impact by providing direct and indirect employment opportunities in our operations and business partnerships with suppliers and vendors.

INTERNET CONNECTIVITY

Internet connectivity has already changed many aspects of individual lives, providing far-reaching economic and social benefits. Extending these opportunities to developing economies accelerates economic and social growth while enabling the transition from a resource-based to a knowledge-based economy.

A fast and reliable internet connection is mandatory for running an effective business. An unreliable, slow, or lagging internet can affect employees' productivity and hamper business growth.

PRIVASIA has dedicated significant resources to laying fibre cables inside buildings and outside plants. This work has improved the connectivity in most areas where there were previously no or poor services.

SUSTAINABLE PROCUREMENT

As one of South East Asia's largest premium ICT outsourcing services and solutions providers, PRIVASIA has introduced PROCUREHERE.

This cloud-based Source-to-Pay ("S2P") digital procurement solution can change how high-growth organisations manage spending. The system gains unparalleled control and visibility with streamlined workflows, real-time data and innovative features to organise, allocate, track and report on spending from a single platform.

PROCUREHERE promotes transparency in procurement activities and significantly weeds out potential corruption with its audit trail functions.

We aim to deliver easy-to-use, cost-effective procurement solutions that increase productivity and help businesses reduce administrative headaches with lower costs.

CONVENTIONAL PROCUREMENT	PROCUREHERE - CLOUD-BASED PROCUREMENT
INEFFECTIVE AND INEFFICIENT	END-TO-END SUPPORT
HIGH POTENTIAL OF MAVERICK BUYING	STREAMLINE WORKFLOW WITH REAL-TIME DATA AT YOUR FINGERTIPS
HIGH RATE OF PAPER AND SPACE WASTAGE	EFFICIENT SOURCING WITH REAL-TIME PRICE COMPARISON
HIGH HUMAN ERROR RATE	CLOUD-BASED SAAS - AVAILABLE 24/7 ANYWHERE

BENEFITS OF PROCUREMENT	*SIMPLIFIED E-SOURCING*	PROCUREHERE's RFX features provide simplified e-sourcing for all your RFI, RFP, RFQ, RFA and RFT (Tender) events. RFX is a common acronym used in the procurement landscape and it captures all references to Request for Proposal ("RFP"), Request for Information ("RFI"), Request for Quote ("RFQ"), and Request for Bid ("RFB").	*PROCURE-TO-PAY*	Digitise and streamline buying, approvals, payments, compliance and delivery on a single platform.
	SPEND ANALYTICS	PROCUREHERE's Spend Analytics assist in collecting and cleaning historical data, providing real time spend data for planning and compliance initiatives.	*SUPPLIER MANAGEMENT*	PROCUREHERE's Supplier Management tool provides a comprehensive streamlined solution for managing all of your suppliers across the entire supply chain process.
PROCUREHERE ADVANTAGES TO BUYERS	*SUPERIOR QUALITATIVE SELECTION*	· Access to a larger pool of suppliers · Resulting in a lower cost of purchase · Improve the quality of purchase	*ENHANCED PERFORMANCE MANAGEMENT*	· Up-to-date Supplier Rating · Enhanced due diligence · Ease of supplier onboarding
	HEALTHIER SUPPLIER RELATIONSHIP	· A centralised database for all suppliers' details · Reduce operation time	*EASY ONBOARDING*	Provides suppliers with a single place for everything they need while giving them choice on going digital, from email to the PROCUREHERE's Supplier Portal.
	OPTIMAL SUPPLIER BASE	Leverage PROCUREHERE's global supplier community and third-party data to continually minimise risk, lower purchase costs and improve quality across all approved contracts.	*EFFECTIVE AUTOMATION*	Automatically notify suppliers of outstanding information when they are submitting invoices or receiving Purchase Orders (POs).
PROCUREHERE ADVANTAGES TO SUPPLIERS	*TRUSTED BY OVER 20,000 SUPPLIERS*	· Accommodation & Food Services · Administrative, Waste Management & Remediation · Agriculture, Forestry, Fishing & Hunting · Art, Entertainment & Recreation · Construction · Educational Services · Finance & Insurance · Healthcare & Social Assistance · Manufacturing · Real Estate (Rental & Leasing) · Retail Trade · Transportation & Warehousing · Utilities · Wholesale Trade And Many More	*GREATER MARKET ACCESS*	· Access to large corporate buyers, GLCs, MNCs and conglomerates · Increasing productivity and growth
			OPTIMAL SUPPLIER EXPERIENCE	Automated Delivery Order (DO) and invoice generation, an online, easy-to-access portal view which reduces supplier risk of missing or losing information with manual legacy processes.
			OPTIMAL TURNAROUND	Surface requests for supplier information when issuing new POs or when suppliers submit invoices to get the information buyers need, minimising delay and turnaround time.
			HIGH-STANDARDS OF TRANSPARENCY	PROCUREHERE's Supplier Management helps suppliers monitor their risk. Optimise buyer supply base with risk scores drawn from the data of supplier interactions from across the PROCUREHERE global supplier community.

SUSTAINABLE PROCUREMENT (continued)

LOCAL PROCUREMENT

The business landscape is continuously evolving. PRIVASIA prefers to source locally whenever possible. Environmentally, local buying has a lower carbon footprint as it uses less transportation. Local sourcing also helps stimulate the growth of the local community through employment opportunities and tax payments.

BENEFITS OF LOCAL PROCUREMENT

I.   REDUCED SUPPLY CHAIN COSTS

II.   REDUCED CURRENCY RISK

III.   MORE FLEXIBILITY

IV.   GREATER CONTROL

V.   REDUCED ENVIRONMENTAL IMPACT

VI.   SUPPORTS LOCAL COMMUNITIES

VII.   INCREASED REVENUE

SUPPLIERS STANDARD

PRIVASIA conducts an annual supplier performance evaluation to evaluate the suppliers' actual products, service quality, cost competitiveness, delivery performance and technical capabilities. The evaluations reduce the risk of non-performing suppliers and justify continuing supply-chain relationships. Specifically, the supplier performance evaluation helps PRIVASIA:

I.   Select suppliers with a good reputation for a repeat purchase

II.   Identify poor-performing suppliers and replace them with a better alternative.

III.   Identify suppliers who can reduce costs and improve delivery efficiency, which increases business performance

PERFORMANCE EVALUATION CRITERIA IN SUPPLIER ASSESSMENT FORM

I.   MEET DELIVERY SCHEDULES

II.   MEET TESTS OR SPECIFICATION REQUIREMENTS

III.   RESPONSE TO INSTRUCTIONS

IV.   HONOUR WARRANTIES AND GUARANTEES

V.   MANAGEMENT COMMITMENT

VI.   QUALITY OF GOODS OR SERVICES RECEIVED

VII.   COST COMPETITIVENESS

VIII. SUSTAINABILITY AND ENVIRONMENTAL COMPLIANCE

IX.   FINANCIAL STABILITY

X.   E-COMMERCE CAPABILITY

PRIVASIA'S SUPPLIER DATA

ECONOMIC	2023		2022		2021
	NO.	VARIANCE	NO.	VARIANCE	NO.
SUSTAINABLE PROCUREMENT					
LOCAL SUPPLIERS ENGAGED (%)	92	+1.1%	91	-	91
FOREIGN SUPPLIERS ENGAGED (%)	8	(11.1%)	9	-	9
LOCAL SUPPLIER PURCHASES (%)	92	+1.1%	91	(1.1%)	92
FOREIGN SUPPLIER PURCHASES (%)	8	(11.1%)	9	-	8
ANTI-CORRUPTION & ANTI-BRIBERY					
NUMBER OF SUBSTANTIATED CORRUPTION CASES	0	-	0	-	0
FINES RELATED TO CORRUPTION (RM)	0	-	0	-	0
CONTRIBUTIONS TO POLITICAL PARTIES (RM)	0	-	0	-	0

ETHICS AND COMPLIANCE

Placing respect, accountability and integrity at the core of our decision-making process is vital to support our ambition, creating value and earning the trust of our stakeholders. These values are our most important assets and integral to the long-term business strategy.

All directors and employees periodically review PRIVASIA's formal Code of Conduct and Ethics. On 22 February 2024, the Board reviewed and updated the Code of Ethics and Conduct to be in line with the current changes made to the Bursa Listing Requirements.

The core areas of conducts under the Code of Ethics and Conduct include the followings: -

I.   CONFLICT OF INTEREST;

II.   CONFIDENTIAL INFORMATION;

III. INSIDE INFORMATION AND SECURITIES TRADING;

IV.   BUSINESS RECORDS AND CONTROL;

V.   COMPLIANCE TO THE LAW;

VI.   PERSONAL GIFTING AND CONTRIBUTION;

VII. HEALTH AND SAFETY;

VIII. SEXUAL HARASSMENT;

IX.   ANTI-CORRUPTION AND WHISTLE-BLOWING;

X.   ANTI-MONEY LAUNDERING;

XI.   FAIR AND COURTEOUS BEHAVIOUR; AND

XII. MISCONDUCTS

ANTI-BRIBERY AND CORRUPTION

PRIVASIA recognises the threats and hazards posed by corruption and improper business practices. PRIVASIA upholds and promotes integrity, truth and transparency in all aspects and at every level of its operations.

PRIVASIA strictly adheres to the provisions of the Malaysian Anti-Corruption Commission Act 2009 ("the Act") and all relevant regulations, guidelines and orders of the Act. PRIVASIA's Anti-Bribery and Corruption Policy ("ABC Policy") formalises the responsibilities of the management and employees on what constitutes gratification and how to deal with bribery and corruption issues.

PRIVASIA extends this obligation to all its business partners and stakeholders, including third-party suppliers, vendors, service providers, customers, distributors, business contacts, agents and members of public office.

In addition to the Service Provider Integrity Pledge, every supplier must complete a supplier due diligence questionnaire/declaration form. This form and procedure confirm that:

I.   The Company, directors, key senior management and shareholders have clean records and have received no fines, other than traffic offences, if any, in the last 5 years;

II. The supplier has a Code of Conduct or Policy, including Anti-Bribery and Corruption, Anti-Money Laundering and Counter Financing of Terrorism;

III. Privacy requirements have been established; and

IV. A dedicated officer oversees the Company's compliance with local laws and regulations.

All suppliers were vetted for their legitimacy by checking their Company Registration certificates (ROC/ROB) and CTOS verification.

No disciplinary action or dismissal resulted from non-compliance with anti-corruption; and there were zero cases and zero penalties in 2023.

SUSTAINABLE PROCUREMENT (continued)

ETHICS AND COMPLIANCE (continued)

NO GIFT POLICY

PRIVASIA's No Gift Policy prohibits all employees and their family members from, directly or indirectly, receiving or giving third-party gifts, entertainment and hospitality. PRIVASIA does not make and will not accept any facilitation payments or kickbacks.

The general principle is to refuse or return such gifts immediately. Accepting a gift is allowed only in limited circumstances, such as if it is reasonable in conjunction with celebrating various festivals in Malaysia. However, receiving gifts is governed by strict conditions. For example, a personal gift must not exceed RM300 and must be entered in the Gift and Hospitality Register.

STRICTLY PROHIBITED GIFTS

I. CASH OR CASH EQUIVALENTS

II. DURING A TENDER OR COMPETITIVE BIDDING

III. WITH EXPECTED OR DESIRABLE OUTCOME

IV. BREACHING ANY LOCAL OR FOREIGN BRIBERY AND CORRUPTION LAWS

V. LAVISH OR EXCESSIVE

POLITICAL CONTRIBUTIONS

PRIVASIA does not make charitable donations or contributions to any public body, political parties or politically motivated projects without management approval for any legitimate purpose. PRIVASIA made no payments to political parties during the year.

WHISTLEBLOWING

PRIVASIA encourages stakeholders to report genuine concerns about malpractice, illegal acts or failures to comply with recognised standards of work without fear of reprisal or victimisation. The Whistleblowing Policy can be used to report corruption or bribery and offers complete protection under the policy and Whistleblower Protection Act 2010.

The policy covers all stakeholders, including shareholders, directors, employees, partners, contractors, suppliers, clients, customers, government parties, professional organisations and associated companies or subsidiaries.

We make every to keep the Whistleblower's identity confidential. We expect any person involved in the investigation process to keep the Whistleblower's identity, the nature of the concern, and all involved confidential.

PRIVASIA has established a dedicated channel where whistleblowers can submit a report confidentially via email to whistleblowing@privasia.com. The ARMC members receives these emails and reports them as per the Whistleblowing policiy. The committee decides on the appropriate disciplinary or corrective action and submits them to the Board of Directors of PRIVASIA for their review and approval.

PRIVASIA received zero or no whistleblowing emails in 2023.

SUPPORTING THE ICT INDUSTRY

PRIVASIA has the vision to be the largest premium ICT outsourcing services and solutions provider in South East Asia with the most significant number of clients. PRIVASIA works with its industry partners to improve the business climate in the interests of the ICT industry to promote industry growth in line with national aspirations.

PRIVASIA is a member of numerous trade associations, working alongside other ICT businesses to define the future and consider the impact of the ICT and digital industry. These industry associations perform many functions that lead to better policy, practice and standards. Throughout the year, our experts actively participated in working groups to discuss industry standards, achieve greater customer savings, and deliver advanced ICT outsourcing solutions to the market.

The following table presents PRIVASIA's group and individual memberships.

CORPORATE MEMBERSHIPS	INDIVIDUAL MEMBERSHIPS
NATIONAL TECH ASSOCIATION OF MALAYSIA (PIKOM)	MALAYSIAN INSTITUTE OF ACCOUNTANTS (MIA) - *DATUK PUVANESAN A/L SUBENTHIRAN* - *MR. KULARAJAH M. THAVARATNAM*
INSTITUTE OF CHARTERED ACCOUNTANTS IN ENGLAND AND WALES	ASSOCIATION OF CHARTERED CERTIFIED ACCOUNTANTS (ACCA) - *DATUK PUVANESAN A/L SUBENTHIRAN*
	CHARTERED INSTITUTE OF MANAGEMENT ACCOUNTANTS (CIMA) - *MR. KULARAJAH M. THAVARATNAM*
CONSTRUCTION INDUSTRY DEVELOPMENT BOARD (CIDB)	

ENVIRONMENT

PRIVASIA is committed to minimising its environmental impact and addressing the challenges of climate change relating to its operations and the entire value chain. The Company has committed to responsibly managing energy use and natural resources for many years.

Recently, we have seen climate change and environmental impact take on increased importance for our employees, investors, customers and other stakeholders. Changing expectations led us to expand or accelerate programmes and policies designed to reduce the environmental impact of our operations.

Our efforts to minimise our environmental impact support the COP21 Paris Agreement of December 2016 and the last COP26 Glasgow Climate Pact of November 2021 on limiting global warming.

Currently, we are aligning our practices and reporting with the guidelines recommended by the Task Force on Climate-related Financial Disclosures ("TCFD") and set science-based targets based on robust emissions data.

The Group upholds environmental concerns with an emphasis on applying the latest technological advancements and industry best practices that are environmentally safe.

MATERIALS MANAGEMENT

ICT is one of the fastest-growing greenhouse gas-emitting and energy management sectors. Multiple methodologies are available to assess the environmental impact of ICT but do not provide a consistent methodological framework for this assessment. A solution to this is the work developed in various European and International standardisation bodies such as ETSI, ITU-T, IEC, ISO and others. These methodologies assess this environmental impact, such as energy management and greenhouse gas ("GHG") emissions, in collaboration with industry, standardisation bodies and public authorities.

All imported telecommunication equipment conforms to the national SIRIM certification, ensuring the products adhere to Malaysian, Regional and International Standards. All products have been tested and certified following the Malaysian Communications and Multimedia Commission ("MCMC") technical specifications, technical codes, Malaysian or international standards, technical checklist or technical declaration.

In addition, PRIVASIA is committed to reducing paper use and monitors its efficiency at various levels throughout the Group. Saving paper by not printing saves money, uses less water, conserves energy and helps preserve trees. We are also digitising our processes as part of the Company's efforts to maximise resource use.

PRIVASIA'S PAPER USAGE DATA

2023 PAPER CONSUMPTION
1,182 KG
2022 : 1,583KG
2021 : 1,914 KG
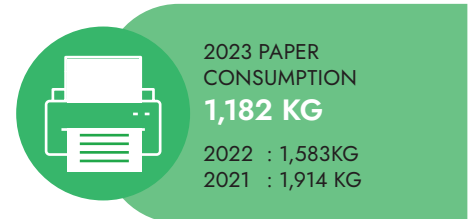
Our 2023 paper usage amounted to 1,182 kg which was a 25.5% decrease from our 2022 usage. This achievement was made possible through our proactive initiative to remind employees to be mindful of their paper usage.

Notably, across four out of five levels (Level 3, 5, 6 and 7) at our headquarters office and our on-site office at Westports, successfully reduced paper usage by 80,149 pieces throughout the year, resulting in a significant environmental benefit, saving up to 91.4 kgCO2e per tonne of A4 paper.

Moving forward, we are committed to further reducing our reliance on paper by increasing our digitalisation efforts, aiming to bring our annual paper consumption to less than 150,000 pieces per year.

ENERGY MANAGEMENT

Energy management is a crucial challenge, not only for us but for our entire industry. The Group's energy management involves:

I. Reducing costs through sustainable procurement and strategically decreasing consumption

II. Reducing greenhouse gas emissions for improved sustainability performance

III. Tracking utility costs to prepare more accurate budgets and gaining greater insight into operating costs

IV. Reducing reliance on supply chains that do not share our environmental protection commitment

PRIVASIA'S ENERGY DATA

2023 INDIRECT ENERGY: ELECTRICITY
255,023 kWh
2022 : 261,826kWh
2021 : 295,111kWh
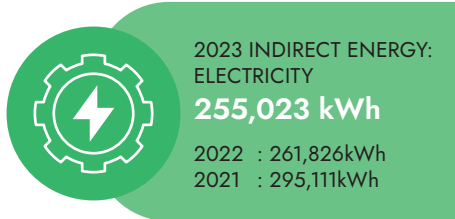
We fell short of our target to reduce energy usage by 8% for the year. This shortfall was primarily due to the delay in migrating our on-site servers to the AWS cloud, which was postponed until the 4Q23. Anticipating significant improvements in 2024, particularly on Level 6, as a result of this migration.

Additionally, our plans to install solar panels to reduce Electricity usage for Level 7 is deferred. Nevertheless, we remain committed to exploring solar energy options in the upcoming year.

MOVING TO THE CLOUD

PRIVASIA is migrating its on-site servers to Amazon Web Services ("AWS") by 2025. AWS is extremely energy efficient and on a path toward empowering its operations with 100% renewable energy by 2040. This migration of on-premise servers to the cloud helps to offset PRIVASIA's greenhouse gas emissions.

RENEWABLE ENERGY

Solar energy currently represents Malaysia's cheapest and most sustainable renewable electricity generation. Technology has improved so much that efficiency is constantly improving as prices fall. Solar panels cover the tops of buildings, shielding them from the sun and reducing solar gain, lowering energy demand further.

SUSTAINABLE IMPACT OF CAPTURING SOLAR ENERGY

I. REDUCES IMPACT ON THE ENVIRONMENT

II. REDUCES SOLAR GAIN

III. LOWERS ENERGY BILLS

IV. PRODUCES ENERGY DURING PEAK HOURS

V. LOSES LESS ELECTRICITY DURING TRANSMISSION

VI. IMPROVES GRID SECURITY

VII. CREATES JOBS

CARBON MANAGEMENT

Carbon management is vital for addressing our contribution to climate change, reducing greenhouse gas emissions, and the challenging problem of global warming.

As grid electricity is the primary energy source for our properties, higher electricity consumption results in higher carbon emissions. We address energy-related issues by improving the efficiency of operations to reduce their carbon footprint and utility costs.

Our employee handbook contains a Flexible Working Arrangement Policy which adds to the reduction of our carbon footprint.
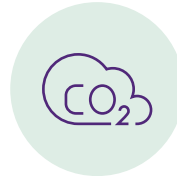
CARBON FOOTPRINT CALCULATIONS

CONSOLIDATION METHOD FOR CALCULATING THE CARBON FOOTPRINT	100% OF EMISSIONS FROM CONTROLLED OPERATIONS
ORGANISATIONAL BOUNDARY FOR CALCULATING THE CARBON FOOTPRINT	ACCOUNTS FOR 100% OF GHG EMISSIONS FROM PRIVASIA'S ASSET PORTFOLIO

SCOPE 1

Our support staff use petrol for travel to and from clients' premises. The team travels approximately 8,209 km per annum. PRIVASIA used the World Resources Institute's (2015) GHG Protocol tool for mobile combustion Version 2.6 for calculating its Scope 1 emissions.

SCOPE 2

Electricity from the national grid powers our data centres and offices. CO_2 emissions from electricity use were derived using the emission factor published by the Malaysian Green Technology Corporation for the Peninsular Grid.

SCOPE 3

PRIVASIA has developed a comprehensive system for monitoring and reporting its Scope 3 emissions. The Group monitors emissions from employee travel, air travel, water consumption and waste paper.

SCOPE	EMISSIONS FACTOR
AIR TRAVEL	Online tools derived from the World Resources Institute (WRI) Greenhouse Gas Protocol.
EMPLOYEE BUSINESS TRAVEL (AIR AND ROAD)	The World Resources Institute (2015). GHG Protocol tool for mobile combustion. Version 2.6
EMPLOYEE COMMUTING	The World Resources Institute (2015). GHG Protocol tool for mobile combustion. Version 2.6
WATER USE	UNCC
WASTE GENERATED (PAPER)	Estimated from online sources.

**PRIVASIA'S
EMISSIONS
DATA 2023**

**2.100
TCO2e**

SCOPE 1 - COMPANY OWNED VEHICLE
Direct GHG emissions that a company
generates while performing its business
activities

2022 : 3.087 TCO2e
2021 : 3.087 TCO2e

**149.189
TCO2e**

SCOPE 2 - ELECTRICITY CONSUMPTION
Indirect GHG emissions hat come from the
production of energy that a company purchases
and uses

2022 : 153.168 TCO2e
2021 : 172.640 TCO2e

**13.870
TCO2e**

SCOPE 3 - BUSINESS TRAVEL (AIR)
All other indirect GHG emissions from
business travel in vehicles that are not owned
or operated by the reporting company

2022 : 1.080 TCO2e
2021 : 0.253 TCO2e

**42.310
TCO2e**

SCOPE 3 - BUSINESS TRAVEL (ROAD)
All other indirect GHG emissions from
business travel in vehicles that are not owned
or operated by the reporting company

2022 : 21.861 TCO2e
2021 : N/A

**261.085
TCO2e**

SCOPE 3 - EMPLOYEE COMMUTE (ROAD)
All other indirect GHG emissions from
employees travelling to and from their
workplace

2022 : 81.843 TCO2e
2021 : N/A

**0.115
TCO2e**

SCOPE 3 - WATER CONSUMPTION
Energy used to supply water and wastewater
treatment processes.

2022 : 0.113 TCO2e
2021 : 0.113 TCO2e

**0.269
TCO2e**

SCOPE 3 - PAPER CONSUMPTION
Energy used to supply water and wastewater
treatment processes.

2022 : 0.361 TCO2e
2021 : 0.436 TCO2e

CARBON MANAGEMENT (continued)

WATER

Water is a limited, shared resource, and a reliable water supply is essential. We take responsibility for all water-related challenges wherever we operate. PRIVASIA manages its water-related risks according to our needs and water availability.

We monitor the volume of water used and aim to reduce its use by continuously improving water efficiency across operations. The Group conducts regular assessments of water-consuming systems to ensure no leaks and upgrades to modern, water-saving appliances where possible. We also have clear water preservation guidelines and ensure all staff conform.

2023 WATER WITHDRAWAL FROM MUNICIPAL SUPPLIES

777 M^3

2022 : 759M^3
2021 : 761M^3
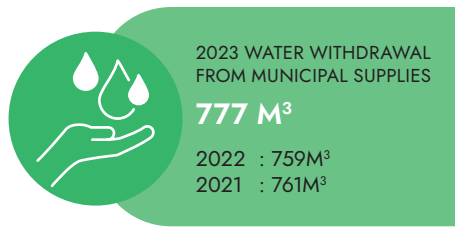
In 2023, our headquarters office experienced an increase in water usage, primarily due to undetected leaks in the WC on Levels 2,3 and 7 over long holiday periods. Once these leaks were identified, immediate repairs were carried out.

Notably, only Levels 5 and 6 demonstrated a reduction of 13m^3 and 45m^3, respectively in water consumption, compared to the previous year.

MANAGING WASTE

Business expansion presents greater responsibility to operate more sustainably. We embrace circularity and resource efficiency as key levers to reduce waste.

Our sustainability approach includes adopting a Solid and Hazardous Waste Management framework to reduce our operations' environmental impact progressively. Establishing Solid Waste Management and Hazardous Waste Management Guidelines ensures all future wastes are recycled, reused or appropriately treated.

Currently, we dispose of generated wastes through a contractor accredited by the local government. We ensure contractors remove this waste from our premises according to the schedule set by the Department of Environment.

E-waste is a growing challenge, matching the growth of the ICT industry. E-waste contains substances, such as mercury, cadmium and lead, that can be hazardous to human health and the environment if not dealt with properly. Our policy is to donate, sell and recycle E-waste whenever possible.

We always consider the safety and environmental factors in all our operational decisions and explore potential opportunities to minimise any adverse impact from the erection and dismantling of telecommunications or information-related systems and equipment operations, waste disposal and energy consumption.

OUR WASTE MANAGEMENT OBJECTIVES

I.   PREVENT HEALTH HAZARDS

II. MINIMISE POLLUTION

III. REDUCE LANDFILL PROBLEMS

IV. CONSERVE NATURAL RESOURCES

VI. CREATE LOCAL EMPLOYMENT OPPORTUNITIES

VII.PROMOTE A CIRCULAR ECONOMY

MANAGING WASTE (continued)

BREAKDOWN OF E-WASTE BY TYPE AND DISPOSAL METHOD

PRIVASIA sources disposal companies or waste generators with an E-Waste SW110 license, such as AB GREEN SOLUTIONS Sdn. Bhd. ("ABGS") to buy its decommissioned IT equipment for refurbishment, parts or scrap.

Issued by the Ministry of Environment, a SW-110 license ensures PRIVASIA that the waste from electrical and electronic assemblies containing components such as accumulators, mercury switches, glass from cathode-ray tubes and other activated glass or polychlorinated biphenyl-capacitors, or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, mangane are managed responsibly.

DISPOSAL METHOD	EQUIPMENT TYPE	TOTAL	REMARKS
E-WASTE	ADAPTERS	39	END OF LIFE
	WIFI ACCESS POINTS	24	END OF LIFE
	ANTENNAS	38	END OF LIFE

On 23 October 2023, ABGS managed to obtained an Electronic Scheduled Waste Information System (ESWIS) consignment note for PRIVASIA's e-waste amounting up to 0.697 metric tonnes.

E-WASTE UPCYCLING

All electronic products have a life expectancy. Once they stop functioning or become obsolete, users discard them as waste without considering reusing them.

ENVIRONMENTAL SUSTAINABILITY PROGRAMME

Engaging all employees in day-to-day corporate sustainability efforts is the key to creating a vibrant and sustainable company. This year, PRIVASIA continued its "GO GREEN" campaign to promote and support the practices of using resources in an environmentally friendly manner.

We initiated the following initiatives to preserve the environment:

I.   Monthly reminders via our internal newsletter, PRIVABYTES, to be conscious of reducing paper and energy usage and wastage. We also update all employees on the Group's progress in our Sustainablility Programmes.

II. Email signature with a Green Reminder that every unneccessary and unprinted email helps the environment.

III. Encouraging staff to print on recycled paper, use a double-sided format and print in black and white;

IV. Communicating via emails, including pursuing a "paperless" office solution (e.g. HR System — PeopleESS to reduce paper usage);

V.   Closely monitoring water and electricity consumption by reminding employees and switching off lights and air-conditioning during non-peak hours); and

VI. Positioning recycling bins on all floors of PRIVASIA's headquarters.

OUR PEOPLE FIRST

Our people are essential to successfully delivering our strategy and sustaining our long-term business performance. We accelerate the development of our people, grow and strengthen their leadership capabilities and enhance their performance through solid engagement.

We aim to provide decent and productive employment while considering employees' overall welfare and development. We support the United Nations Sustainable Development Goal No. 8: "To promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all."

Providing fair compensation and benefits is vital to our People First commitment. Our rewards strategy motivates employees by paying competitive base salaries according to the level of complexity of the function in the organisation. We position our salary structure competitively compared to market rates. Our Job Grading Framework guides us in hiring and promotion and is the foundation for career progression, training and performance management.

PRIVASIA strictly adheres to local minimum wage labour regulations. Basic offered salaries are at least 34% higher than the minimum wage rate mandated by the Minimum Wage Order of Malaysia. We practise equal pay for equal work, basing pay and remuneration strictly on position and job scope, irrespective of gender.

Our benefits and compensation packages also improve employee welfare. Various welfare facilities, services and schemes include maternity leave, paternity leave, medical/personal accident insurance, subsidy for new child expenses, yearly health screening, optical, dental and subsidised telecommunication expenses.

The Group's performance appraisal system allows employees to achieve financial rewards directly related to their business performance and contributions. Incentives are computed based on the objectives and key performance indicators we defined in our corporate performance management framework.

This framework ensures all employee rewards are fair and unbiased, based on their personal, department and company performance. In addition to the quarterly half-yearly performance appraisals, all employees receive an evaluation for work performed to promote learning and embrace opportunities for career development through informal verbal feedback from their immediate superiors.

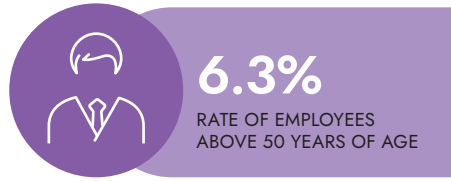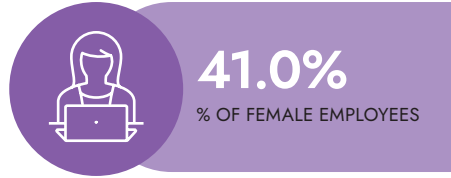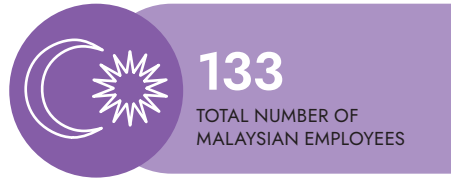## EMPLOYEE ENGAGEMENT AND TALENT MANAGEMENT

Our employees are instrumental in the company's success. Attracting, developing, and retaining talented employees is a priority for our business and strategy. Employee engagement is a crucial driver of employee performance and business results. PRIVASIA has a proactive approach to employee engagement and organised various social activities throughout the year, such as games, festive celebrations, sports and wellness events, team building, monthly birthday celebrations for employees and Corporate Social Responsibility programmes.

PRIVASIA's comprehensive talent management programme comprises induction and onboarding, internal and external skills training, on-the-job training, career development, annual performance reviews and succession planning.

The following table summarises the training programmes held during the year.

TRAINING EVENT	DATE
FINANCE FOR NON-FINANCE MANAGERS	20-21 MAR 2023 20-21 SEP 2023
(MC) ITIL 4 FOUNDATION	8-10 MAY 2023 28-30 AUG 2023 11-13 SEP 2023
(MC) GET TO THE POINT EMAIL WRITING MADE EASY	8 MAY 23
PRACTICAL PAYROLL COMPUTATION WORKSHOP (IN COMPLIANT WITH THE NEW EMPLOYMENT AMENDMENT ACT 2023)	8-9 MAY 2023
COMPTIA SECURITY +	7-11 AUG 2023
(MC) MICROSOFT IDENTITY AND ACCESS ADMINISTRATOR (SC-300)	22-25 AUG 2023
EXCEL 2013 INTERMEDIATE & ADVANCED	23-24 AUG 2023
MIA WEBINAR SERIES: LATEST TAX IMPLICATIONS ON DIGITAL TRANSACTIONS IN MALAYSIA	18-SEP-23
6TH ANNUAL CHIEF PROCUREMENT OFFICERS SUMMIT & AWARDS 2023	26-27 SEP 203
TECHNICAL UPDATES 2023 ON IFRS ACCOUNTING STANDARDS INCLUDING IFRS SUSTAINABILITY STANDARDS	04-OCT-23
ESG TRANSFORMATION WORKSHOP TO ATTRACTS ETHICAL INVESTOR	07 NOV 23
CISCO CERTIFIED NETWORK ASSOCIATE (CCNA)	18-22 DEC 2023
PROJECT MANAGEMENT PROFESIONAL (PMP)	18-22 DEC 2023

PRIVASIA'S EMPLOYEE AND TRAINING DATA 2023

144
TOTAL NUMBER OF EMPLOYEES

133
TOTAL NUMBER OF MALAYSIAN EMPLOYEES

94.2%
% TOTAL NUMBER OF EXECUTIVES

41.0%
% OF FEMALE EMPLOYEES

31.9%
RATE OF EMPLOYEES BELOW 30 YEARS OF AGE

6.3%
RATE OF EMPLOYEES ABOVE 50 YEARS OF AGE

18
EMPLOYEES TURNOVER BELOW 30 YEARS OF AGE

14
TOTAL TURNOVER OF FEMALE EMPLOYEES

854
TOTAL HOURS OF TRAINING

19
EMPLOYEES TURNOVER 30-50 YEARS OF AGE

30.8%
% OF WOMEN IN MANAGEMENT

30.0%
% OF WOMEN IN TOP MANAGEMENT

EMPLOYEE ENGAGEMENT AND TALENT MANAGEMENT (continued)

PRIVASIA is a certified and authorised training employer for the prestigious Institute of Chartered Accountants in England and Wales ("ICAEW") professional body. We offer relevant training programmes as required by the ICAEW for our employees interested in pursuing a career as a certified chartered accountant.

Encouraging employees to obtain professional certifications is essential for their personal growth and adds credibility to their expertise. The Company pays for professional body membership subscriptions to advance their career growth potential.

SUCCESSION PLANNING

A systematic approach is necessary to ensure leadership continuity. We constantly strengthen our performance management system, engaging our high-performing employees to assume more prominent roles and responsibilities. Career development planning based on employees' development needs and superiors' input also helps us build a pool of future leaders.

Recently, we enhanced the performance management system with a more open, collegiate and motivating approach.

A department performance matrix guides heads of department and line managers in setting individual key performance indicators for their employees. It also includes a career planning section to facilitate proper employee development plans. We continuously review our succession planning strategy to identify and develop high-potential employees to ensure a sufficient talent pool for future succession and leadership.

PRIVASIA recruits employees internally and promotes from within whenever possible, promoting 4 employees in 2023.

DIVERSITY, EQUITY, INCLUSION AND BELONGING

Workplace diversity drives better decisions, innovation and overall performance. While diversity has always been important, we are increasing our focus on diversity, equity, inclusion and belonging.

We aim to provide a welcoming environment and equitable opportunities for all employees regardless of background, nationality, race, ethnicity, gender, gender identity, age, sexual orientation, marital status, disability or religion. This principle is ingrained in our company values and articulated in our Code of Conduct and Ethics.

OCCUPATIONAL HEALTH AND SAFETY

People's health and safety always come first at PRIVASIA. We are committed to protecting the health and safety of employees and contractors by providing a safe working environment, preventing workplace injuries and illnesses and providing access to healthcare.

Our Health, Safety and Environment ("HSE") Policy formalises our commitment to protecting people, assets and the environment. Complying with all relevant legislation ensures that the health and safety of all its employees are never compromised.

HSE RULES

I.   WORK WITH VALID WORK PERMIT REQUIRED BY THE JOB

II.   ISOLATE ELECTRICITY BEFORE STARTING WORK

III.   OBTAIN AUTHORISATION BEFORE OVERRIDING OR DISABLING SAFETY CRITICAL EQUIPMENT

IV.   GAIN AUTHORISATION BEFORE ENTERING A CONFINED SPACE

V.   PROTECT AGAINST FALLS WHEN WORKING AT HEIGHT

VI.   USE CORRECT PERSONAL PROTECTIVE EQUIPMENT DURING HAZARDOUS WORK

VII.   OBTAIN AUTHORISATION BEFORE EXCAVATING OR ENTERING A TRENCH

VIII. DO NOT PLACE YOURSELF UNDER A SUSPENDED LOAD

IX.   DO NOT SMOKE OUTSIDE DESIGNATED AREAS OR BRING POTENTIAL IGNITION SOURCES AREAS WITHOUT AUTHORISATION

X.   NO USING MOBILE PHONES OR WALKIE-TALKIE WHILE DRIVING

XI.   OBEY THE SPEED LIMIT

XII.   USE A SEAT BELT

Introducing all effective prevention measures, especially on high-risk jobs such as climbing up satellite or communication towers, protects the safety of employees and subcontractors. Contractors and employees are adequately briefed and well-trained on safety precautions and procedures. We also provide Personal Protective Equipment when our contractors and employees perform their duties.

PROMOTING HUMAN RIGHTS

We support human rights as outlined in the Universal Declaration of Human Rights, the core standards of the International Labor Organisation, the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights. We strive to ensure that our activities do not infringe on human rights.

We expect our business partners to support the same human rights standards by committing to our Supplier Code of Conduct or an equivalent standard.

Our approach to human rights is emphasised in our Code of Conduct and Ethics and includes topics such as equal opportunity and non-discrimination, health and safety and fair pay. Feedback from our employees is essential.

We have zero tolerance for child labour, forced labour and other human rights violations, including harassment and bullying in the workplace.

Our human rights compliance practices are not yet mature. We have yet to conduct formal human rights assessments on our operations and investment agreements, run training on our human rights policies or include human rights clauses in our investment agreements. We will address human risks progressively in the future.

COMMUNITY

Building relationships with local communities is a priority. Our efforts convey our sincerity and commitment that we are their partner, now and in the long term. We favour programmes aligned with our corporate strategy that will impact our stakeholders, partners, and communities long-term.

PRIVASIA allows charitable donations and sponsorships for legitimate purposes only.

SPONSORSHIP DATE & CHARITABLE ORGANISATION	AMOUNT
21 JUNE 2023 **GENERALI INSURANCE MALAYSIA BERHAD - THE HUMAN SAFETY NET (THSN)**	RM200.00
6 SEPTEMBER 2023 26 JULY 2023 **PIKOM SERVICES SDN BHD**	RM8,600.00 RM5,000.00
28 - 30 JULY 2023 **THE RISE MALAYSIA SDN BHD**	RM15,00.00

PRODUCT RESPONSIBILITY

Product impact and innovation are critical to organic growth and our transformation into an ICT solutions company. We are proud of our competitive edge, differentiating us from other industry players.

In support of the 2030 Agenda for Sustainable Development, in particular Goal 9 and Goal 12, PRIVASIA introduced the following action plans to continue its efforts in fostering innovation and practising responsible operation:

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	I. To verify Energy and Carbon Assessments for 2019-2023, which sets an example to all other industry players while supporting clients' and partners' ESG plans II. To continue developing circular economy initiatives with potential partners and subject matter experts to achieve carbon neutrality III. To have our Sustainability Reports audited by an independent third-party assurer
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	I. To assess PRIVASIA's footprint and positive impacts II. To implement scalable and sustainable initiatives to increase the lifecycle of materials and products III. To continue collaborating, developing and promoting circular economy initiatives IV. To work towards PRIVASIA's Inclusion in international and responsible reporting ESG ratings and accreditations

The following table summarises our contribution to these areas in support of the United Nations Development Goals.

COST ADVANTAGE FROM A STRATEGIC PARTNERSHIP WITH LEADING IT PLAYERS	I. Cost competitiveness on hardware and software with partner pricing II. Well-equipped with knowledge of the latest technology
COMPREHENSIVE ICT SOLUTIONS OFFERING BUSINESS SOLUTIONS IN KEY AREAS	III. Business Process Outsourcing IV. Consultancy and System Integration V. Procurement Management
ENTRENCHED POSITION IN THE PORTS & LOGISTICS SEGMENT FOR IT OUTSOURCING	VI. One of the key players in the ports and logistics segment VII. Strong reference point: currently serving Westports - one of the major ports in Malaysia
INNOVATIVENESS THROUGH R&D	VIII. PRIVASIA provides eProcurement management solutions using its highly acclaimed e-Bidding hub IX. Invested RM0.54 Million in R&D in FYE 2023

SATISFACTION THROUGH QUALITY

Our quality strategy determines becoming our customers' most valued and trusted partner by focusing on excellent quality, reliability, and responsiveness. Strong customer focus, results-driven improvement programmes and a sustainable culture of quality excellence help deliver this strategy.

PRIVASIA's IT System Management Systems (SMS) were certified with ISO/IEC 20000-1:2018 on 17 December 2018 and updated in February 2022, covering:

I.   SMS supporting the provision of VSAT Communication;

II. Service desk operation;

III. Managed services; and

IV. E-procurement and application maintenance support.

ISO/IEC 20000-1:2011 is an SMS standard that specifies the requirements for the service provider to plan, establish, implement, operate, monitor, review, maintain and improve an SMS. The requirements include the design, transition, delivery and improvement of services to fulfil the agreed service.

The C-Band transmitters, broadband satellite routers and Ku-Band transmitters have received certificates of conformity from SIRIM.

The company established a set of procedures and management processes that form a service management system for effectively delivering customer services. A framework that includes regular internal and external customer reviews and robust customer key performance indicator (KPI) and scorecard tracking supports our quality and reliability-focused approach to customers, allowing us to:

I.   Build closer relationships and more effective communication with our customers

II. Understand their needs more clearly and adjust and sustain our quality performance to meet their expectations.

Our 24/7 dedicated customer helpdesk addresses customer complaints and feedback promptly.

We also conduct an annual customer satisfaction survey as part of the ISO requirements.

CYBERSECURITY AND DATA PRIVACY

As a digital company, cybersecurity and data privacy are essential to the success of our business. Customers rely on us to deliver our platforms and services safely and reliably while safeguarding their data. PRIVASIA operates in adherence to the Personal Data Protection Act ("PDPA") in both policy and practice. We commit to protecting employees' and customers' personal and professional information by keeping information secure and respecting the rights of individuals to protect their data.

Our information security programme includes regular security risk assessments to assess and evaluate the effectiveness of our cybersecurity programme. We train employees in safeguarding and processing personal information and implement policies relating to the rights of individuals and privacy. We inform our customers about our privacy practices in various ways, including displaying a Privacy & Cookie notice on our website and as part of our marketing practices. We detail which personal information we collect, use and disclose, informing customers of their available rights and the choices for sharing their data.

PUBLIC SAFETY: MONITORING THE SAFETY OF TELE-COMMUNICATION FACILITIES AND COMMUNICATION TOWERS

Telecommunication facilities and communication towers emit an Electronic Magnetic Frequency that harms humans. We erect all communication facilities at a safe distance from the local community. The equipment used for our installation is certified by SIRIM Malaysia for safe usage. We restrict access to our facilities with proper fencing and lock facilities to prevent unauthorised entry.

All IT equipment imported and distributed by the Group has obtained SIRIM approval that meets the regulatory safety, emission, energy and quality standards. SIRIM approval ensures that products are tested and certified following the MCMC Technical Specifications/Technical Codes.

SUMMARY - GROUP SUSTAINABILITY PERFORMANCE DATA 2023

ECONOMIC	2023		2022		2021
	NO.	VARIANCE	NO.	VARIANCE	NO.
SUSTAINABLE PROCUREMENT					
LOCAL SUPPLIERS ENGAGED (%)	92	+1.1%	91	-	91
FOREIGN SUPPLIERS ENGAGED (%)	8	(11.1%)	9	-	9
LOCAL SUPPLIER PURCHASES (%)	92	+1.1%	91	(1.1%)	92
FOREIGN SUPPLIER PURCHASES (%)	8	(11.1%)	9	-	8
ANTI-CORRUPTION & ANTI-BRIBERY					
NUMBER OF SUBSTANTIATED CORRUPTION CASES	0	-	0	-	0
FINES RELATED TO CORRUPTION (RM)	0	-	0	-	0
CONTRIBUTIONS TO POLITICAL PARTIES (RM)	0	-	0	-	0

ENVIRONMENT	2023		2022		2021
	NO.	VARIANCE	NO.	VARIANCE	NO.
ENERGY					
INDIRECT ENERGY: ELECTRICITY (kWh)	255,023	(2.6%)	261,826	(11.3%)	295,111
INDIRECT ENERGY: ELECTRICITY (GJ)	918	(2.7%)	943	(11.2%)	1,062
MATERIALS					
PAPER CONSUMPTION (KG)	1,182	(25.3%)	1,583	(17.3%)	1,914
WATER					
TOTAL WATER WITHDRAWAL FROM MUNICIPAL SUPPLIES (M3)	777	+2.4%	759	(0.3%)	761
EMISSIONS (TCO2E)					
SCOPE 1	2.112	(31.6%)	3.087	-	3.087
SCOPE 2	149.189	(2.6%)	153.168	(11.3%)	172.640
SCOPE 3: EMPLOYEE BUSINESS TRAVEL (AIR)	13.870	+1,184.3%	1.080	+326.9%	0.253
SCOPE 3: EMPLOYEE BUSINESS TRAVEL (ROAD)	42.310	+93.5%	21.861	-	NA
SCOPE 3: EMPLOYEE COMMUTING	261.085	+219.0%	81.843	-	NA
SCOPE 3: WATER USE	0.115	+1.8%	0.113	-	0.113
SCOPE 3: WASTE GENERATED (PAPER)	0.269	(25.5%)	0.361	(17.2%)	0.436

SUMMARY - GROUP SUSTAINABILITY PERFORMANCE DATA 2023 (continued)

SOCIAL	2023		2022		2021
	NO.	RATIO	NO.	RATIO	NO.
WORKFORCE STRENGTH					
TOTAL NUMBER OF EMPLOYEES	144		141		141
NUMBER OF NEW EMPLOYEES HIRES	4	2.8%	3	2.1%	8
PERCENTAGE OF CONTRACTORS/ TEMPORARY STAFF (%)	0	-	0	-	0
WORKFORCE BREAKDOWN BY NATIONALITY					
MALAYSIAN	133	92.4%	136	96.4%	133
NON-MALAYSIAN	11	7.6%	5	3.6%	8
WORKFORCE BREAKDOWN BY CATEGORY					
EXECUTIVES	129	94.2%	132	93.6%	130
NON-EXECUTIVES	8	5.8%	9	6.4%	8
WORKFORCE BREAKDOWN BY GENDER					
FEMALE	59	41.0%	54	38.3%	51
MALE	85	59.0%	87	61.7%	90
WORKFORCE BREAKDOWN BY AGE GROUP					
BELOW 30 YEARS	46	31.9%	57	40.4%	42
30 - 50 YEARS	89	61.8%	75	53.2%	86
ABOVE 50 YEARS	9	6.3%	9	6.4%	13
WORKFORCE BREAKDOWN BY ETHNICITY					
MALAY	88	61.5%	95	67.4%	88
INDIAN	31	21.7%	33	23.4%	34
CHINESE	10	7.0%	8	5.7%	11
OTHERS	14	9.8%	5	3.5%	8
EMPLOYEE TURNOVER RATES (%)	**27.7%**	**+69.6%**	**16.3%**	**(65.9%)**	**47.9%**
EMPLOYEE TURNOVER BY GENDER	NO.	VARIANCE	NO.	VARIANCE	NO.
FEMALE	14	+40.0%	10	(16.7%)	12
MALE	25	+92.3%	13	(76.8%)	56
EMPLOYEE TURNOVER BY AGE	NO.	VARIANCE	NO.	VARIANCE	NO.
BELOW 30 YEARS	18	+80.0%	10	(75.0%)	40
30 - 50 YEARS	19	+58.3%	12	(55.6%)	27
ABOVE 50 YEARS	2	+100.0%	1	-	1
FEMALE REPRESENTATION IN THE MANAGEMENT		VARIANCE		VARIANCE	
NO. OF WOMEN IN MANAGEMENT	8	(11.1%)	9	+50.0%	6
% OF WOMEN IN MANAGEMENT	30.8%	(17.9%)	37.5%	+50.0%	25.0%
NO. OF WOMEN IN TOP MANAGEMENT	3	+50.0%	2	-	2
% OF WOMEN IN TOP MANAGEMENT	30.0%	+35.0%	22.2%	-	22.2%
TRAINING AND DEVELOPMENT	NO.	VARIANCE	NO.	VARIANCE	NO.
TOTAL TRAINING TIME (HOURS)	854	+139.2%	357	(7.5%)	386
AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE (HOURS)	13	(7.1%)	14	-	14

SUSTAINABILITY PERFORMANCE REPORT 2023 (BURSA ESG PLATFORM)

Our reporting of the Bursa ESG requirements is on voluntary basis.

The adoption of Bursa ESG Reporting for ACE market listed companies is in 2025.

INDICATOR	MEASUREMENTS	2021	2022	2023*
BURSA (ANTI-CORRUPTION)				
BURSA C1(C) CONFIRMED INCIDENTS OF CORRUPTION AND ACTION TAKEN	*NUMBER*	0	0	0
DISCLOSURE OF TOTAL AMOUNT OF POLITICAL CONTRIBUTIONS MADE	*MYR*	0	0	0
BURSA (DIVERSITY)				
BURSA C3(A) PERCENTAGE OF EMPLOYEES BY GENDER AND AGE GROUP, FOR EACH EMPLOYEE CATEGORY				
AGE GROUP BY EMPLOYEE CATEGORY				
EXECUTIVE UNDER 30	*PERCENTAGE*	29	41	43
EXECUTIVE BETWEEN 30-50	*PERCENTAGE*	87	80	83
EXECUTIVE ABOVE 50	*PERCENTAGE*	14	9	8
NON-EXECUTIVE UNDER 30	*PERCENTAGE*	3	4	3
NON-EXECUTIVE BETWEEN 30-50	*PERCENTAGE*	7	6	6
NON-EXECUTIVE ABOVE 50	*PERCENTAGE*	1	1	1
GENDER GROUP BY EMPLOYEE CATEGORY				
EXECUTIVE MALE	*PERCENTAGE*	80	78	80
EXECUTIVE FEMALE	*PERCENTAGE*	50	52	54
NON-EXECUTIVE MALE	*PERCENTAGE*	8	8	7
NON-EXECUTIVE FEMALE	*PERCENTAGE*	3	3	3
BURSA C3(B) PERCENTAGE OF DIRECTORS BY GENDER AND AGE GROUP				
MALE	*PERCENTAGE*	-	-	71.00
FEMALE	*PERCENTAGE*	-	-	29.00
UNDER 30	*PERCENTAGE*	-	-	0.00
BETWEEN 30-50	*PERCENTAGE*	-	-	57.00
ABOVE 50	*PERCENTAGE*	-	-	43.00
BURSA C4(A) TOTAL ENERGY CONSUMPTION	*MEGAWATT*	295.00	262.00	255.00
BURSA C6(A) TOTAL HOURS OF TRAINING BY EMPLOYEE CATEGORY				
TOTAL WORKFORCE TRAINING HOURS	*HOURS*	386	357	854
AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE	*HOURS*	21	34	60
BURSA C6(B) PERCENTAGE OF EMPLOYEES THAT ARE CONTRACTORS OR TEMPORARY STAFF	*PERCENTAGE*	0	0	0

* Restated

SUSTAINABILITY PERFORMANCE REPORT 2023 (BURSA ESG PLATFORM) (continued)

INDICATOR	MEASUREMENTS	2021	2022	2023*
BURSA C6(C) TOTAL NUMBER OF EMPLOYEE TURNOVER BY EMPLOYEE CATEGORY				
EXECUTIVE	*NUMBER*	65	22	39
NON-EXECUTIVE/TECHNICAL STAFF	*NUMBER*	3	1	0
NUMBER OF BOARD DIRECTORS	*NUMBER*	7	7	7
NUMBER OF INDEPENDENT DIRECTORS ON THE BOARD	*NUMBER*	4	5	5
NUMBER OF WOMEN ON THE BOARD	*NUMBER*	3	2	2
ANNUAL GENERAL MEETING: NUMBER OF DAYS BETWEEN THE DATE OF NOTICE AND DATE OF MEETING	*NUMBER*	60	60	60
PERCENTAGE OF WOMEN ON THE EXECUTIVE COMMITTEE OR EQUIVALENT.	*PERCENTAGE*	43	28.5	28.50
TOTAL NUMBER OF EMPLOYEES	*NUMBER*	141	141	144
NUMBER OF NEW EMPLOYEES HIRE	*NUMBER*	8	3	4
PERCENTAGE OF CONTRACTORS/TEMPORARY STAFF	*PERCENTAGE*	0	0	0
BURSA (SUPPLY CHAIN MANAGEMENT)				
BURSA C7(A) PROPORTION OF SPENDING ON LOCAL SUPPLIERS	*PERCENTAGE*	92.00	91.00	92.00
BURSA (WATER)				
BURSA C9(A) TOTAL VOLUME OF WATER USED	*MEGALITRES*	0.761	0.759	0.733
BURSA (EMISSIONS MANAGEMENT)				
BURSA C11(A) SCOPE 1 EMISSIONS IN TONNES OF CO_2e	*METRIC TONNES*	3.10	3.10	2.10
BURSA C11(B) SCOPE 2 EMISSIONS IN TONNES OF CO_2e	*METRIC TONNES*	172.64	153.16	149.19
BURSA C11(C) SCOPE 3 EMISSIONS IN TONNES OF CO2E (AT LEAST FOR THE CATEGORIES OF BUSINESS TRAVEL AND EMPLOYEE COMMUTING)	*METRIC TONNES*	0.25	104.78	317.26*
PAPER CONSUMPTION (KG)	*KILOGRAMS*	1,914	1,583	1,182*

* Restated

OUR FUTURE
COMMITMENT

PRIVASIA envisions a world where technology and innovation for business is fun again. An alternative to the stagnant consumer tech industry we face today. But as we build our company, we need to work responsibly.

If we can make meaningful products with global appeal whilst minimising our impact on the planet, we'll know that this is a risk worth taking.

PRIVASIA is still a young company so we have a lot to learn. But this gives us the opportunity to continuously improve our environmental efforts and be the real agents of change.

Sustainability and Governance has always been at the centre of conversation. Our core softwares, PROCUREHERE, FINANSHERE and iTAP are set out to do just that. A good start, some might say. But the real step forward is developing ICT to help businesses tackle sustainability challenges.

Going forward, we're committed to partnering with our supply chain to be even more innovative and responsible. We know that we can use our influence for good — all of us at PRIVASIA, hope to inspire other businesses and startups to follow suit as we work to build a more sustainable industry together.

We're excited to see where this journey takes us. Thank you for your continued support.

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