

SUSTAINABILITY REPORT 2022

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This Sustainability Report has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "Sponsor"). This Sustainability Report has not been examined or approved by Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this Sustainability Report, including the correctness of any of the statements or opinions made or reports contained in this Sustainability Report.

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About This Report

Rich Capital Holdings Limited (hereafter referred to as "Rich Capital", the "Company" and collectively with its subsidiaries, the "Group") presents its annual Sustainability Report (the "Report") which covers the Group's sustainability practices from 1 April 2021 to 31 March 2022 (the "Reporting Period").

The Report provides information about Rich Capital's key sustainability topics, its management approach and its performance across the Group's operations. The Group has chosen the Global Reporting Initiative ("GRI") Standards as it is a more established international sustainability reporting standard for reporting on a range of environmental, social and governance impacts. This Report is prepared with reference to the GRI Standards - "Core" option and incorporates the primary components of the report content as set out under Listing Rule 711B of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist ("Catalist Rules") and Practice Note 7A Sustainability Reporting Guide which provides the "Comply or Explain" requirements on sustainability reporting under Catalist Rule 711B.

The Group's material topics are identified based on their impact on our internal and external stakeholders, as outlined in the Key Stakeholder Engagement section. Detailed section reference with GRI standards is found at GRI Standard Content Index Page. The Sustainability Task Force of the Group, that provides oversight of sustainability issues has assessed that external assurance is not required as the Group has limited operations in the Reporting Period. The Group will continue to strengthen the sustainability reporting framework in the next few years as the Group diversifies into property development, property investment and management, and provision of specialist construction services business.

As part of our continued efforts to improve our reporting, stakeholders are welcome to send enquiries regarding the Report to us at general@richcapital.com.sg.

Executive Director Statement

The Group will continue to adopt sustainability practices relevant for the property development and investment and its specialist construction business, *inter alia*, the assessment of joint venture partners and contractors for environmental, social and governance compliance as well as engaging the local communities in which the Group's projects are based in.

Governance and Statement of the Board

Rich Capital is committed to contributing its fair share of shaping a sustainable society. We have established a Sustainability Task Force comprising senior management currently headed by the Group Deputy General Manager for Projects and Operations who provides oversight over the Group's sustainability objectives and progress so as to align with our strategic direction. As part of the Group's strategic formulation, the Board has considered the sustainability issues as part of its strategic formulation, determined the material Environmental, Social and Governance factors ("Material ESG Factors") and overseen the Management and monitoring of the Material ESG Factors.

The Group has also adopted a precautionary approach in its strategic decision-making and day-to-day operations by ensuring material risks are identified and mitigated to an acceptable level. The Sustainability Task Force will continue to monitor, review and assess the environmental, social and governance factors relevant to the Group from time to time in the future and at least on an annual basis to create long-term value for our stakeholders.

Identification of Material ESG Factors and Key Stakeholder Engagement

The Group's approach to sustainability starts from the identification of key stakeholders and relevant factors relevant to the Group's business. The Group regularly engages and communicates with all our stakeholders and updates on the Group's developments to understand their needs and incorporate these into our corporate strategies to achieve mutually beneficial relationships.

The feedback we receive from our stakeholders helps us to determine our material topics, areas of concern and relevant factors as set out below:

Stakeholders	Areas of Concern	Means of Engagement	Section Reference
Employees	 Ethics and conduct Work environment and condition Fair employment policies Occupational health and safety Disruption of business during a pandemic. 	 Performance appraisal Sustainability reporting Internal policies on safety and health Fair employment practices All work-related events to adhere to prevailing workplace safe management measures 	 Diversity and Equal Opportunities Labour Practice and Work Environment Workplace Safety and Health Ethics and Compliance Anti-Corruption and Whistleblowing Interested Person Transactions
Shareholders and investors	 Economic performance Anti-corruption Sound corporate governance 	 SGX-ST announcements Annual reports Investor relations management Whistleblowing channels Sustainability reporting 	 Ethics and Compliance Anti-Corruption and Whistleblowing Interested Person Transactions Regulatory Compliance Working with Reputable Partners Shareholders' Meetings Diversity and Equal Opportunities
Government and regulatory bodies	Regulatory, legal and industrial requirements	 Comply with both relevant laws, regulations, policies and procedures, where applicable Maintain sound risk management 	 Ethics and Compliance Anti-Corruption and Whistleblowing Labour Practice and Work Environment Interested Person Transactions Regulatory Compliance Working with Reputable Partners Shareholders' Meetings
Communities	Impact to environment from operations	Sustainability reporting	 Energy and Water Consumption Workplace Safety and Health Sustainable Supply Chain Management Green and Gracious Builder Scheme

The relevant factors are prioritised based on the interests and requirements of key stakeholders and their relevance to the Group's business, strategy and business model to identify material factors that are then validated internally.

Material Topics and Boundaries

The Group has referenced the GRI Principles for Defining Report Content to identify material topics which are relevant to its business and to its stakeholders. The Group will report material topics as and when these topics become relevant as a result of the diversification.

The following table summarises the material Environment, Social and Governance ("**ESG"**) topics that are determined to be the most significant to the Group during the Reporting Period. As there are no significant changes in activities of the Company since the financial year ended 31 March 2022 ("**FY2022**"), the material topics remain the same as per FY2021.

Material Topics	Boundaries (where the impacts apply)	
ENVIRONMENT		
GRI 302: Energy and Water	The Group	
SOCIAL		
GRI 405: Diversity and Equal Opportunity	The Group	
GRI 406: Non-Discrimination	The Group	
GRI 419: Socioeconomic Compliance	The Group	
GOVERNANCE		
GRI 205: Anti-Corruption	The Group	

Organisation Profile



Company Name: Rich Capital Holdings Limited

Founded: 1998 Listed on SGX: 2003

Company Headquarters: Singapore

The Company was listed on the SGX SESDAQ (Stock Exchange of Singapore Dealing and Automated Quotation system) in 2003 and subsequently transited to Catalist with effect from 2007. Over the years since its listing in the SGX-ST, the Company had evolved from technology, content and solutions business, mineral resource industry to property development and property investment. The Company adopted its current name and a new corporate identity since 2 May 2018.

Apart from property development and property investment, the Company's business scope also includes providing specialist construction services as well as the acquisition and sale of properties with yield-accretive and/or capital-growth potential.

Our Business

The Group is currently in the midst of identifying new land development opportunities after the recent disposal of the group's former subsidiary, First Capital Pte Ltd. The Group is also currently involved in specialist construction works for clients in the private sector mainly providing labour and consultancy services for building projects in Singapore.

Material ESG Factors and Targets

Environment

As a Group, we are committed to be a responsible partner in the communities that we operate in. In order to achieve this, we ensure that our processes are safe, efficient and environmentally friendly. Our overarching commitment towards sustainability in all our projects includes:

- Compliance with regulatory requirements and guidelines
- Energy and water efficiency
- · Environmentally friendly waste management
- Accessible and safe design for end-users
- Ease of and safety for maintenance
- Efficient structural system that boost construction productivity
- Selection of sustainable materials whenever plausible
- Engagement and communication with surrounding communities

Energy and Water Consumption

Rich Capital is dedicated to maintaining and upholding energy saving standards in its water and electricity consumption. In our property development business, we will review measures and adopt innovative technologies that could help us with improving environmental matters relevant to the property once identified. This includes sustainability certification, energy efficiency and water conservation, promoting responsible sourcing practices along the supply chain and encouraging the use of eco-friendly, sustainable and recycled materials.

The Group had in FY2019 introduced the following practices:

At all our project sites in future, where energy and water consumption can be very excessive, we will encourage and ensure that our appointed contractors adhere to the following practices through regular audits and checks:

- Using recycled water in recycle tanks or sumps at washing bays, harvesting non-portable water for heavy washing,
- ii) Selected products that meet PUB's Water Saving Standards or WELS for our projects,
- iii) Insist on energy saving products, motion sensors light switches and using Low-E or Low-Emissivity glass for our facades, and adopting Photovoltaic Solar panels were plausible.

The Group targets to implement these practices across all of our project sites in the financial year ending 31 March 2023 ("FY2023") as the Group's operations at its project sites in FY2022 were minimal.

Workplace Safety and Health

The Group has requirements in place to enforce Workplace, Safety and Health Act (WSHA), not only within the organisation, but also to our surrounding community and neighbours. We conducted periodic checks and audits for WSHA compliance, prepared Risk Assessments (RA) before any high-risk works were carried out, insisted on Project Quality Plans (PQP), etc. All our projects are also required by the WSHA, Design for Safety (DfS) to identify and address foreseeable safety risks throughout the lifecycle of the projects. However, the labour whom the Group contracted to third party contractors that are deployed with a main contractor at the project site comply with the main contractor's WSH procedures, working under the main contractor's responsibility. The wholly-owned subsidiary of the Group, Merco Pte. Ltd., which specialises in building construction, has been accredited BizSafe Level 3 Risk Management by the Ministry of Manpower (MOM). Contractors are required to ensure that we protect the environment and surroundings for our projects. We ensured that the contractors that we engage have proper access to the worksite, full safety hoarding surrounding the site, deploying security guards, constructing washing bay and Earth Control Measures (ECM) to ensure mud and earth do not spill out of the site together with the trucks and trailers. We will also create a Public Hotline for feedback and issues that the public may raise during construction in the event we have our own dedicated construction site or development property.

We intend for these practices to continue in the future at all work sites and will also make the necessary adjustments and improvements to suit any changes in conditions at the workplace. So far, there had been no reported cases of safety lapses and/or accidents in our project sites in FY2022. The Company also targets to achieve zero fatality, major accidents or incidents and to impose heavy fines for infringement of its internal safety policies in FY2023.

Sustainable Supply Chain Management

Rich Capital takes great care in selecting the right mix of supply chain in order to be aligned with the Group's sustainability strategy. In doing so, the Group seeks to ensure that its contractors, consultants and suppliers can produce the quality of works and fulfil the commitments to the environment, health and safety standards that the Group desires. Our vendors, suppliers and short-listed contractors are selected and pre-qualified based on several factors including face-to-face meetings, track records, customer feedback, project references, and financial stability. In selecting contractors, where it is necessary, we will also visit the project sites to appraise the short-listed contractors' quality of works delivered and check on their safety records and satisfy ourselves that they have a similar belief for the well-being of the environment, safety and quality. The Group will continue to conduct checks and verifications on our selection of major vendors, suppliers and contractors in all our projects.

Green and Gracious Builder Scheme (GGBS)

Rich Capital is also committed to encourage our contractors/builders to adopt the GGBS, an initiative by Building and Construction Authority (BCA). This is to raise the environmental consciousness and professionalism of builders. It is also a benchmark of a builder's corporate social responsibility to the environment and public during the construction of projects. It aims to:

Promote environment protection during the construction of projects;

- Set standards for gracious practices. These practices will improve the image of our builders and the
 construction environment sector, particularly among neighbours and nearby residents who may be
 affected by construction activities; and
- Increase adoption of productive construction methods, which can reduce on-site construction activities and/or shorten construction time on site which also reduces inconveniences to the public.

Social

Diversity and Equal Opportunities

The Group embraces diversity and offers employees a fair and inclusive environment. We do not discriminate our employees in any aspect, including gender, race, religion or age. Employees are recruited based on their ethics, attitude, qualification and work experience. The Group will continue to abide by the local labour laws in the countries that we operate in and promote fair employment practices. All employees are treated with respect and there was no reported incident of discrimination from our employees or the relevant authorities in FY2022 and the Group targets to maintain this performance in FY2023.

As at 31 March 2021, the Group had a workforce of 7 full-time employees which consists of 2 females and 5 males who are all Singaporeans. There were 4 employees who were between 30-50 years old and the remaining 3 employees were above 50 years old.

As at 31 March 2022, the Group has a workforce of 6 full-time employees which consists of 2 females and 4 males who are all Singaporeans. There were 4 employees who were between 30-50 years old and the remaining 2 employees were above 50 years old.

Save as disclosed, there are no significant portion of the organization's activities that are performed by workers who are not employees. For FY2022, the Company's activities at the sites are mostly contracted to third-party contractors instead.

Labour Practices and Work Environment

We believe that our employees are our key assets. We are committed to actively engaging our workforce, motivating them to work together with the Company. Spreading positivity and appreciation in the workplace encourages and helps nurture happy, satisfied employees, spurring their desire to contribute positively to the Company. To complement our commitment to work-health safety, we strive to build a workplace culture that promotes work-life balance and healthy well-being.

During the Reporting Period, the Group management engaged staff on monthly meetings or whenever it is convenient for the purpose of giving them updates, offering opportunities for their feedback, encouraging them to contribute to new ideas, 2-ways interaction between management and subordinates, improvements on work practices, and providing on-the-spot trainings to help them perform better and more efficiently. We also organise small lunches or simple informal staff gatherings and bonding event out of office.

The Management adopts an open-door approach and employees are encouraged to come forward with any work or work environment related issues and are open to dialogue, the Management is expected to help to adjust or assist, if necessary, to create a more inclusive and corporative working environment.

The Company is in process of recruiting new employees in FY2023 to support the Company's increasing business activities.

Governance

Ethics and Compliance

Rich Capital is committed to conducting its business in accordance with the highest standards of business ethics and integrity. We work diligently to ensure that our employees understand and comply with applicable laws, regulations and professional codes of conduct, by informing and updating the employees during regular staff meetings and appraisals.

Anti-Corruption and Whistleblowing

The Group takes a strong and uncompromising stance against corruption and bribery, and does not tolerate any form of malpractice, impropriety, statutory non-compliance or wrongdoing by staff in the course of their work. To achieve the highest standards of integrity and accountability, the Audit Committee (the "AC") has incorporated a whistleblowing policy into the Company's internal control procedures so as to provide a channel for staff to report in good faith and in confidence, without fear of adverse consequences and reprisals, concerns about suspected fraud, corruption, bribery, dishonest practices or other similar improper conduct matters. The objective of the policy is to ensure an independent investigation of such matters and appropriate follow-up action. During FY2022, the Company did not receive any complaints through its whistleblowing avenues. The Group targets to continue to ensure full compliance with its whistleblowing policy in FY2023 and to continuously improve the policy, where gaps and areas of weaknesses have been identified.

Interested Person Transactions

The Company has set out procedures to ensure that all transactions with interested persons are reported on a timely manner to the AC and that the transactions are conducted at arm's-length basis, on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

The Group did not have an IPT general mandate in FY2022.

Working with Reputable Partners

The Group has actively searched for new opportunities and will continue its policy of working with reputable partners with its diversification into property development and property investment and as well as specialist construction works. The Group will continue to engage in meaningful partnerships with established local and overseas players in the property sector, and to reassess all major partners on their environmental and social impacts using topics from the GRI Standards with all our future projects or investments. Working with reputable partners will enhance a project's marketability and branding, which translates into higher levels of sales, value per sq. ft and better profitability. The assessment includes an assessment of their reputation in the industry, sustainability practices, disclosure on their compliance with relevant international and local laws, whether they have taken mitigating actions to address impacts (if any) and whether there have been fines, pending legal disputes, on-going litigations, sanctions or penalties against them for the past three (3) years. The Group targets to maintain these assessment criteria for selecting and working with reputable partners in FY2023.

Regulatory Compliance

We encourage open communication and compliance with the Group's policies and procedures. The Group adheres to the relevant labour standards and complies with local laws. In FY2022, there were no fines or non-monetary sanction as a result of non-compliance with laws and regulations in the social and environmental areas.

Moving forward, the Group's continual commitment towards sustainability will focus on these ESG factors for FY2023 within the office until our projects resume operations:

- Compliance with regulatory requirements and guidelines; and
- Engagement and communication with surrounding communities

Shareholders' Meetings

Rich Capital believes in encouraging shareholders' participation at its general meetings. It delivers the notices of general meetings and related information ahead of the meetings based on the requisite notice period, giving shareholders sufficient time to plan their schedule, review the notices of meeting and the proposed resolutions and appoint and give instructions to proxies to attend on their behalf if they wish. The notice of the webcast (online) meeting was made public through Company's announcements on the SGXNet.

Shareholders were requested to submit any queries via the web-portal, or email their queries to the Company's Corporate Secretary or the general email in advance prior to the general meeting, to address any shareholders' queries, if any, relating to the conduct of the audit and the preparation, content of the auditor's reports, or any other matters. The Company received some queries from SIAS, and were addressed, replied and also uploaded on to SGXNet.

Our Response to the COVID-19 Pandemic

Since the start of 2020, the COVID-19 pandemic took hold of the world, pushing countries into varying degrees of quarantines and lockdowns globally. Economies and social activities slowed down significantly, with most industries taking hard hits operationally and financially. Singapore's economy has not been spared and is still undergoing the challenges even though Singapore is gradually opening up. COVID-19 has cast a thick cloud of uncertainty, and market sentiments will likely remain cautious. The Company has also looked at the following aspects amidst the COVID-19 pandemic.

Social Aspects

During the various Heightened Alerts imposed, the Company has responded to the Government's call to institute safe distancing measures, embrace 'Work from Home' (WFH) arrangements and telecommuting as long as possible and necessary. Where WFH is impossible, the Company has also implemented Safe Entry registry and safe distancing within the office, providing face masks and hand sanitisers to the employees. The Company will continue to do so until it is safe and based on the Government's guidelines and regulations. The Company is also encouraging all employees to take the vaccination when it is available to them.

The economic downturn brought on by the crisis has also threatened livelihoods, and job security which is also a key concern for many employees. However, the Company will maintain the employment of its existing employees as long as the Company is viable to keep the business going.

As at the date of this report, there have been no material disruptions or constraints to our operations due to the outbreak of the pandemic, while there are minimal activities on our project sites for FY2022, All of our client sites have Covid-19 Measures in place nor have we breached any of the COVID-19 restrictions that may lead to penalties by the relevant authorities. Nevertheless, our office remains operational and undisrupted due to the safe distancing measures, as we are still able to operate efficiently from home, where possible.

Business Aspects

COVID-19 pandemic has changed the business landscape and consumer behaviour in an irreversible manner. Given the current economic uncertainty and the lack of investible quality property assets locally, we continue to monitor the market closely for good buying opportunities in a depressed market post COVID-19. The Company will conduct a fundamental review of its business and its business strategy against the operating environment considering all macro-environment factors on a regular basis. It requires the Company to look into the future and consider various scenarios that may play out when we emerge from the pandemic. The Company is actively looking into the possibility of diversifying into businesses outside of the property industry that are less capital intensive, potentially higher margin and generating stronger free cash flow. We strongly believe that the coming fiscal year will be a year of change and we continue to position ourselves to seize any opportunity in the near term by staying lean and with the ability to respond quickly to market changes in this ever-changing business landscape.

Financial Aspects

During FY2022, the Company entered into an agreement to dispose of the entire issued share capital of First Capital Pte Ltd. The Company has completed the disposal of the entire issued share capital of First Capital Pte Ltd on 5 May 2022 and the net proceeds of approximately \$5.86 million (after settlement of the bank loan) will be used to meet ongoing operational and funding requirements. This includes the review of our current property portfolio to align with our business strategy and searching for new opportunities in real estate development and investments.

Environmental Aspects

With the impact of COVID-19, we target to reduce staff carbon footprint from telecommuting and working from home, where possible. We have adopted an active and holistic approach in addressing the threat of climate change through mitigation and adapting energy efficient products in all our projects, focusing on reducing our energy consumption in our worksite, as well as our workplace. With work-from-home arrangements in place, we could contribute to a reduction in greenhouse gas emissions and our carbon footprint. The daily commute is a big contributor to greenhouse gas emissions which are harmful to the environment. Staff commute daily to work releasing toxic pollutants into the atmosphere leading to poorer air and health problems. The Company will do its part in any way to create a sustainable and holistic approach to safeguard our environment and the impact on climate change. The Company has also implemented a Flexi Work Arrangement (FWA) among the staff to be able to work from home. For a start, the Company has allowed staff at least 5 days in a month to work from home.

SGX Five Primary Components Index

S/ N	Primary Component	Section Reference	
1	Material Topics	 Identification of Material ESG Factors and Key Stakeholder Engagement Material Topics and Boundaries Our Business Material ESG Factors and Targets Our Response to the COVID-19 Pandemic 	
2	Policies, Practices and Performance	 Executive Director Statement Our Business Material ESG Factors and Targets Our Response to the COVID-19 Pandemic 	
3	Board Statement	Governance and Statement of the Board	
4	Targets	Material ESG Factors and Targets	
5	Framework	About This Report	

GRI Standards Content Index

GRI Standards	Disclosure Content	Report Section Reference
102-1	Name of the organisation	Organisation Profile
102-2	Activities, brands, products, and services	Organisation Profile Our Business
102-3	Location of headquarters	Organisation Profile
102-4	Location of operations	Organisation Profile Our Business
102-5	Ownership and legal form	Organisation Profile
102-6	Markets served	Organisation Profile
102-7	Scale of the organisation	Annual Report for FY2022 – Financial Contents
102-8	Information on employees and other workers	Social
102-9	Supply chain	Environment
102-10	Significant changes to the organisation and its supply chain	Not applicable as there is no significant change from the Sustainability Report for FY2021
102-11	Precautionary principle or approach	Governance and Statement of the Board
102-12	External initiatives	Environment
102-14	Statement from senior decision-maker	Governance and Statement of the Board Executive Director Statement
102-15	Key impacts, risks, and opportunities	Executive Director Statement
102-16	Values, principles, standards, and norms of behaviour	Governance and Statement of the Board
102-17	Mechanisms for advice and concerns about ethics	Social
102-18	Governance structure	Governance and Statement of the Board Annual Report for FY2022 – Corporate Governance Statement
102-40	List of stakeholder groups	Identification of Material ESG Factors and Key Stakeholder Engagement

GRI Standards	Disclosure Content	Report Section Reference
102-42	Identifying and selecting stakeholders	Identification of Material ESG Factors and Key Stakeholder Engagement
102-43	Approach to stakeholder engagement	Identification of Material ESG Factors and Key Stakeholder Engagement
102-44	Key topics and concerns raised	Identification of Material ESG Factors and Key Stakeholder Engagement
102-46	Defining report content and topic boundaries	About This Report Material Topics and Boundaries
102-47	List of material topics	Material Topics and Boundaries
102-48	Restatements of information	Not applicable as there is no restatement of information in FY2022
102-49	Changes in reporting	Not applicable as there is no change in reporting from the Sustainability Report for FY2021
102-50	Reporting period	About This Report
102-51	Date of most recent report	Sustainability Report for FY2021 was published on 31 August 2021
102-52	Reporting cycle	About This Report
102-53	Contact point for questions regarding the report	About This Report
102-54	Claims of reporting in accordance with the GRI Standards	About This Report
102-55	GRI content index	GRI Standards Content Index
102-56	External assurance	About This Report
302-1	Energy consumption within the organisation	Environment
302-3	Energy intensity	Environment
302-4	Reduction of energy consumption	Environment
302-5	Reductions in energy requirements of products and services	Environment
303-1	Water withdrawal by source	Environment
303-3	Water recycled and reused	Environment
205-1	Operations assessed for risks related to corruption	Social
205-2	Communication and training about anti-corruption policies and procedures	Social
205-3	Confirmed incidents of corruption and actions taken	Social
405-1	Diversity of governance bodies and employees	Social
406-1	Incidents of discrimination and corrective actions taken	Social
419-1	Non-compliance with laws and regulations in the social and economic area	Governance