



2022

Sustainability Report



LEADER

IN THE MANUFACTURING OF CLEANROOM
AND HEALTHCARE GLOVES



**RIVERSTONE
HOLDINGS
LIMITED**

ABOUT THIS REPORT

Scope and boundary

This is Riverstone Holdings Limited's sixth annual Sustainability Report. Riverstone's FY2021 Sustainability Report was published on May 30, 2022, and can be found [here](#). There is no restatement of data in this report.

This report covers Riverstone Holdings Limited's Environmental, Social, and Governance (ESG) performance from 1st January to 31st December 2022 and covers all glove manufacturing operations and entities in Malaysia under Riverstone Holdings Limited unless otherwise stated. Where possible, this report provides historical data since 2020 as the initial baseline for comparison purposes for every 5 years goals.

This report has been prepared in accordance with the Global Reporting Initiatives (GRI) Standards, GRI has been selected as reference framework because it is an international recognized reporting standard to cover wide range of sustainability topic which is related to Riverstone Holdings operations.

This report also incorporates the primary components of the SGX's "Comply or Explain" requirements under Rule 711B of the SGX Listing Rules.

Independent internal review

We have engaged third party internal auditors to perform an internal review on our sustainability reporting processes in FY2022 and all recommendations arising from the review were taken into consideration in preparation of this report.

Prospect approach

We are adopting a phased approach in our climate risk assessment and reporting, as the resources are limited. During FY2023 we will embark on a more in-depth analysis and disclosure of the climate-related risks and opportunities, materials ESG factors, identifying, disclosing appropriate data and metrics, integrating climate risks with the broader enterprise risk management (ERM) framework, examining the resilience of the organization's strategy by taking consideration of variant of climate-related scenarios, and strength our in-house knowledge.

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KEY ABBREVIATIONS

Riverstone, Group, Company, We, Us or Our	The Group of Company Comprising the Company and Its Subsidiaries
CEO	Chief Executive Officer
CEMS	Continuous Emission Monitoring System
CO ₂ e	Carbon Dioxide Equivalent
CSO	Chief Sustainability Officer
DOE	Department of Environment
EMG	Eco Medi Glove Sdn Bhd
EPF	Employees' Provident Fund
ESG	Environment, Social and Governance
ESP	Electrostatic Precipitator
FY	Financial Year
GHG	Greenhouse gas
GRI	Global Reporting Initiative
HOD	Head of Department
HR	Human Resources
HRDF	Human Resources Development Fund
IE	International Efficiency
kWh	Kilowatt hour
LPG	Liquid Petroleum Gas
MWh	Megawatt hour
QA	Quality Assurance
R&D	Research and Development
RRSB	Riverstone Resources Sdn Bhd
RRSB-BB	Riverstone Resources Sdn Bhd, Bukit Beruntung plant
RRSB-TP	Riverstone Resources Sdn Bhd, Taiping plant
RM	Ringgit Malaysia
SEM-EDX	Scanning Electron Microscopy-Energy Dispersive X-ray Analysis
SOSCO	Social Security Organization
SR	Sustainability Report
TCFD	Task Force on Climate-related Financial Disclosures
TDS	Total Dissolved Solid
WWTP	Waste Water Treatment Plant

ABOUT RIVERSTONE HOLDINGS LIMITED

Riverstone was established in 1991 and listed on the Main Board of Singapore Exchange Securities Trading Limited ("SGX-ST") on 20 November 2006.

Riverstone is headquartered in Bukit Beruntung, Malaysia, and specialises in the production of cleanroom and healthcare gloves, and non-glove consumable items such as finger cots, cleanroom packaging bags, hairnet and face masks. With the full support of our valued customers and the commitment of our staff, we have grown to become the leading global manufacturer of cleanroom and healthcare gloves.

Our products are certified by international certification bodies and widely used by major global players in the electronic and healthcare industries. We export more than 80% of our products to key customers in Asia, the Americas, and Europe.

We have five manufacturing facilities located in Malaysia, Thailand, and China. In addition, we have a network of sales offices and strategic partners in Asia, the Americas, and Europe.

Vision

We envision to be a global leader in the manufacturing of cleanroom and healthcare gloves.

Mission

We will:

- Never compromise quality for short-term gain.
- Strive to exceed customers' satisfaction through superior product quality.
- Ensure on-time delivery and fair pricing.
- Develop innovative new products and a high degree of flexibility and adaptability in glove production.
- Forge strong business partnerships to reduce the cost of doing business and provide a conducive working environment for our employees.



GROUP STRUCTURE

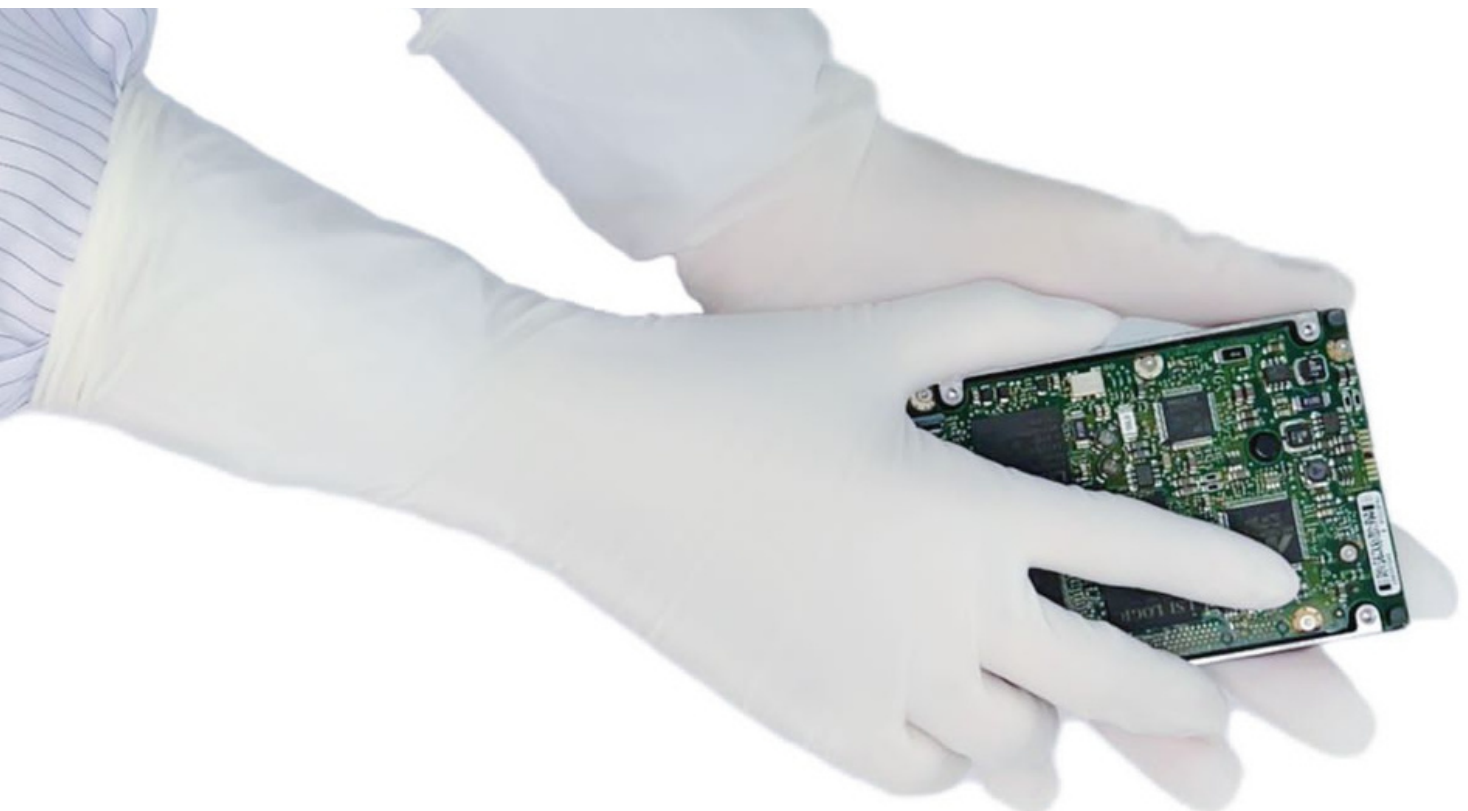


Cleanroom Gloves & Consumables

Cleanroom gloves' main function is to protect sensitive semiconductor products from human contamination and static electric charges. Riverstone's cleanroom products serve the high-end electronics and semiconductor sector. Riverstone is an own-brand manufacturer (OBM) for cleanroom gloves, selling directly to end-users.

Healthcare Gloves

Healthcare gloves serve as a protective barrier against biological hazards while performing general medical practices. Riverstone works with reputable distributors to distribute our products across the world. Our products serve the healthcare sector and food sector.



GLOBAL MARKET REACH

ASIA

- China
- Hong Kong
- Taiwan
- Japan
- South Korea
- Vietnam
- Philippines
- Singapore
- Indonesia
- India
- Malaysia
- Thailand
- Israel

EUROPE

- United Kingdom
- Ireland
- France
- Spain
- Norway
- Sweden
- Finland
- Germany
- Czech Republic
- Poland
- Switzerland
- Italy
- Netherland
- Austria
- Portugal
- Denmark
- Latvia
- Malta
- Hungary

NORTH AMERICA

- The United States
- Canada
- Panama

SOUTH AMERICA

- Panama
- Chile

Africa

- Nigeria

Oceanic

- Australia
- New Zealand



MESSAGE FROM CHIEF EXECUTIVE OFFICER (CEO)

Since our founding over 30 years ago, Riverstone has grown and established itself as the leading manufacturer of high-end cleanroom gloves and healthcare examination gloves. As an industrial leader, Riverstone is committed to a high standard of environmental, social, and governance performance.

The demand for lower carbon footprint products is increasing as consumers are more aware of the effects of climate change. We believe that the sustainability of our business depends on our ability to produce innovative products that have minimal impact on the environment. For the past few years, our Research & Development team has been collaborating with our suppliers to produce a latex formula that requires a lower temperature for curing. With the new formulation, the production process will consume less natural gas and electricity. We will be launching this product in 2023.

In recent years, we have also invested in a variety of projects to reduce our water and energy usage. This includes better water recycling technologies, better filtration for rainwater harvesting, and energy-saving equipment.

Labour rights continues to be an area of concern for many stakeholders. Riverstone is committed to a high standard on labour rights. Third party audits by different organisations are conducted on our sites regularly to ensure that we meet the standard for labour rights. In 2022, we completed the Worldwide Responsible Accredited Production (WRAP) audit at our Bukit Beruntung and Taiping plants. Both facilities received gold standard certification.

Our ESG target to achieve by year 2025 are shown on page 22. We have included a new target of achieving 5.2% of carbon emission reduction and the energy saving target is set at 10% by 2025, which is also correlated with the emission reduction objective.

The group has allocated a CAPEX budget for renewable energy and energy recovery initiatives. Besides, water and waste target are set at 25% and 50% reduction respectively during year 2025. We are well aware of the impact of waste increases would cause on the environment as more waste result in more of the conversion of forest to landfill area. Hence, we are committed to achieving waste reduction up to 50% by 2025.

Despite these challenges we would not compromise the quality of our products and would remain compliant with the social and environmental regulations. The group continues to engage external qualified consultants for audits to ensure continuous certification of all manufacturing plants.

BOARD STATEMENT

The Board of Directors of Riverstone Holdings Limited is pleased to publish Riverstone's Sustainability Report (SR) for the financial year ended 31 December 2022 (FY2022).

Riverstone's Board of Directors recognizes that it is important to take sustainability issues into account when formulating business strategies. Identifying and understanding Riverstone's material Environmental, Social, and Governance (ESG) factors help the Board and management to better prepare for and consider risks and opportunities faced by the company.

The Board of Directors monitors and oversees the management of ESG strategy at Riverstone. The Board is also responsible for considering sustainability issues in Riverstone's business and strategies.



STAKEHOLDER ENGAGEMENT

Riverstone engages with our stakeholders regularly using various channels to understand their expectations and concerns better. Stakeholder engagement helps us respond to our stakeholders' concerns and interests, and assist us in developing effective long-term strategies and risk management. In addition, we value transparency and honesty in our business dealings and believe it is important to keep communication open with our stakeholders.

We define a stakeholder as any individual or group of individuals who (i) can be affected by Riverstone's activities or (ii) whose actions can be expected to influence Riverstone's decision-making process and ability to implement strategies successfully. Our Sustainability Committee has identified employees, customers, government and regulators, suppliers, and investors as our key stakeholders. The table below summarizes our key stakeholders' interests and concerns with the engagement channels we employed.

Stakeholders	Interests and Concerns	Engagement Channels
Employees	Occupational Health and safety Remuneration and benefits Labour rights Career development and training Work-life balance Work satisfaction	Training Orientation program Periodic meeting Workplace suggestion boxes Annual performance appraisal
Customers	Product quality and safety Customer satisfaction Labour rights Responsible supply chains Innovative products Pricing Delivery & Logistic	Site visits and plant audits Regular meetings and email correspondence Video Conferences Exhibitions and trade associations
Government and Regulator	Regulatory and industry-standard compliances Labour rights Environmental impact and compliance	Participation in external seminars and conferences for policy updates Business and industrial association Direct engagement
Suppliers	Product and service quality Responsible supply chain Business conduct Market information	Site visits and audits Regular meetings Video Conference
Investors	Financial performance ESG topics Market information Future Expansion	Annual General Meeting Company website Conference presentation Media releases Annual reports Sustainability reports Quarterly business updates, and half yearly/ yearly financial result announcements Analyst Meetings

MATERIAL TOPICS

In FY2020, we performed a materiality assessment to ensure that we better capture the expectations of our internal and external stakeholders. We assessed the impact of our operation across the value chain to identify sustainability issues relevant to our business. Topics are deemed material if they (i) reflect Riverstone's significant economic, environmental, social, and governance (ESG) impacts or (ii) can substantially influence the assessments and decisions of stakeholders. We review our material topics regularly to ensure that we capture the changes in the business environment and make adjustments if needed. The material topics were last reviewed in FY2022. Conducting materiality assessments regularly gives us insights into current and future trends, allowing us to respond effectively to the risks and opportunities in a fast-changing business landscape. The results from the materiality assessment guide our sustainability strategic planning process.

Our methodology of performing a materiality assessment follows these steps:

- The Sustainability Committee develops a list of issues relevant to Riverstone, key stakeholders, and business drivers.
- Key material topics are ranked and mapped accordingly on a sustainability matrix.
- Senior executives and managers work with the Sustainability Committee and validate material topics and matrix.

¹ Renamed from Water Stewardship

² Renamed from Waste and Effluent

³ Renamed from Ethical and Transparent Business

⁴ Renamed from Innovation

** All regulatory compliances (social, environmental and sustainability) incorporated under corporate governance



Environmental	Social	Governance	Strategy and Business
Energy and Emission	Labour Rights	Value and Business Ethics ³	Research and Development ⁴
Water and Effluent ¹	Occupational Health and Safety	Corporate Governance	Product Quality and Safety
Waste Management ²	Training and Development		
	Community Development		

CORPORATE GOVERNANCE

Riverstone believes that sound corporate governance practices are important to the proper functioning of the company. Good governance strengthens public confidence, enhances long-term shareholder value, and leads to sustainable business performance.

Riverstone's Board of Directors is responsible for the long-term success of the company. The Board comprises five directors, three of whom are non-executive and independent directors. The Corporate Governance Statement in our Annual Report sets out the guiding principles and practices of the Board.

Chairman and Chief Executive Officer

Mr. Wong Teek Son is both the Executive Chairman and Chief Executive Officer (CEO) of the Company. The Board believes that there is no need for the role of Chairman of the Board and the CEO to be separated as there is a good balance of power and authority within the Board. The majority of the Board members are independent directors. This allows the Board to exercise independent judgment on corporate affairs. All critical committees are chaired by independent directors.

As Executive Chairman, Mr. Wong is responsible for the effective working of the Board, ensuring adequate time available for discussion, and encouraging constructive relations within the Board and between the Board and Management. He maintains effective communication with shareholders of the Company.

As CEO, Mr. Wong is responsible for the day-to-day management of the business in line with the long-term success of the Company. The CEO formulates and proposes strategic direction for value creation of the business. The CEO together with the Executive Director, Mr. Lee Wai Keong have full executive responsibilities over the business directions and operational decisions

Board Committees

To assist in the execution of its responsibilities, the Board of Directors has three Board Committees: the Audit Committee, the Remuneration Committee, and the Nominating Committee.

The Audit Committee comprises 3 independent directors. All three members bring invaluable expertise in the financial, taxation, legal, and business management spheres. The Remuneration Committee comprises 3 independent directors. The Nominating Committee comprises 2 independent directors and an executive director. Independent directors chair all three committees.

The board committees are crucial to ensure good corporate governance. The summary of activities carried out by the board committees and attendance of the Directors at meetings of the Board and Board Committees can be found in the 2022 Annual Report.

Responsibilities of Nominating Committee

- Make recommendations on all board appointments for directors and key management
- Assess the effectiveness of the Board.
- Recommend re-nomination and re-election of Directors.
- Review training and professional development programs for the Board.

Responsibilities of Audit Committee

- Review quarterly financial statements for SGX announcement
- Review financial statements, results of external audits, and internal controls.
- Review the adequacy, effectiveness, independence, scope and results of external audit, the robustness of the company's internal controls and risk management audit function.

Responsibilities of Remuneration Committee

- Develop policy on key executive remuneration.
- Review and fix remuneration packages for key directors and management.
- Consider the various disclosure requirements for Directors' remuneration.

CORPORATE GOVERNANCE

Board training and competencies

The Company has an orientation program for newly appointed directors. Training will be provided for first-time Directors in areas such as accounting, legal, and industry-specific knowledge where appropriate. Existing directors will be provided with updates on the latest governance and listing policies as appropriate from time to time. The Company shall be responsible for arranging and funding the training of Directors and reviewing training and professional development programs for the Board. Directors have arranged for the training through the program from SID.

Nomination of Board Member

The Nominating Committee's main responsibilities are to (i) make recommendations to the Board on all board appointments, (ii) assess the effectiveness of the Board, review training and professional development programs, and (iii) review succession planning for the Chairman, CEO, Executive Directors, and key management personnel. All Directors have to submit themselves for re-nomination or re-election at least once every three years.

The Board believes that diversity strengthens the performance of the Board and its Board Committees. The Nominating Committee ensures that there is a balanced mix of skills, experience, knowledge, and other aspects of diversity on the Board.

Risk Management

Having an effective risk management framework is necessary to better manage and prepare for potential risks. The Board oversees the management to ensure that the management maintains a sound system of risk management and internal controls. The Board has adopted an enterprise risk management (ERM) framework to ensure that robust risk management and internal controls are in place.

Risk assessments are carried out to capture the significant business risks and internal controls to mitigate these risks. A summary report of the risk assessment is prepared for the Board for review.

The heads of departments (HOD) carry out self-assurance processes to evaluate and manage risk effectively. HOD have the responsibility to:

- (i) review the effectiveness of Riverstone's risk management systems and their controls and identify key risks.
- (ii) implement risk management policies, processes, assessment, and mitigation of risks.
- (iii) oversee and advise the Board on Riverstone's risk management and internal controls.

Internal auditors assess the effectiveness and adequacy of Riverstone's risk management and internal control framework. They report on financial and non-financial risks. External auditor reports to the Audit Committee and the Board on the operations of the internal controls as part of the annual or continuance audit of Riverstone.

SUSTAINABILITY AND TCFD GOVERNANCE

The sustainability and Task Force Climate Financial Disclosure (TCFD) roles are incorporated with sustainability organization chart. Board of Directors and the CEO regularly review Riverstone's material Environmental, Social, and Governance (ESG) factors to manage key ESG impacts and provide strategic formulation that considers sustainability and climate change issues. The Board of Directors is responsible for the review and approval of Riverstone's sustainability report and ensures that all material topics are covered. Review of ESG topics and their impacts, risks, and opportunities is done annually.

The Sustainability Committee is led by the Chief Sustainability Officer (CSO). The Sustainability Committee meets multiple times a year to discuss Riverstone's sustainability strategy, goals, and performance. The CSO reports on Riverstone's sustainability initiatives, sustainability targets, ESG performance, and industry ESG trends to the CEO regularly. The Sustainability Committee comprises representatives across 7 departments, namely Human Resources (HR), Finance & Accounts, Production, Sales and Marketing, Health and Safety, Quality Assurance (QA), and Research and Development (R&D). Representatives from RRSB and EMG are on the Sustainability Committee. The Sustainability Committee supports, executes, and reports on Riverstone's efforts across material ESG aspects. Members of the Sustainability Committee have extensive knowledge and experience, and have a sound understanding of the company's strategy, risk, and opportunities.

Sustainability Governance Structure and Role



Board of Directors

- Review and approve sustainability report.
- Oversee the management of sustainability strategy and goals.

Chief Executive Officer

- Develops and oversees the implementation of sustainability strategy.
- Evaluates sustainability risks and opportunities.
- Oversees department in ensuring the robustness of sustainability management system.

Chief Sustainability Officer

- Reports on Riverstone's sustainability strategy, goals, and performance.
- Oversees implementation of sustainability strategies.

Sustainability Committee

- Supports, executes, and reports on Riverstone's efforts across material ESG aspects.
- Implementation of sustainability policies and projects.
- Set ESG targets.

VALUE AND BUSINESS ETHICS

Corporate policies

Having a set of clear policies ensures that Riverstone's values, culture, and expectations of business conduct are communicated to stakeholders. Our expectations and principles on our business conduct are outlined in a comprehensive set of policies:

- Riverstone Code of Conduct
- Social responsibility policy
- Labour policy
- Whistle-blowing policy
- Anti-bribery and anti-corruption policy

Anti-bribery and anti-corruption policy

Riverstone seeks to foster an environment where honesty, integrity, and ethical practices are valued. We do not authorise and condone any unlawful or unethical behaviour.

We have zero tolerance for any form of financial misconduct, including bribery and corruption. We have put in place a Code of Conduct, anti-corruption, and no-gift policy, which entails the prohibition of accepting and offering bribes, kickbacks, customary facilitation payments, and gifts.

All employees and vendors are required to sign declaration forms to pledge anti-bribery and anti-corruption practices as a formal assurance that all dealings are conducted in a fair manner.

As far as we know, there were no incidents of bribery and corruption reported during the sustainability reporting period of FY2021 and FY2022.

Whistle-blowing policy and procedure

Our stakeholders are able to raise legitimate concerns about misconduct through a whistle blowing reporting channel. This can include matters in relation to criminal activities, breach of legal obligation, miscarriage of justice, and activities posing a risk of danger to health and safety. The communication channel guide is outlined in the whistle-blowing Policy.

Legitimate complaints will be investigated, and the progress and outcome of the investigation will be made known to the complainant. The identity of the whistleblower will be protected. More details on our approach towards whistleblowing procedure are outlined in our Whistle-blowing Policy and Code of Conduct, which is available on The Group's website.

To the best of our knowledge, there was no incident of corruption, fraud, and money laundering activities reported across our business operation for the past financial year.

TCFD STRATEGY, RISK AND OPPORTUNITY

Strategy and Risk Management

The actual and potential impact of climate change related to the businesses or organization have been formalized with the committee members. Climate-related risks and opportunities in this section describe as methods to tackle climate change that may financially impact our businesses. We have calculated the impact and projected our business strategy with response to each scenario from the effect of our manufacturing processes. Besides, we have concluded that the type of impact in different section as transition risk in our preparation for the incoming extreme climate change, and also with physical risk that might happen during such scenarios. Risk management covers all emerging and potential risks that have an impact to the climate change. We pay particular attention to scenarios with 2 degree Celsius increase and the worst case scenario for more than 3.5 degree Celsius increase, with guidance from the Paris Agreement.

Risk and Opportunities

	Climate Related Risk		Response or Opportunity
T r a n s i t i o n R i s k	Policy and Legal Introduction of carbon emission pricing	Cost increase	Short and medium term To reduce the carbon emission of our products, we have installed solar panels and increased the use of biomass as renewable energy. We continue to seek to increase the use of renewable energy to reduce our fuel-based energy. Long-term To have collective development dialogue for renewable energy with relevant energy council.
	Technology Substitution of existing products with lower emission options	Increase demand for low carbon emission products leads to reduced demand for current products	Short and medium term We are collaborating with our latex supplier to develop a latex formulation that is able to cure at a lower temperature. This will lower the energy used in the production process. Long term To have collective development dialogue with collaborator and establish renewable energy study with renewable power generator.
	Market Increased energy cost due to specialty products requiring higher energy consumption	Increase cost of operation	Short and medium term We have invested and will continue to invest in new technologies that improve the energy efficiency of our production process and reduce the energy used. Long term To have dialogue with customer to raise product pricing range considering the cost of capital for new technologies incurred.
P h y s i c a l R i s k	Increase frequency and severity of drought	Increase frequency of water supply disruption and rationing affecting our ability to run our operation	Short and medium term Our manufacturing plants at Taiping use rainwater harvesting to supplement municipal water withdrawal. We recently invested in a new membrane technology that is able to reduce TDS in water significantly. In addition, we invested in water recycling technology to reuse the water in our production again thus reducing water usage. Long term To have research and development plan for low water consumption intensity products.
	Increase frequency and severity of flood	Operation disruption, transportation difficulties, damage to existing facilities	Short and medium term When planning for a new manufacturing site, we evaluate the flood risk of the area. Current manufacturing facilities are located at areas of low flood risks. Long term To explore high altitude manufacturing site close to the ports

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Market & customer	Transition risk	<ul style="list-style-type: none"> • Change in customer purchasing trend • Potential loss for current competitive advantage • Increase for market volatility and cost • Cost increase for high carbon content of raw material 	Medium	<ul style="list-style-type: none"> • New market trend 	<ul style="list-style-type: none"> • Scouting for more environmental friendly high performance motor and pump • Invest in new technology • Sourcing for renewable energy technology
Business strategy		<ul style="list-style-type: none"> • Demand more on environmental friendly product • Increase in GHG greenhouse gas emission pricing, in-need shifting to renewable energy source 	Medium		

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Technology & data	Transition risk	<ul style="list-style-type: none"> • Increased automation in high heat areas to reduce and minimise incidents of heat related illnesses to our workers • Investment to reduce emission with energy efficient equipment 	High	<ul style="list-style-type: none"> • New source of market trend 	<ul style="list-style-type: none"> • Scouting for more environmental friendly high performance motors and pumps • Invest in new technology • Sourcing for renewable energy technology
Regulatory authority order		<ul style="list-style-type: none"> • Increased and enforce regulatory orders, potential non-compliances with existing rules and compliance to emission practices by financial lenders for better sustainability practices • Increased demand by financial lenders for better sustainability practices 	High		

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Operation	Transition risk	<ul style="list-style-type: none"> • Higher cost of refurbishing the existing building with refractory material • Purchase of costly production equipment that can better withstand high temperature and to prevent overheating • Purchase of cooling tower for warehouse and higher cost of renting temperature-controlled containers to preserve product shelf life. • Property damage caused by rising sea level and increased flooding risk 	High	<ul style="list-style-type: none"> • Further diversify product types in response to customers' preferences 	<ul style="list-style-type: none"> • Prepare to purchase equipment and buildings that are made of concrete materials that can withstand high temperature • Building that is equipped with pumps to channel flood water and construct barricade for preventing flood water from going into the building • Ventilation system that is able to maintain the desired temperature in all areas in the plant.

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Operation	Physical risk	<p>Laboratory</p> <ul style="list-style-type: none"> • Air-conditioning units consumption will be higher as the temperature of tensile testing room must be set at 23-25 degree Celsius • Calibration work may be delayed due to heat stress. • Reagent and chemical evaporate easily 	Medium	<ul style="list-style-type: none"> • The rising temperature reduces the growth of ambient temperature preferred by microbes (e.g. psychrophiles and psychrotrophs) in compounded latex that could cause biological instability. • Lower bacteria count in the compounded latex also reduces the frequency of laboratory tests thus reducing labour cost 	<ul style="list-style-type: none"> • Prefer high energy star air-conditioning units • Setting-up of buildings with good air ventilation
		<p>Compounding</p> <ul style="list-style-type: none"> • Workers affected by increased temperature and suffered from heat stress. • Potential higher evaporation rate hence more chemical used. • Quality of latex used affected 			

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Operation	Physical risk	<p>Packing</p> <ul style="list-style-type: none"> • Packing area hygiene control affected. • Potential product or packing materials contaminated. • Impact on glove condition. (Affect the glove quality) 	Medium		<ul style="list-style-type: none"> • Implement strict procedure for plant hygiene and increase sanitation frequency • Prepared to install air conditioners for shipping and enclosed area.
		<p>Warehouse</p> <ul style="list-style-type: none"> • Comfortable working environment for our workers • Potential chemical quality defects • Reaction on chemical storage (e.g. explosion, fire, and evaporation) • Workers' health and safety issues 			<ul style="list-style-type: none"> • To control temperatures in enclosed surrounding areas • Ventilation system is prepared at the workplace

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Operation	Physical risk	WWTP <ul style="list-style-type: none"> • Bacteria growth affected • Pump easily leak, mechanical seal broken due to high water temperature • Effluent before discharge need pre-treatment 	Medium	<ul style="list-style-type: none"> • Sludge moisture reduction 	<ul style="list-style-type: none"> • Enclosed the bacteria aeration tank with roofing • Open sump and increase retention time for incoming effluent from production

OPERATION RISK MANAGEMENT

Type	Type of risk	Potential financial impact	Impact level	Potential opportunity	Group response
Operation	Physical risk	Production <ul style="list-style-type: none"> • Chiller efficiency dropped • Cooling tank efficiency affected • Stripping quality affected (e.g. glove tightness) 	Medium	<ul style="list-style-type: none"> • Lesser time required for the ovens to achieve desired temperature and this shortens the start-up period • Hot water tanks able to maintain the desired temperature • There is a potential to improve glove quality 	<ul style="list-style-type: none"> • Multiple cooling towers as option for project team • Higher chiller horse-power used in high heat areas • Machinery part (e.g. compressor) that prone to extreme climate change (e.g. high temperature and humidity) will be affected.

Target

2025

Energy



↓ 10%



Water

↓ 25%

Waste



↓ 50%

CO₂

Carbon emission

↓ 5.2%

Social & regulatory
Incompliances



*zero cases
recorded annually*

Continuous
certification for
quality, health,
environment, and
safety



ISO 9001/13485/14001/45001,
RBA, WRAP, SMETA, BSCI

ENERGY

Management Approach

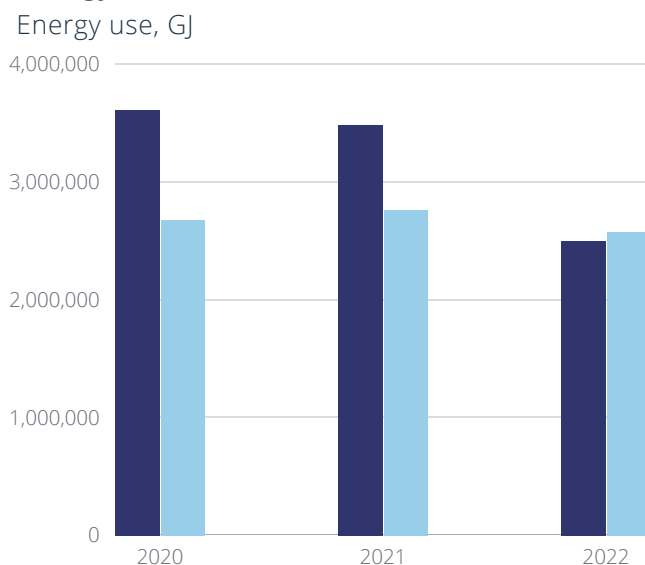
There are growing demands for companies to take action to fight climate change. Consumers are increasingly becoming environmentally conscious and show preference towards products with low environmental impact and carbon footprint. It is important for Riverstone to manage and reduce the carbon footprint of our products and increase the energy efficiency of the manufacturing processes to remain a leader in glove manufacturing. Our approach to energy and emission can be found in our Energy Policy. The purpose of this approach is to minimize the climate impact of our activities. The effectiveness of Riverstone’s approach is assessed regularly by evaluating our recent performance against past years’ performances and goals. Our goals and strategies are updated and revised to reflect the rapidly changing business environment. Studies have shown that Scope 3 emissions have the highest impacted compared to Scope 1 & 2 combined.

The manufacturing process of gloves is energy-intensive. The stages of production that require the highest amount of energy are dipping lines, followed by the compressor, chiller production, and chiller packaging. Pending Scope 3 calculations, the largest scope of emissions currently for Riverstone is Scope 1 emission, from the burning of fossil fuel to generate steam and heat for our production operations.

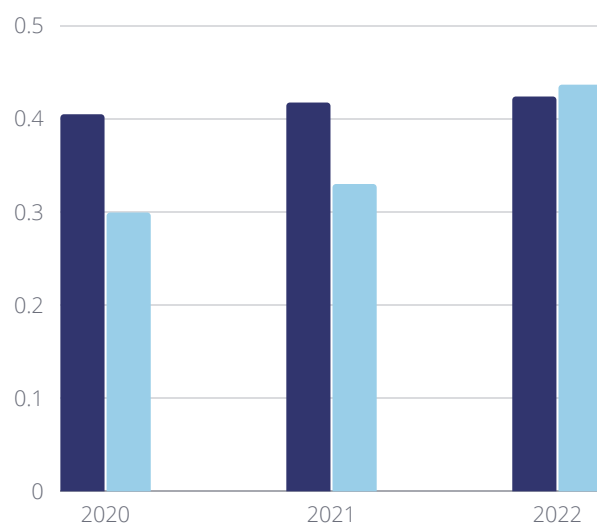
Energy use target, 2020-2025

The management has set a goal for energy use reduction up until 2025. Riverstone aims to reduce energy use/ 1000 pieces of gloves by 2% each year for the next 3 years. By 2025, we hope to decrease our energy intensity by at least 10% from 2020 levels. Energy intensity for non-renewable energy is relatively constant at 0.4 GJ for 3 years in a row, while renewable energy used sources have climb from 0.30 GJ in 2020, to 0.43 GJ in 2022. This is due to increased renewable energy production from more solar panels installed to increased biomass sourced energy

Energy Performance



Energy Intensity, GJ/1000 pieces



● Non-renewable ● Renewable

generation. Riverstone is committed to reduce our energy usage. Our engineers have implemented several projects to increase energy efficiency and redesigned a few processes to recover energy at various points of the manufacturing process.

ENERGY

Energy Efficiency Project

Our plants employ real-time monitors to track electricity consumption at each production line and related facilities. Real-time monitoring allows us to identify production stages that are energy-intensive and consequently helps us to recognize areas of improvement. To achieve our energy reduction goals, Riverstone has planned and implemented a number of energy efficiency projects. We have invested in improving existing manufacturing sites and purchasing production equipment that is more energy-efficient.

Our engineers observe and evaluate the energy efficiency projects that we implement. Following the success of several energy efficiency projects, we have expanded these projects to more production lines.

We implemented several energy recovery projects at EMG Plant 2, Taiping that aim to reduce steam and gas consumption. In 2022, our engineers expanded this project to 8 more production lines.

Our engineers are constantly searching for ways to reduce energy wastage and optimize energy usage in our manufacturing processes.



ENERGY

Chillers at the production and packaging stage consume the highest energy consumption after dipping lines. To reduce energy usage, it is important that we make improvements to the efficiency of the chillers. Our engineers are constantly searching for ways to reduce energy wastage and optimize energy usage in our manufacturing processes.

In 2022, we implemented the spot cooling system project that changed from induction motor to Eco-motor which can save up to 3.51 kW/hr. Besides, our planned solar energy upgrade to phase 2 would contribute to an increase in annual harvested energy by 600 kWh. The solar panels will be further extended to each production facilities' rooftop and all associated buildings.

The continuation of energy reuse through flash steam recovery from production lines will preheat all incoming municipal water source from 28 °C to 42 °C, while required temperature for production is 70 °C, the residue heat requirement for acids and alkaline tanks 1 and 2 will be obtain from the cooling tanks, the balance heat will be generated by the boilers. At RRSB-BB, an energy saving compressor has replaced the previous compressor to reduce the supplied air fluctuation, hence, the saving of 5.3% electricity consumption in kWh was achieved.

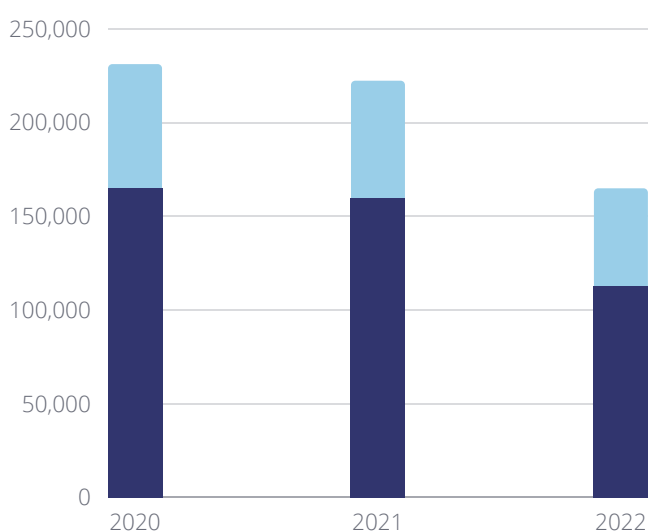


ENERGY AND EMISSION

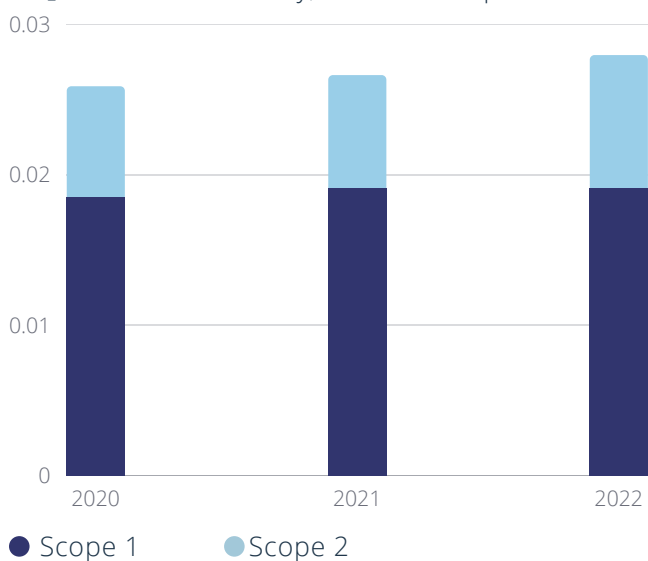
CO₂e Emission Performance

Our carbon emission is calculated in accordance with World Resources Institute's (WRI) and World Business Council for Sustainable Development's (WBCSD) GHG Protocol Corporate Accounting and Reporting Standard. All Scope 1 and Scope 2 emissions are calculated using GHG Emissions Calculation Tool.

CO₂e Emission, tonnes



CO₂e Emission Intensity, tonnes/'000 pcs



Renewable Energy: Biomass

We utilize biomass to generate steam and provide heat energy to ovens and tanks at our dipping lines. Our primary biomass sources are wood chips and wood residuals. At some manufacturing plants, we also use agricultural by-products such as palm kernel shell, mesocarp, and rice husk as biomass.

Our biomass boilers in Taiping use multicyclone dust collectors to reduce particle emissions.

The Continuous Emission Monitoring System (CEMS) was implemented at EMG Plant 2 in 2021. The CEMS automates the emission monitoring system.

Renewable Energy: Solar

To reduce our greenhouse gas emissions, we have installed solar panels on the rooftops of EMG's manufacturing plants in Taiping.

The solar panels cover 16.3% of the rooftop space. Phase 1 has a capacity of 542.7kWp and was completed in February 2022. In 2022, the solar panels yielded 576 kWh of electricity and offset an estimated 337 tonnes of carbon dioxide.

We are planning to install more solar panels at other manufacturing plants to increase the percentage of renewable energy use at our facilities.



RENEWABLE ENERGY SAVING

Data in 2022

52.3 MW

Average electricity saving per month in main manufacturing plant using renewable energy

576,296 KWH

Electricity saving annually in 2022 (Phase 1)

4863.6 TONS

Steam recovered from production lines

Phase 2 Energy Recovery plan

600 KWH

Energy savings for 2024



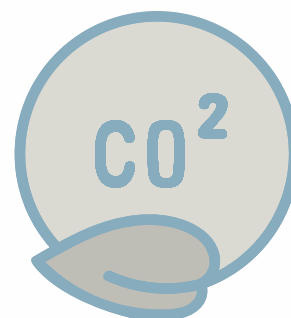
224.8 TONNES CO2

Total carbon dioxide offset by renewable energy in 2022

Equivalent to 911 times of electricity charges saved for Tesla model-Y (most sellable model 2022)

APPROX. 2500 TONNES CO2

Total emissions reduced upon implementation in 2022



WATER AND EFFLUENT

Management Approach

Clean and reliable water supply is essential for Riverstone's manufacturing process. Clean water is used to leach out hydrophilic and residual chemicals on our products, especially our cleanroom gloves. Large volume of water is also used for cooling purposes in our manufacturing process. We depend on clean and reliable water supply to ensure the quality of our products meets our customers' expectations. Riverstone's water policy outlines our approach toward water management. We believe having a solid management approach is essential for managing and mitigating the risk of water supply disruption, shortages, water pollution and floods.

We use the World Resource Institute's (WRI) Aqueduct Water Risk Atlas and World Wildlife Fund's (WWF) Water Risk Filter to evaluate the flood, drought, and water stress risk at the location of our manufacturing facilities. None of our manufacturing facilities in Malaysia is located in a water-stressed region. None of our operations is located in areas with high flood or drought risk. The highest water-related risks at our manufacturing facilities are riverine flood risk and untreated connected wastewater risk. Although none of our manufacturing sites is located in water-stressed regions, Riverstone periodically evaluates the risk of water shortage to be better prepared for the events.

Most of Riverstone's manufacturing operation is located in the tropics. Although rainfall is abundant year-round, increasing water demand and river pollution are risks that can affect the reliability of the clean water supply. It is important for us to understand our water withdrawal, source of withdrawal, and effluent discharge quality at each site and evaluate the impact of our water use on the surrounding area.

Effluent Management

Wastewater from our manufacturing activities is treated internally by our wastewater treatment plant (WWTP) before being released back to the water system. The WWTP team is responsible for treating the effluents produced from our manufacturing process and monitoring the quality of water discharged. The WWTP ensures that effluent discharged from all facilities follows the local standards of wastewater discharge. Each site has at least one trained and certified competent person to ensure the treatment plant is operating well. Several departments collaborate to assess the water use at our sites to identify areas for water-use efficiency improvement in our manufacturing process.

Water Use Target

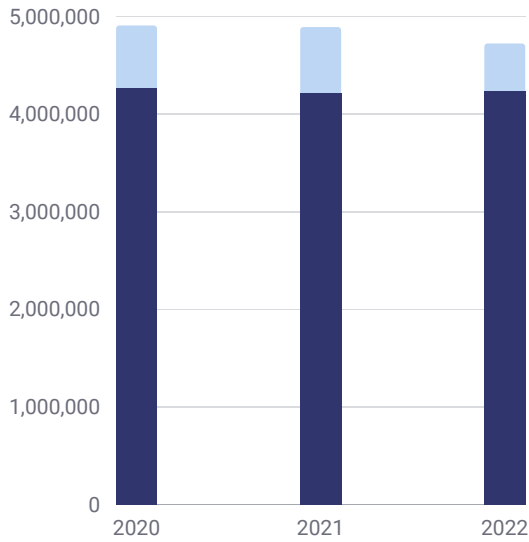
The management has set a goal for water use reduction up until 2025. Riverstone aims to reduce the total water intensity (water withdrawal per 1000 pieces of gloves) by 5% each year over the next 3 years. By 2025 we plan to reduce water withdrawal by approximately 25% from 2020 levels.



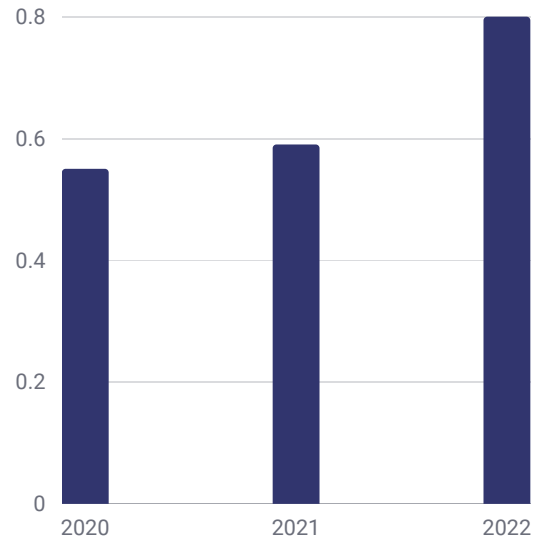
WATER AND EFFLUENT

Water Withdrawal Performance

Water Withdrawal, m³



Water Intensity, m³/'000 pcs



● Municipal Water
 ● Raw water

*Raw water includes rainwater, pond water, and groundwater.

*Have excluded all fire-fighting tank meter and Lot 137



WATER AND EFFLUENT

Rainwater Harvesting

The water we use in production is mainly supplied by municipal waterworks. EMG Plant 2, our largest glove manufacturing facility, is located in Taiping, the rainiest town in Peninsular Malaysia. Capitalizing on the abundant rainfall in Taiping, EMG has a rainwater recovery system to reduce our reliance on municipal water.

EMG Plant 2 uses two abandoned mining ponds located adjacent to our manufacturing facility as rainwater retention ponds. This site also has a rooftop rainwater harvesting system. Harvested rainwater is stored at a 2600m³ detention pond and with 1m-depth.

Our raw water treatment plants remove impurities and ensures the raw water harvested meets the quality requirement for our production use. The rainwater harvesting system supplements our main water supply and provides 22% of water at EMG Plant 2 in 2022.

Our wastewater treatment team is studying a membrane treatment system. The goal of the study is to improve the raw water quality by 50%.

We are collaborating with external parties to study the latest membrane treatment system and target to improve the water quality at-least 50% from the existing TDS quality. The project initiated with prototype system consisting of media filter, softener, and customized membrane filter.

Water Recycling

We have invested in water recycling infrastructures at EMG Plant 2 and Bukit Beruntung plant to reduce water withdrawal at our manufacturing sites.

The water recycling project at the Bukit Beruntung plant has an estimated daily savings of 250m³ currently, which is around 6% of the daily consumption. The project at Eco Medi Glove has a daily recycling rate of approximately 110m³ per day. We aim to increase the daily recycling rate to 3000m³ per day by 2025, which is around 37% of our present water discharge rate.

We continue to seek ways to improve our water recycling capability and increase our recycling capacity so that higher volume of wastewater can be reused in our production stages. The quality of water is monitored closely to ensure that the quality of our gloves is not compromised during the leaching process.

WATER RECYCLED, M3/1000 PCS

Year	Total	Recycled water Intensity (m3/1000)
2021	46,897.9	0.006
2022	64,137.5	0.011

WASTE MANAGEMENT

Management Approach

Proper management and disposal of waste and by-products are important to safeguard the health and safety of our employees and the surrounding communities, and to reduce the risk of contamination to the surrounding environment.

Riverstone Waste Management Policy sets out our approach to waste management. The purpose of our approach is to minimize or prevent negative environmental impacts of our operations. Our waste management approach aligns with the ISO 14001:2015 standard. We apply the waste hierarchy to reduce and manage waste.

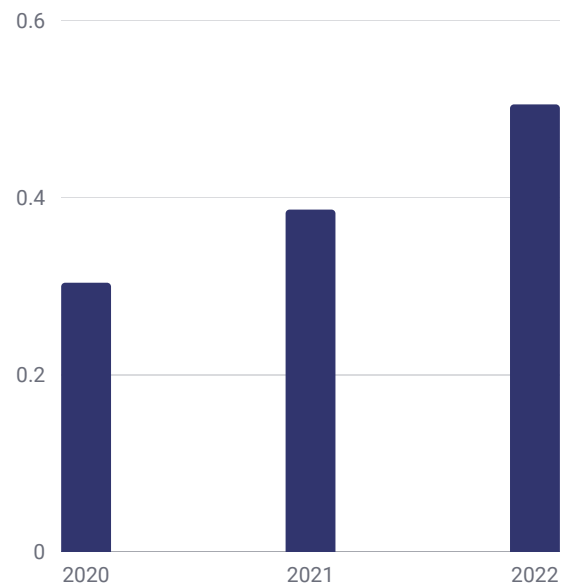
Scheduled Waste Management

We engage with licensed scheduled waste contractors, who are authorised by the Department of Environment (DOE), to dispose of hazardous and scheduled waste. Scheduled waste is sent to licensed facilities for chemical or recovery treatment.

The wastewater treatment plant (WWTP) department is responsible for managing and ensuring the safe disposal of scheduled waste. Each site has at least one trained and certified scheduled waste competent person responsible for ensuring that scheduled waste is managed, stored, and disposed of in manners that comply with the Environmental Quality (Scheduled Wastes) Regulation, 2005. The production team is responsible for minimizing the waste produced at each stage of the manufacturing process.

Our schedule waste are inclusive of rubber lump and sludge, the schedule waste in 2022 have increased 24% compare to year 2021. Due to this, we have conducted multiple trials for new developed product formulation such as low curing temperature and high softness glove product.

Sludge and Rubber Lump Waste Intensity, kg/'000 pcs



WASTE MANAGEMENT

Process waste such as rubber lumps and sludge comprises much of the waste produced at Riverstone. Other waste generated from our operation includes plastic and paper packaging material. Prevention is our preferred option when dealing with waste.

We keep a record of the weight of scheduled waste generated to help us better understand our waste profile and identify potential areas of improvement. We are also working to reduce the amount of packaging in our products where possible.

Waste Reduction Projects

In collaboration with the Department of Environment, we have set up several electronic waste collection kiosks at our factories. This is to encourage employees to dispose of their electronic waste safely and ensure that electronic waste is dealt with in an environmentally sound manner.

Our WWTP team also engages with third parties to transform by-products from production into new materials or usable products where possible. By-products from the boiler are used as a soil-neutralizing agent in palm oil plantations. Rubber lump from production is recycled into raw material for other rubber products. We are studying to transform used glove formers as a fire retarding agent.

To prevent unnecessary waste generation in our manufacturing process, we are eliminating products that do not have added value to consumers, such as colour variation, from our product portfolio. Reducing product diversity decreases the frequency of product changeover at our manufacturing plant.

Each time we perform a changeover, the production crews cool down the oven and remove the remaining raw material, water, and chemicals in the dipping tanks. Once the changeover is completed, reheating the production oven requires additional electricity and gas. Preparing the dipping lines for a new batch of products requires extra energy, water, and raw material.

Each changeover increases water consumption, energy use, chemical use, product losses, and increases the effluent that has to be processed by the wastewater treatment plant. By having fewer product variations in our portfolio, we can decrease the frequency of changeover, and improve our environmental performance.

RESEARCH AND DEVELOPMENT

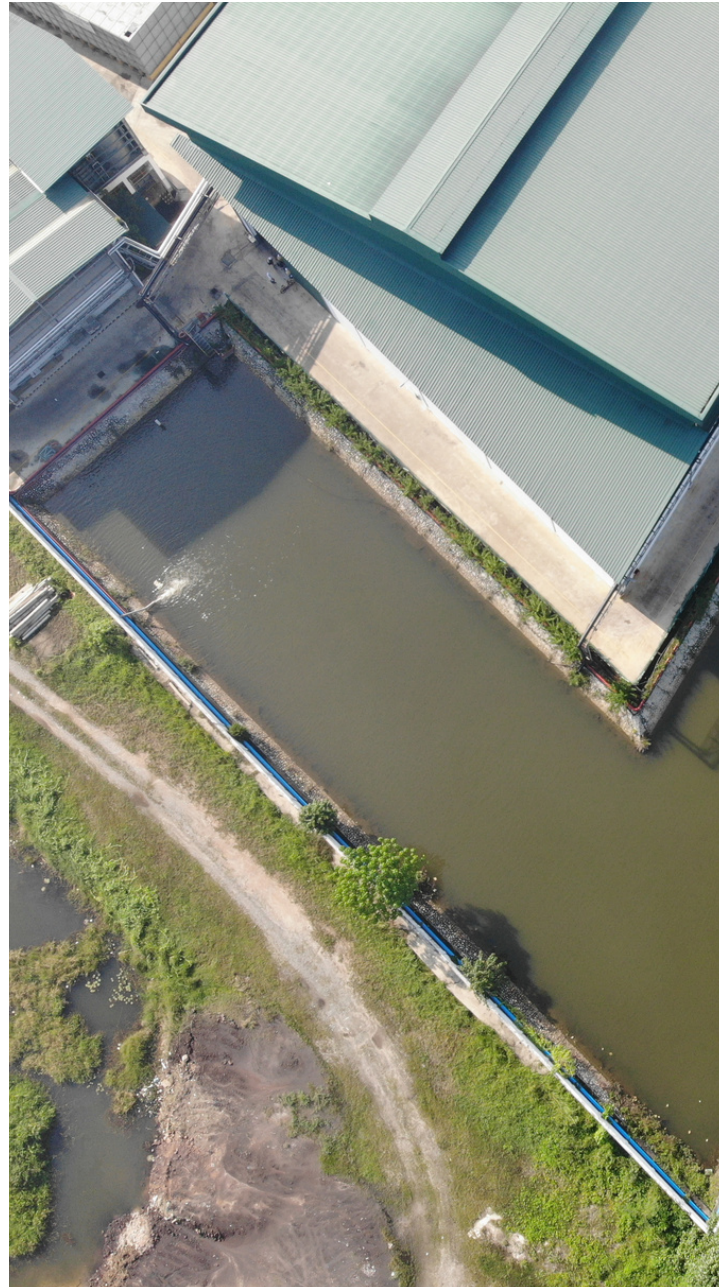
In 1994, Riverstone successfully developed nitrile cleanroom gloves and became the first manufacturer in Malaysia that managed to do so. We are also the pioneer of on-line chlorination technology in Malaysia. Research and development has been central to our business success since the founding of the company. We believe that continuous research & development and product innovation is vital to generate sustainable growth for the company and value for our customers.

We have a research and development facility at Bukit Beruntung, Malaysia. Our research and development team consists of over 20 chemists and chemical engineers and is led by a chemist with 32 years of experience in the industry. We have a dedicated dipping line for research & development work, which allows our team to carry out product development and prototype testing in a short span of time. Over the years, we have developed numerous innovative products that suit our customers' needs.

Our strong research and development focus allows us to collaborate with our customers on collaborative projects to provide customized solutions. Our experienced research and development team is able to cater to a diverse customer base with varying needs.

We also have extensive partnerships with our key suppliers, which enables us to become one of the global leaders in cleanroom glove manufacturing.

One of our mid-term goals is to develop products that minimize the environmental footprint of our manufacturing process and products.



OCCUPATIONAL HEALTH & SAFETY

Management Approach

Occupational Health and Safety (OHS) is one of our top priorities. As a company with over 3000 employees, it is important for us to have a strong occupational health and safety management framework to ensure all our employees feel secure working with us. Riverstone's Health & Safety policy establishes Riverstone's approach and expectations towards occupational health and safety. The boundary for this material topic includes all operations under Riverstone.

Occupational Health and Safety Management System

Riverstone's Occupational Health and Safety management system is audited by a professional independent consulting firm annually to ensure we are in compliance with the ISO 45001:2018 standards. All of our manufacturing sites have obtained the latest ISO safety standard ISO 45001:2018 since 2021.

Riverstone's occupational health and safety management system covers all workers within our operations. This includes our employees and contractors who provide temporary service to the company at Riverstone's premises.

The top management of Riverstone evaluates the effectiveness of the implementation of safety and health management systems at least once a year. Riverstone regularly reviews and identifies standards, guidelines, best practices, recommendations, and new training programs that are necessary to ensure a safe and healthy workplace.

Hazard identification, risk assessment, and incident investigation

Riverstone establishes and implements processes for hazard identification and risk assessment.

The health and safety committee members conduct hazards identification and risk assessment across all of our manufacturing sites and offices in line with ISO 45001 management system criteria at least once a year. Riverstone conducts cross-department internal audits at least once a year to ensure that all activities in the workplace comply with the local laws, regulations, and requirements, and ensures that the health and safety management system is implemented effectively. The risks and hazards identified from routine workplace inspections are eliminated or mitigated using the hierarchy of controls.

Riverstone has a reporting procedure in place for workers and other stakeholders to report occupational hazards and hazardous situations. Occupational injuries or illnesses are reported to the health and safety officer.

All incidents and accidents are investigated by the investigation panel to determine the root cause of the incident and the failure of compliance. The investigations are led by the health and safety officer. After an incident investigation is done, the team will identify corrective or preventive actions to ensure similar incidents will not recur. In the case of work-related accidents or illnesses, Riverstone will fully bear the cost of treatment. Workers are encouraged to report directly to the Environment, Health, and Safety Committee (EHSC) when there is any work situation that might lead to unsafe or unhealthy conditions.

As part of the Occupational Health and Safety management system, Riverstone has an emergency response procedure to address potential emergency incidents such as fire outbreaks and chemical spills. The emergency response team (ERT) prepares for and responds to any emergency incident. The health and safety team organizes fire drills annually and chemical training for everyone whose work involves exposure to chemicals to ensure that employees are familiar with emergency response plans.

OCCUPATIONAL HEALTH & SAFETY

Worker participation in occupational health and safety

The Health and Safety Committee comprises 50% management representatives and 50% employee representatives. A registered competent Health and Safety officer leads the Safety Committee and oversees safety rules and procedures compliance. Riverstone employees are represented in the Health and Safety committee through employee representatives; each department has a representative on the committee. The core responsibilities of the committee are to minimize occupational health and safety risks and prevent injuries. The committee meets at least once every 3 months to highlight concerns about workplace health and safety, suggest areas for improvements, and discuss topics related to health and safety at the workplace. The committee provides a platform for the employees to directly communicate health and safety-related topics to the Safety and Health department and the management.

The executives, managers, and supervisors are responsible for executing the Environmental, Health, and Safety Policy and in developing occupational health and safety-related knowledge and skills for those under their supervision. The responsibility of the committee members includes implementing safety & health policies, submitting new proposals to address any unsafe work conditions, assisting in conducting incident investigations, and performing internal health and safety audits.

Worker training on Health and Safety

All workers are required to attend health and safety training provided by the Human Resources department and other relevant departments when they first join the company. The training provides information, including the basic guidelines on health and safety at workplaces, the types of hazards that are present, and the risk controls for each hazard. Health and safety training and information are provided in languages that are easily understandable by the workers. A translator is present during training to ensure that all foreign workers are able to understand the information provided by the trainers.

Employees are provided safety training specific to their job scopes, performed by the head or supervisor of the division where the employee works. Employees who are involved in maintenance and repair work and other high-risk tasks are required to take additional work training conducted by the head or supervisor of the division to ensure that all works are carried out in accordance with safe working procedures.

Training evaluations are performed by the HOD to evaluate the effectiveness of the training conducted and monitor employees' understanding of training received. After evaluation, the HOD will determine if further training is needed. Each department is required to provide training to employees annually to ensure that employees are updated with occupational health and safety risks and measures.

OCCUPATIONAL HEALTH & SAFETY

Promotion of Employee Health

Employees receive free medical treatment at panel clinics and our worker dormitory has a clinic with full-time paramedics. Riverstone also provides all employees with medical insurance. Under our labour policy, no workers or potential workers should be subjected to medical tests that could be used in a discriminatory way.

**There are no major injuries recorded and the root cause of the incidents was mainly due to inattention and inadequate training. The Safety and Health department has taken the necessary preventive and corrective action plans for all the recorded incidents.

2022 Occupational Health & Safety Results

Acheived	Maintain 0 incident resulting in fatality
Acheived	Maintain 0 incident resulting in permanent disability
Acheived	Maintain 0 case of occupational poisoning & disease
Acheived	Improvement notice less than 2 from BOMBA/Fire dept. and 3 from DOSH, 0 fine from both department
**Not Achieved	< 5 cases of injury that result in a loss of more than 4 days of man-days
Acheived	< 25 cases of injury that result in loss of less than 4 days of man-days



LABOUR RIGHTS

Management Approach

At Riverstone, we are strongly committed to respecting the rights of our employees and advancing their welfare. We work to create an inclusive and safe environment where all employees are provided fair and equal opportunities to thrive. Labour rights continue to be a topic of concern for our key stakeholders. We recognise foreign migrant workers play important and significant roles in our operation and face unique vulnerabilities. We continue to work actively to ensure we provide a safe and secure working environment to all local and foreign employees.

We engage with third-party auditors such as Sedex Members Ethical Trade Audit (SMETA), Business Social Compliance Initiative (BSCI), and Responsible Business Alliance (RBA) regularly to ensure that all of our manufacturing facilities meet the standards for social governance. We were audited by Worldwide Responsible Accredited Production (WRAP), a social compliance program, in 2022. In FY2022, we conducted third-party audits at all plants. The auditors assess areas including signs of forced labour or child labour, employee health and safety, business ethics, and management system. Our commitment to respecting labour rights is described in our policies, including Labour Policy, Migrant Worker Policy, and Code of Conduct. We strive to provide an inclusive and safe workplace for all.

Responsible recruitment

Riverstone practices a zero-recruitment fee policy. We are committed to eliminating the practice of migrants paying recruitment or any fees related to their employment at Riverstone. We are responsible for all employment-related costs of migrant workers. This includes, and is not limited to, fees and costs for interviews, travel, meals, permit applications, medical screenings, departure and return transportation, and accommodation. The human resources department regularly engages with our employees to ensure that they do not bear any recruitment fees and employment-related costs. If an incident of non-conformance is found, immediate action will be taken to reimburse the employee.

We have set up the expectations and details of the recruitment process for local and foreign migrant workers in the Local Worker Recruitment Procedure and Foreign Worker Recruitment Procedure.

Child Labour

Riverstone forbids the use of child labour in our operation and supply chain. All employees at Riverstone are at least 16 years old. Riverstone employees who are under the age of 18 are not employed in night shifts, overtime, and hazardous conditions, such as working with heavy machinery and chemicals. All interns working with Riverstone are given an allowance.

Freedom of Association

Riverstone respects the rights of workers to join or form trade unions, bargain collectively, and engage in peaceful assembly. Our employees shall be able to openly communicate their questions and concerns with the management without fear of intimidation, reprisal, and harassment.

LABOUR RIGHTS

Freely Chosen Employment

Riverstone believes that all work must be voluntary, and we do not tolerate any form of forced labour, including prison, indentured, and bonded labour. We ensure that all employees are provided with a written employment agreement in their native language prior to their departure from their country of origin. The contract of the worker will not be substituted or changed unless these changes are made to provide better terms or to meet the changes in local laws. We bear all the expenses and costs for the working permit application and travel journey of the employees from their home country to the workplace. We do not hold our employees' identity papers such as passports, work permits, government-issued identification, and other original documents. Riverstone provides a safe storage area that is accessible at all times by employees. There are no restrictions on employees' freedom of movement. Upon giving legal notice, workers are free to terminate their employment without penalty.

Working Hours

We recognize that excessive overtime can negatively impact the well-being of our employees and the productivity of our workforce. We comply with all applicable local laws and regulations on overtime and rest days. Our human resource department monitors employee working hours, overtime, and rest days to ensure that no employee works excessively long hours. The HR department ensures that the sum of regular and overtime work hours per week does not exceed 60 hours per week and all employees have 1 day of rest in every 7-day period. Riverstone requires that all overtime work be consensual and wages for overtime are compensated at a premium rate, in accordance with local laws and regulations. Regular third-party audits and internal monitoring ensure that we comply with local laws and our internal policy.

Humane Treatment

All employees at Riverstone are expected to be treated with respect and dignity. Riverstone does not tolerate harsh and inhumane treatment including sexual harassment and abuse, corporal punishment, mental or physical coercion, and verbal abuse.

Non-discrimination

Riverstone is committed to fostering an inclusive and diverse culture in our workspace. We do not discriminate based on race, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership, or marital status in hiring, promotion, access to training, and compensation. Employees' rights to take religious observations are accommodated.

Wages and Benefit

Riverstone has structured our remuneration system transparently and fairly to reward and motivate our employees. Wages are paid, in a timely manner, at competitive rates, and in compliance with local minimum wage law. We ensure that wages should always be enough to meet basic needs and to provide some discretionary income. Employees are provided with understandable information about their employment conditions and the particulars of their wages. Deduction of wages as a disciplinary measure is not permitted.

We conduct performance reviews annually to reward our employees accordingly. Salary increments and bonuses are granted annually in line with Riverstone's financial performance, and monetary incentives are given periodically to reward employees. All workers, regardless of nationality, are eligible for salary increments and bonuses.

LABOUR RIGHTS

Workers' Accommodation

All migrant workers working at Riverstone are provided with accommodation. Internal and external social audits are conducted frequently to ensure that the safety, hygiene, comfort of our workers' living areas are well maintained and meet the local regulations and standards. We own a workers dormitory at Taiping that is built with features and facilities to meet the needs of migrant workers. Workers at Bukit Beruntung live in rented apartments or houses that meet the local housing standards.

Riverstone's dormitory at Taiping is equipped with amenities, including an in-house clinic with full-time paramedics, a 24-hour canteen, fully equipped gym, first aid room, laundry, a grocery shop, and an indoor sports arena to cater to workers' needs.

We recently set up a Sports and Recreation Committee. The committee organizes sports activities, such as volleyball, futsal, and badminton friendlies, for dormitory residents each month.



LABOUR RIGHTS

	Riverstone Resources	Eco Medi Glove
Business Social Compliance Initiative (BSCI)	A	A
Sedex Members Ethical Trade Audit (SMETA)	Certified	Certified
Responsible Business Alliance (RBA)	Certified	Certified
Worldwide Responsible Accredited Production (WRAP)	GOLD	GOLD
ISO 45001: 2018 Occupational health and safety management systems	Certified	Certified
ISO 14001: 2015 Environmental management	Certified	Certified
ISO 13485 Medical devices — Quality management systems	Certified	Certified

HUMAN CAPITAL

As of 31st December 2022, Riverstone had 3010 employees. All of our employees are hired on a permanent, full-time basis. 70.2% of our workforce is Malaysian, and 29.8% are from foreign countries.

Riverstone is committed to create more semi-skilled and skilled job opportunities for the community around us. In 2022, we hired 756 new employees.

Riverstone has a workforce of people from all age groups. About 45.1% of our workforce are younger than 30, 48.8% is between 30 and 50 years old, and 6.1% is older than 50 years old. Having a workforce of diverse age groups brings different strengths and perspectives to our workplace.



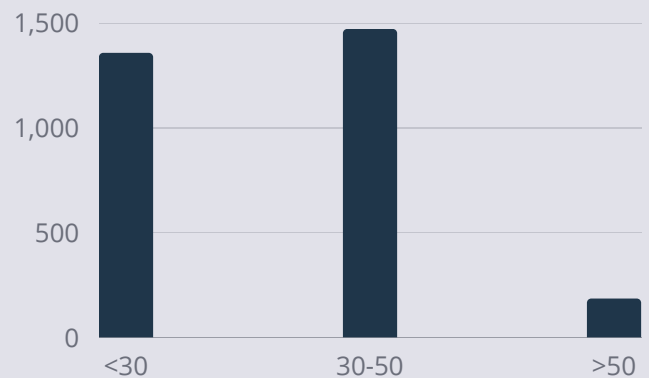
3010
Employees

756
Employees Hired in 2022

Staff by Nationality (%)



Employee by Age



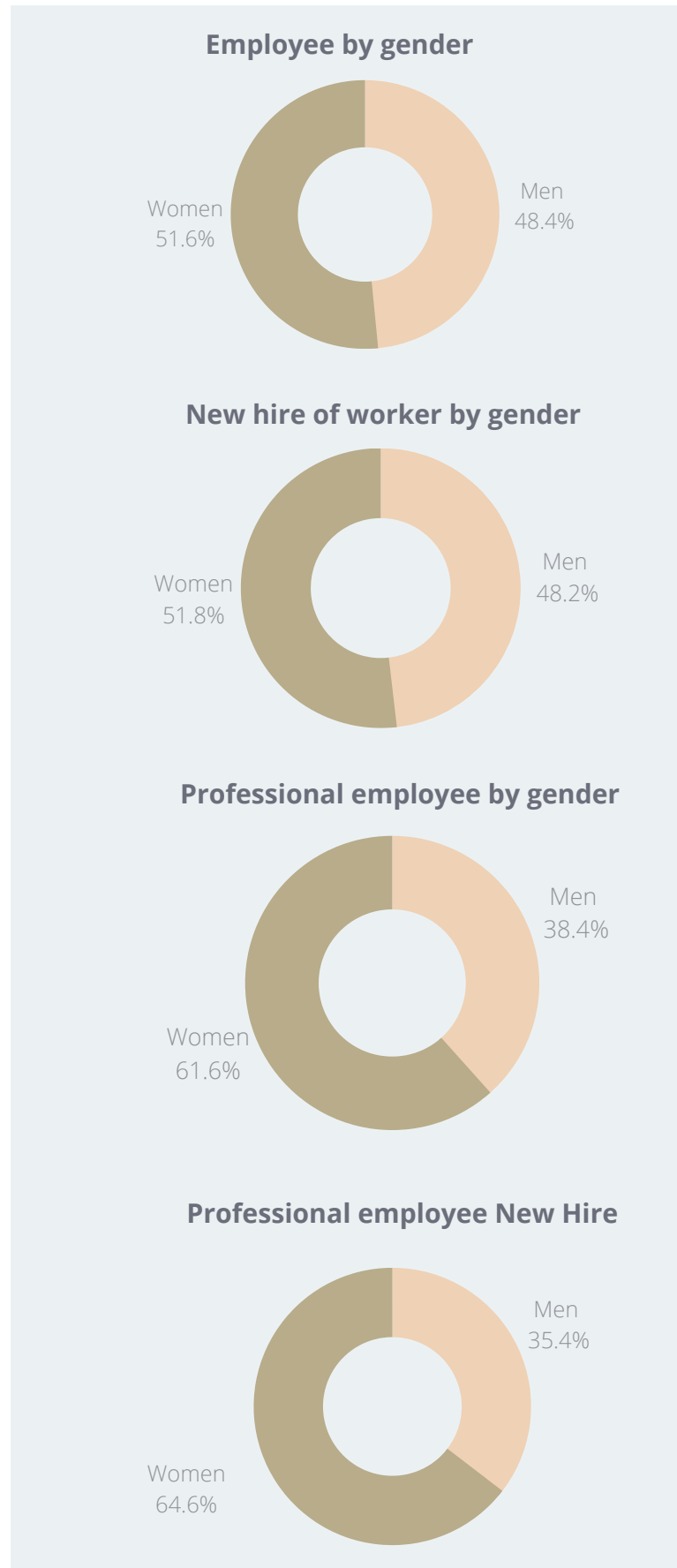
HUMAN CAPITAL

Gender Diversity

Women make up 51.6% of our workforce. 61.6% of skilled and professional employees at Riverstone are women. Employees, regardless of gender, are rewarded fairly based on ability, skills, and performance for comparable roles.

Our recruitment process strictly prohibits discrimination based on gender identity, sexual orientation, marital status, race, religion, skin colour, and age. We recruit employees based on skills, experience, and ability. In 2022, 51.8% of our new hires worker are women, while new hire professional employee for women at 64.6%. Women hold various positions across the hierarchy in different departments of the company.

Riverstone believes that everyone should have equal opportunity for promotion. Promotion is based on merit. 37.5% of managers and assistant managers are women. Women hold HOD positions in various departments, such as Research & Development, Quality Assurance, and Production. Women also hold Country Manager and C-suite roles within the company. Professional employee included staff, assistance manager and manager.



HUMAN CAPITAL

Employee Benefit and Welfare

Riverstone provides fair and competitive remuneration with comprehensive benefits to our employees. Our ability to attract and retain talent ensures long-term sustainable business growth depends on our ability to attract and retain employees.

The Employees' Provident Fund (EPF) is a compulsory savings plan and retirement planning for private-sector workers in Malaysia. Under the EPF scheme, Riverstone and our employees make monthly contributions toward the employees' EPF accounts, under the requirement of the Malaysian government.

Under the Social Security Organization (SOCSO) scheme, Riverstone makes monthly contributions to employees' social security accounts. The scheme covers local and foreign employees. The SOCSO employment injury scheme covers occupational accidents and illnesses. Riverstone also provides all employee with insurance and medical benefits. We periodically reward our employees with incentives on top of increment and bonus.

Training

To ensure that our employees are provided the necessary tools to succeed in their careers, we provide employees with internal and external training. Our training policy requires that HOD review and prepare Training Need Identification for their staff at the start of each year.

In 2022, we spent RM 224,996 on external training. External training conducted in 2022 includes:

- ISO 9001:2015 & ISO 13485:2016 INTERNAL AUDITING
- ISO 14001:2015 & ISO 45001:2018 INTERNAL AUDITING
- RBA - ROOT CAUSES INVESTIGATION
- SUPPLY CHAIN MANAGEMENT (SCM)
- ESG EVOLVE FORUM 2022

After each training session, training evaluations are performed to assess the effectiveness of the training conducted and improve the effectiveness of future training. Our human resources, HOD, and management will identify the training needs of the workforce and coordinate training sessions

Each month, we contribute a levy to the Human Resources Development Fund (HRDF). We utilise this fund to retrain and upskill our employees. We aim to have more unskilled workers transition into semi-skilled and skilled roles. We also aim to enable our employees to meet current and future business needs.

COMMUNITY ENGAGEMENT

Riverstone is committed to making positive impacts and contributing to the communities around our area of operation.

Riverstone believes that opportunities for quality education should be accessible to all. We provided education aid to school children from disadvantaged backgrounds. We have also donated computers and other educational resources to schools in Bukit Beruntung and Taiping to ensure that the children are able to learn with the resources and equipment needed. In 2022, we also donated to nursing homes in Taiping.

Going forward, we will continue to donate to charitable causes that align with Riverstone's values. Access to education is one of our top priorities, and we hope to provide for school children in our community and help schools to be better equipped with the facilities and resources they need. We will also be providing assistance for underprivileged and vulnerable communities.





PRODUCT QUALITY & SAFETY

Riverstone's business is built on a foundation of deep technical knowledge to meet the exacting standards for particle and static control that the electronics industry demands. High product quality and production standards have been our top priorities since the founding of the company. Our customers are major manufacturers in the Hard Disk Drive (HDD) and semiconductor industries, reputable healthcare product distributors and food industries. Our customers depend on our cleanroom gloves to protect sensitive semiconductor products from human contamination. Our healthcare gloves protect users against biohazards while performing general medical practices. It is important to ensure that our products consistently meet our customers' requirements.

We have in-house laboratories equipped with state-of-art facilities, including Liquid Particle Count, Ion Chromatography, Non-Volatile Residue Test, Electrostatic Discharge Test, Gas Chromatography, Air Particle Count, Tensile Strength, and SEM-EDX, to ensure that our products meet the stringent standards of our customers. Our quality control is carried out following international standards such as American Society for Testing and Materials (ASTM), American National Standards Institute (ANSI), and Institute of Environmental Sciences and Technology (IEST).

Our Quality Assurance team is responsible for addressing concerns regarding product quality and safety. We work closely with our suppliers and customers to ensure that product quality is consistent and of high quality. We ensure that the root cause of the product issues is investigated to minimize the chances of similar issues arising in the future.

As a testament to our high-quality control and production standards, we have been accorded international manufacturing certifications:

- ISO 9001: 2015 Quality Management System
- ISO 14001:2015 Environmental Management System
- ISO 13485: 2016 Quality Management System for Medical Devices
- ISO 45001: 2018 Health and Safety Management System
- Certified Directive 93/42/EEC for Sterile Nitrile Gloves
- Certified Directive 93/42/EEC for Sterile Surgical Latex Gloves
- US FDA 510(K) for medical devices
- Registered Japan FDA for medical devices
- Registered China FDA for medical devices
- European Foodsafe Certificate
- EU Type Examination Certification (PPE, regulation (UU) 2016/425)
- Malaysia Medical Device Authority (MDA) Certification

There is no incident of non-compliance concerning the health and safety of our products and services in 2022.



ENVIRONMENTAL PERFORMANCE TABLE

	Unit	2022	2021	2020
Sites that are certified with ISO 14001	%	100	100	100
Sites that are certified with ISO 9001	%	100	100	100
Energy				
Natural Gas	mmbtu	2,025,156	2,893,149	2,992,324
Diesel	litres	276,022	294,643	402,222
Liquefied petroleum gas (LPG)	kilograms	456,630	560,843	586,985
Biomass	tonnes	128,489	136,756	135,259
Solar	kWh	576,296	-	-
Electricity	kWh	89,292,475	107,749,845	113,329,656
Emission				
¹ CO ₂ e emission, Scope 1	tonnes	112,388	159,010	164,597
² CO ₂ emission, Scope 1	tonnes	109,425	155,811	161,433
CH ₄ emission Scope 1	tonnes	20.6	22.4	23.0
N ₂ O emission Scope 1	tonnes	9.0	9.7	9.5
¹ CO ₂ e emission, Scope 2	tonnes	52,236	63,033	66,299
² CO ₂ emission, Scope 2	tonnes	52,236	63,033	66,299
Biofuel CO ₂ emission	tonnes	228,956	-	-
Water				
Total water withdrawal	m ³	4,721,836	4,890,075	4,906,111
Municipal	m ³	4,230,945	4,209,342	4,265,201
Groundwater	m ³	18,085	21,801	29,914
Rainwater harvesting	m ³	472,806	658,932	610,996
Waste				
Scheduled Waste (sludge and rubber lump)	tonnes	3,038	3,222	2,710

- ¹CO₂e are carbon emission equivalent contain of others residue gases such as CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃
- ²CO₂ are carbon dioxide emission only
- The figure of total water withdrawal of year 2020 and 2021 has been re-stated. As RSBB site total water withdrawal from year 2019 until 2021 did not include the withdrawal main office administration building.
- The diesel consumption re-stated for 2020 and 2021 as includes all sites of glove operation in Malaysia instead RSBB site only

SOCIAL PERFORMANCE TABLE

	Unit	2022	2021
Health and Safety			
Sites certified with ISO 45001	%	100	100
Fatalities	Number	0	0
Occupational disease	Number	0	0
Accident that resulted in lost workday	Number	22	10
Accident frequency rate (AFR)	per million manhours worked	2.05	1.07
Lost day rate	per million manhours worked	33.0	42.8
Number of manhours	hours	10,738,807	9,361,374
Social Performance			
Total Employees	Number	3010	3500
Full-time men employee	Number	1648	2132
Full-time women employee	Number	1078	1368
Age, < 30	%	45.1	55.0
Age, 30 - 50	%	48.8	38.6
Age, >50	%	6.1	6.4
New Hire	Number	756	1186
Men	Number	364	585
Women	Number	392	601
Woman manager	%	37.5	35.3

- 2022 data included EMG new plant (EMG-P3)

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