



承担 Accountability

SUSTAINABILITY REPORT 2024

PURPOSE

To contribute to the advancement of society and well-being of humankind through compassionate innovation.

The Purpose statement of ViTrox reflects the soul of the company. It is the embodiment of our spirit and energy for our existence. We strive to achieve sustainable growth and profitability in our business yet we are mindful not to be overly attached to the material gains. We want to contribute back to the society that we are part of the force for good to shape this world into a harmonious and peaceful world for everyone.

This is achieved through compassionate innovation, which entails the spirit of love, care, empathy, and altruism. The innovations that we create through research and development shall bring about advancement and breakthroughs in technology that create leading-edge solutions for humankind.

OBJECTIVES

We aim to achieve:-

- Excellent & world-class products and services
- Total customer satisfaction
- Continuous growth and profitability
- Long-term partnership with our customers, alliances and employees

VISION

Be the world's most trusted technology company.

We aspire to be trusted by all our stakeholders – customers, employees, suppliers, investors, and the community, by practising and upholding our I.A.C.T.G. core values. We intend to earn and maintain a high level of trust with the altruistic spirit in our relationship with them.

By consistently delivering what we promise, they see ViTrox as the most credible and reliable company to work with. We conduct our business with uncompromised integrity and with the utmost respect for our stakeholders so that they feel comfortable and confident in our relationships.

CORE VALUES



STRATEGIES

INNOVATION

Initiate new ideas and technological breakthroughs. We believe thinking "outside the box" leads to innovation.

CUSTOMER FOCUSED

Make our customers our first priority. We offer our customers the best value products and services in a timely manner, without sacrificing quality.

CONTINUOUS IMPROVEMENT

Continuously improve our products, services, and our organisation as a whole.

MISSION

We are committed to providing the most innovative, advanced and cost effective machine vision solution of excellent quality to our customers through integration of our technology, our people and our strategic alliances.



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COVER RATIONALE



Building on the theme of growth, this year's Annual Report and Sustainability Report covers illustrate the sprouting of seeds planted in 2023. A hand watering these young buds symbolises our commitment to nurturing our core value, with accountability at the forefront.

As the sun's radiance gradually brightens the budding plants, it represents the challenges we navigated in early 2024 and our perseverance in overcoming them, moving forward with hope and optimism for a brighter 2025.

LETTER FROM ESG STEERING COMMITTEE CHAIRMAN



"At ViTrox, ESG is not just a goal but an ongoing journey for greatness."

DATO' CHU JENN WENG

*Managing Director/President/Group CEO
ESG Steering Committee Chairman*

2024 has been a year that tested our resilience, but it has also been a year that reaffirmed who we are at ViTrox. While the road ahead was not always smooth, we embraced each challenge with courage, unity, and an unwavering belief in our Purpose – to contribute to the advancement of society and the well-being of humankind through compassionate innovation. The semiconductor and electronics industries faced uncertainties, from geopolitical shifts to economic fluctuations. Still, through it all, we stood strong, guided by our values and commitment to making a positive difference.

Despite intensified competition and global disruptions, what truly inspired me was the unwavering spirit of our ViTroxians – their versatility, adaptability, and resiliency in the face of adversity. This spirit fuels our progress and strengthens our resolve to build a more sustainable future. As we move forward, we do so with optimism, knowing that together, we can turn challenges into opportunities and continue to create a positive and lasting impact on the world.

At ViTrox, ESG is at the heart of what we do and is guided by our 'inside-out' philosophy. Beyond compliance, we embrace ESG because we truly believe in its value. Every decision considers the broader impact, ensuring a steady and thoughtful approach that benefits all stakeholders. We focus on initiatives that resonate with our stakeholders, creating meaningful and lasting impact. Quarterly ESG meetings help us navigate challenges, aligning our efforts with ViTrox's values and long-term goals.

Investing in people and nurturing the next generation remain central to ViTrox's mission. In July 2024, we began constructing the ViTrox Institute of Technology ("VIT"), a five-story training and industrial research center set for completion in 2026.

VIT represents a transformative step toward addressing talent shortages, advancing STEM education, and driving Malaysia's technological growth. By cultivating the right skillset, mindset, and heartset in future talents, VIT aims to equip individuals with the competencies needed to excel in an increasingly dynamic global landscape.

Our ESG achievements this year have been noteworthy. ViTrox earned a 4-star FTSE4Good ESG rating, placing us among the top 3% of global performers in the Technology Supersector, as evaluated by FTSE Russell. We were honoured with two gold awards at The Edge ESG Awards for the third consecutive year. We were recognised as "The Best Performer in the Technology sector" and for "Most Improved Performance Over 3 Years" among companies with a market capitalisation exceeding RM5 billion. Deloitte further acknowledged our commitment to governance and excellence in sustainability, naming ViTrox the Best Managed Company for the third consecutive year.

ViTrox's ESG journey is rooted in humility, integrity, and a genuine desire to make a meaningful impact. Our core values – Integrity, Accountability, Courage, Trust & Respect, Gratitude & Care ("I.A.C.T.G.") – are deeply embedded in everything we do, ensuring accountability to our customers and stakeholders. By aligning our initiatives with the United Nations Sustainable Development Goals ("UN SDGs"), we strive to reduce poverty (Goal 1), protect the planet, and secure a sustainable future for future generations.

At ViTrox, ESG is not just a goal but an ongoing journey for greatness. It requires perseverance, innovation, and unwavering dedication. As we look ahead, we remain committed to fostering a sustainable future where technology and compassion unite to create value for all.

ABOUT THIS REPORT

We are delighted to share our fourth standalone Sustainability Report ("Report" or "SR") of ViTrox Corporation Berhad ("ViTrox" or the "Company" or the "Group"), which provides a concise overview of our sustainability initiatives integrated into our business operations. Serving as a valuable management tool for internal Environmental, Social and Governance ("ESG") activities, this Report also discloses our mid- and long-term strategies, practices, and advancements. Covering the state of sustainability at ViTrox for the calendar year 2024, it documents our goals, strategies, and performances while highlighting the efforts and initiatives taken, with a focus on issues identified as materially important from ESG perspectives.

REPORTING SCOPE AND BOUNDARIES

The information disclosed in this Report encompasses the sustainability performance of our primary operations in Malaysia, which contributed to 93.1% of our revenue for the financial year ended 31 December 2024. This Report excludes performance information of our foreign subsidiaries and associate. Any boundary adjustments made to the scope of data below will be separately explained in the text of the Report. This Report's scope covers the following:-

- ViTrox Corporation Berhad
- ViTrox Technologies Sdn. Bhd.
- ViTrox International Sdn. Bhd.
- ViE Technologies Sdn. Bhd.
- ViTrox Academy Sdn. Bhd.
- ViTrox Agritech Sdn. Bhd.
- ViTrox Green Sdn. Bhd.
- ViE Sales & Services Sdn. Bhd.
- ViTrox Capital Sdn. Bhd.
- Luvotech MSC Sdn. Bhd.

Economic performance and financial information have been prepared on a consolidation basis, which includes the financial performance of our foreign subsidiaries and our interest in an associate. Data from our annual financial report are used in this Report, and our financial statements are audited by independent auditors and prepared in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

REPORTING PERIOD

The reporting period is from 1 January 2024 to 31 December 2024, unless stated otherwise. Information from past reporting cycles have been included, where available. Our Sustainability Reports are published annually in April and are available on ViTrox's ESG website (<https://www.vitrox.com/esg/>).

REPORTING GUIDELINES AND STANDARDS

This Report has been prepared in accordance with the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad ("Bursa Securities") and refers to Bursa Malaysia's Sustainability Reporting Guide and Toolkits (3rd Edition). Additionally, we have adhered to the best practice sustainability guidelines, standards and framework as follows:-

- FTSE Russell ESG Ratings
- Global Reporting Initiative ("GRI") Standards
- Malaysian Code on Corporate Governance ("MCCG")
- S&P Global ESG Ratings
- Task Force on Climate-related Financial Disclosures ("TCFD") Recommendations
- United Nations Sustainable Development Goals

We utilise UN SDGs to identify relevant material sustainability matters and integrate UN SDGs with our 5 ESG Core Themes into our organisational culture and business operations to achieve our sustainability goals.

FORWARD-LOOKING STATEMENT

This Report involves forward-looking statements relevant to our objectives and strategies connected to our operations and financial or non-financial performance. On certain occasions, these statements can be identified by terminology such as "would", "expect", "endeavour", "goals", "pursue", "intend", "anticipate", "target" and variations of similar expressions that do not relate to historical matters. Forward-looking statements are based upon ViTrox's current expectations, beliefs and assumptions and therefore do not guarantee future performance. It is inherently subject to uncertainties, risks, trends or factors that are difficult to predict and out of our control. Global economic conditions, changes in government regulations and evolving customer expectations, among others, are the contributing factors affecting the actual performance, results or materiality indicated in the forward-looking statement.

EXTERNAL ASSURANCE

This Report has not been externally assured. Nonetheless, the Group's sustainability reporting processes are subject to internal validation, assessments and third-party audits disclosed in this Report.

In preparing this Report, we conducted internal validation to verify the accuracy and integrity of the data disclosed. The content of this Report has been reviewed and endorsed by our Board of Directors ("Board") and ESG Steering Committee ("ESC"), who have ensured the Report's relevance to the Group's business and that current and material issues are covered. We will consider obtaining external assurance for our sustainability reports in the future years.

FEEDBACK

We value your opinions and feedback for our continuous improvement in sustainability initiatives and reporting approaches. Please reach out to us through the following engagement channels to share your views or follow us on our social media page for the latest development of our sustainability programmes.

Tel	604 545 9988
Fax	604 545 9987
Email	esg@vitrox.com
Social media QR code	

ABOUT VITROX CORPORATION BERHAD

CORPORATE STRUCTURE

The Group is principally engaged in the design, development and production of automated vision inspection systems, digital automated vision inspection equipment and modules as well as printed circuit board assemblies for microprocessor applications. Our corporate structure as of 9 April 2025 is presented on page 5 of our Annual Report 2024.

LOCATION OF HEADQUARTERS

ViTrox Corporation Berhad

746, Persiaran Cassia Selatan 3
Batu Kawan Industrial Park
14110 Bandar Cassia, Penang, Malaysia
Tel : 604 545 9988
Fax : 604 545 9987
Website : www.vitrox.com

LOCATION OF OPERATIONS

We continue to expand our global market footprint as a solution provider of innovative, advanced, cost-effective automated vision solutions. We have offices worldwide, in Malaysia, China, Germany and the United States of America, to better serve customers around the world. We continue to maintain our position as a market leader by having 869 worldwide installed base by products in more than 30 countries. We remain grateful to have engaged with more than 60 entities of trusted sales channel partners ("SCPs") throughout the years that reinforced our sales and support capacities to meet our customers' needs better. As of 31 December 2024, we have 939 employees in the Group. Please refer to pages 2 and 3 of our Annual Report 2024, published in April 2025, for further information on our global presence.

CORPORATE OBJECTIVES

ViTrox is committed to continuing our 2 pronged corporate objectives, achieving sustainable 15% year-on-year growth in revenue and profit and delighting our customers with superior products and services in a timely manner. To achieve these goals, the Group relentlessly strives for:-

- Continuous product innovation
- Strategic market expansion
- Lean operation

While we strive for more significant business milestones, we aim to develop strong relationships with employees, shareholders, customers and suppliers. We continue to dedicate ourselves to environmental protection, society and corporate governance to create a sustainable future.

PRODUCTS AND SERVICES

We design and manufacture innovative, leading-edge and cost-effective automated vision inspection equipment and system-on-chip embedded electronic devices. We offer our products and services through our Group's core business units:-

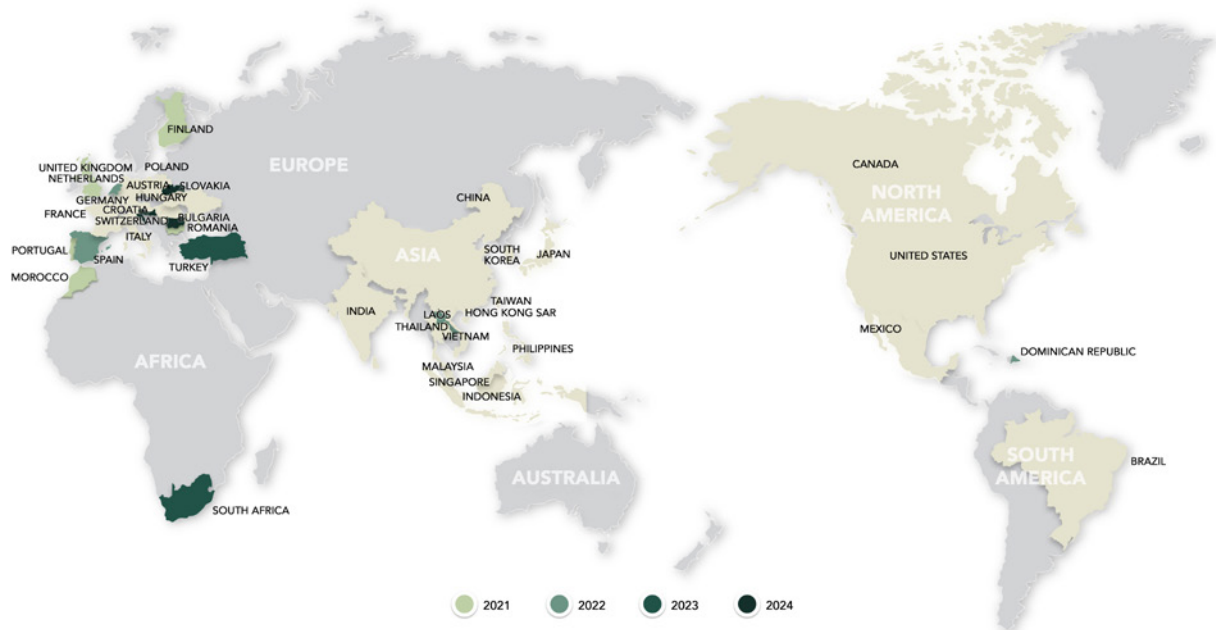
Machine Vision System - Standard ("MVS-S")	Machine Vision System - Tray-based ("MVS-T")	Automated Board Inspection ("ABI")	Integrated Industrial Embedded Solutions ("IIES")	Agritech ("VAG")
Machine Vision System for middle- and back-end semiconductor component inspection	Tray-based Vision Handler for back-end semiconductor component inspection	Optical, x-ray and robotic vision inspection system for electronic board assembly inspection	Integrated Industrial Embedded Solutions for machine automation mainly used in data communication and motion control	Precision farming equipment

Our Group remains committed to serving our customers with the installation of our machine vision solutions, sales and support. We spare no effort to go the extra mile to deliver technical and remote expertise through our business development team and sales and support team.

ABOUT VITROX CORPORATION BERHAD

MARKETS SERVED

ViTrox thrives on exploring new and adjacent market segments every year. Our customer base includes outsourced assembly and test companies, printed circuit board manufacturers, electronic assembly companies, original equipment manufacturers, original design manufacturers, electronic manufacturing service providers and contract manufacturers. In 2024, our top 10 and 20 largest customers together accounted for 44.0% (2023: 52.4%) and 61.7% (2023: 68.1%) respectively of our revenue. We illustrate a snapshot of our market expansion for 2021 to 2024 below:-



Revenue by Market Segment	Unit	2021	2022	2023	2024
Automotive	%	21.8	28.0	23.3	26.9
Telecommunications	%	23.6	28.3	21.7	20.8
Consumers	%	8.5	3.7	21.2	17.5
Industrial	%	4.2	5.4	15.0	10.9
Computing	%	15.3	13.0	3.9	8.6
Memory	%	0.0	0.0	4.3	4.4
Semiconductor	%	2.8	2.4	3.2	3.5
Medical/Healthcare	%	3.3	3.3	1.5	2.9
Aerospace	%	3.9	0.0	2.5	2.7
Mobile Devices	%	11.3	13.6	0.9	0.9
Others	%	5.3	2.3	2.5	0.9
Total	%	100.0	100.0	100.0	100.0

Revenue by Geographical Segment	Unit	2021	2022	2023	2024
China	%	33.2	28.0	37.3	42.6
United States of America	%	12.8	11.5	12.1	14.0
Malaysia	%	24.7	19.3	13.7	13.7
Taiwan	%	13.5	9.2	4.3	8.6
Mexico	%	7.6	17.9	17.3	8.4
Vietnam	%	0.7	1.6	2.3	5.0
Europe	%	1.7	3.2	6.0	0.6
Others	%	5.8	9.3	7.0	7.1
Total	%	100.0	100.0	100.0	100.0

ABOUT VITROX CORPORATION BERHAD

MEMBERSHIP OF ASSOCIATIONS

Over the years, ViTrox has contributed to the development of ESG sustainability matters individually and collectively via business, industry and technology associations. Such participation helps ViTrox achieve business and citizenship goals by enabling ViTrox to work with other companies on issues that affect the industry. Memberships also allow us to keep abreast of industry issues, emerging trends and best practices.

ViTrox actively builds and maintains productive relationships with governments and relevant organisations to communicate with key stakeholders on issues including industry development, technology, employee welfare, and environmental sustainability. Through membership in industry associations and non-profit organisations, we contribute positions on the development of public issues and in the formulation of relevant industrial policies and monitor our publicly disclosed positions on climate change and whether they are aligned with the goals of the Paris Agreement.

ViTrox participates in the following associations to promote industry dialogue and development:-

Name of Organisation	ViTrox's Representation
Collaborative Research in Engineering, Science and Technology	ViTrox Technologies Sdn. Bhd.
Federation of Malaysian Manufacturers	ViTrox Technologies Sdn. Bhd.
Institute of Printed Circuit	ViTrox Technologies Sdn. Bhd.
International Electronics Manufacturing Initiative, Inc	ViTrox Technologies Sdn. Bhd.
Malaysia Semiconductor Industry Association	ViTrox Technologies Sdn. Bhd.
Malaysian Employers Federation	ViTrox Technologies Sdn. Bhd.
Penang Skills Development Centre	ViTrox Technologies Sdn. Bhd.
Semiconductor Equipment and Materials Institute ("SEMI")	Siaw Kok Tong, Board Member, Regional Advisory Board of SEMI Southeast Asia
Small and Medium Enterprises Association of Malaysia	ViTrox Technologies Sdn. Bhd.
Surface Mount Technology Association ("SMTA")	Seow Zi Yang, Treasurer, SMTA Penang Chapter Tan Piet Gek, Committee Member, SMTA Penang Chapter
The Free Industrial Zone, Penang, Companies Association	ViTrox Technologies Sdn. Bhd.

In alignment with the Company's commitment to achieving net-zero carbon emissions, Scope 2, by the end of 2030, ViTrox signed the Malaysia Digital Climate Action Pledge ("MDCAP") in 2022 as part of our first cohort. MDCAP is a corporate pledge that aims to build capacity and increase the adoption of sustainability and climate actions by businesses across the digital economy. It was jointly developed by Malaysia Digital Economy Corporation in partnership with United Nations Global Compact Network Malaysia and Brunei. MDCAP is an initiative to accelerate the number of commitments made by businesses across the digital economy, delivering a measurable reduction in the impact of climate change. MDCAP is in line with the third theme of the 12th Malaysian Plan ("RMK-12"): Advancing Sustainability. Upon signing this pledge, we committed to:-

- Share our sustainability best practices in terms of strategies, action plans and initiatives
- Conduct business operations in an environmentally responsible manner through the practices of Reduce, Reuse and Recycle
- Take action to minimise greenhouse gas ("GHG") emissions by implementing energy

Cost of Associations Participation

Category	Unit	2021	2022	2023	2024
Lobbying, interest representation or similar	RM'000	0	0	0	0
Local, regional or national political campaigns/organisations/candidates	RM'000	0	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	RM'000	¹ 92	¹ 50	¹ 87	48
Other (e.g. spending related to ballot measures or referendums)	RM'000	0	0	0	0

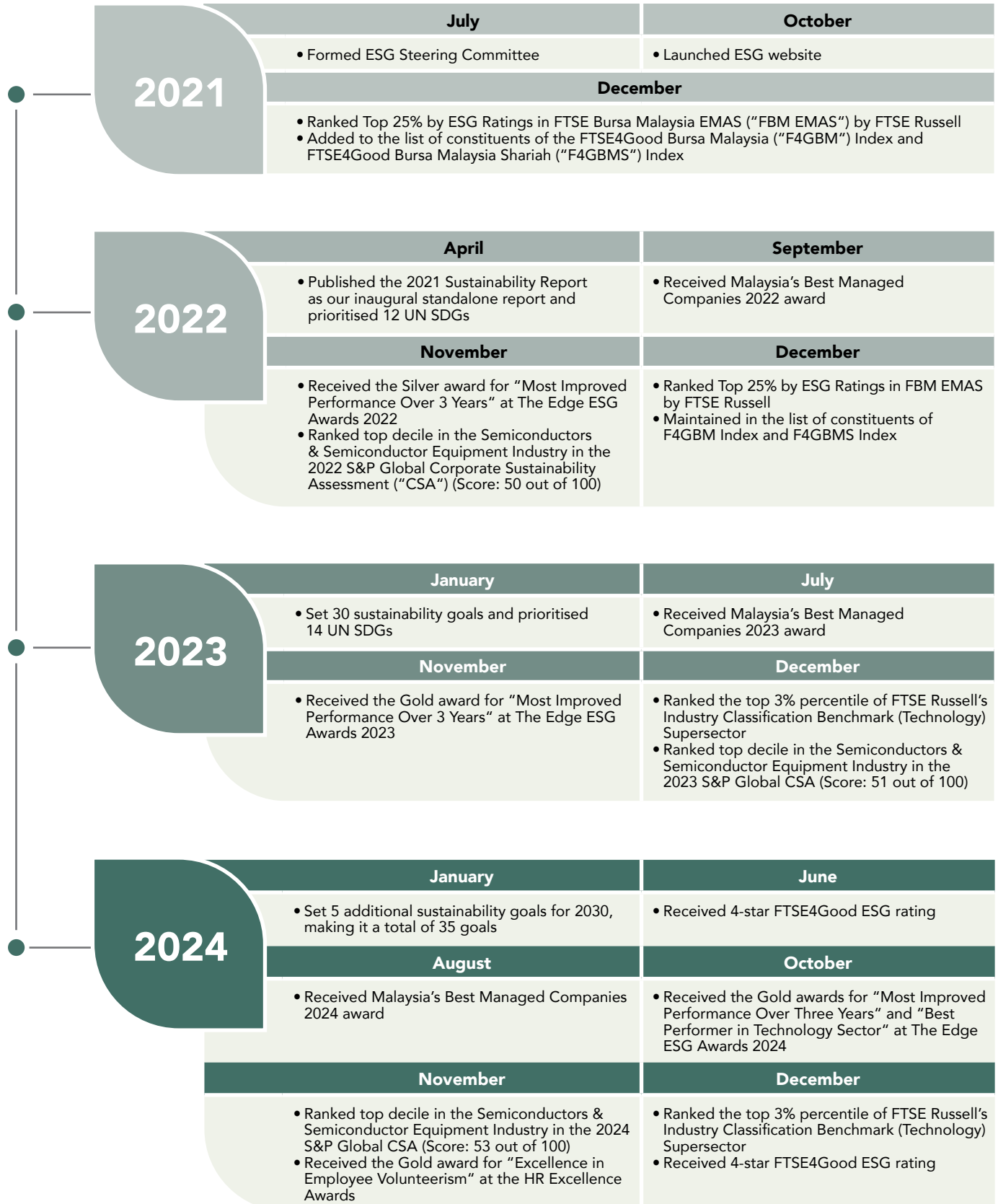
Note:-

¹ Restatement of figure due to data update.

ViTrox has always followed relevant legal requirements and maintained political neutrality. ViTrox did not make any political donations or contributions in the reporting period or other spending related to ballot measures or referendums.

PERFORMANCE HIGHLIGHTS 2024

OUR SUSTAINABILITY ROADMAP



PERFORMANCE HIGHLIGHTS 2024

IMPORTANT AWARDS AND RECOGNITIONS

	Best Managed Companies 2024 ViTrox was honoured as one of Malaysia's Best Managed Companies for 2024, sponsored by Deloitte Private. This recognition reaffirms our dedication to industry-leading performance and excellence in business practices. We remain committed to our core values and to building the world's most trusted technology company.
	Global Technology Award 2024 ViTrox is excited to announce that its V810i Advanced 3D X-Ray Inspection ("AXI") System – Series 3 Dual-Lane "S3 DL" has been recognised with the 2024 Global Technology Award in the category of Inspection Equipment – X-Ray.
	HR Excellence Awards 2024 ViTrox has been honoured "Gold" for the category of "Excellence in Employee Volunteerism" at the HR Excellence Awards 2024.
	Malaysia Smart Manufacturing Award 2023 ViTrox has been recognised with the Leadership in Smart Manufacturing Award at the Malaysia Smart Manufacturing Awards 2023. This prestigious award acknowledges ViTrox's outstanding achievements in embracing Industry 4.0 technologies and practices, reinforcing its commitment to innovation and excellence in the manufacturing sector.
	Mexico Technology Award 2024 ViTrox is delighted to announce that its V810i Advanced 3D X-Ray Inspection System – S3 DL has been honoured with the 2024 Mexico Technology Award in the category of Inspection Equipment – X-Ray.
	New Product Introduction Award 2024 ViTrox has received the prestigious 2024 New Product Introduction Award from Circuits Assembly on 6 March 2024. The awards recognised our exceptional innovation and breakthroughs showcased in the V510i Advanced 3D Optical Inspection "AOI" Solution for Advanced Packaging, the V810i "AXI" Solution – V810i 3D AXI S3 DL, and the V9i Advanced Robotic Vision "ARV" Solution – V9i ARV XL.
	SEMI SEA Industry Leader of the Year Award 2024 Managing Director/President/Group CEO Dato' Chu Jenn Weng received the SEMI SEA Industry Leader of the Year Award 2024. The award celebrates the exceptional contributions of a leader in the semiconductor ecosystem throughout the Southeast Asia region.
	The Edge ESG Awards 2024 – Most Improved Performance Over Three Years (Gold) ViTrox is honoured with the gold award for "Most Improved Performance Over Three Years" at The Edge ESG Awards 2024. The award falls under the equity category of companies with a market capitalisation of over RM5 billion.
	The Edge ESG Awards 2024 – Best Performer in Technology Sector (Gold) ViTrox is honoured with the gold award for Best Performer in the Technology sector at The Edge ESG Awards 2024.
	4-Star FTSE4Good ESG Rating and Top 3% Percentile by FTSE Russell ViTrox achieved a remarkable milestone with a 4-star FTSE4Good ESG rating and remains among the top 3% of performers worldwide in the Industry Classification Benchmark (Technology) Supersector, as evaluated by FTSE Russell.
	Top decile in S&P Global CSA ViTrox scored 53 out of 100 in the 2024 S&P Global CSA. Under the dimensions of Environmental, Social and Governance & Economic, ViTrox achieved a perfect score in Product Quality & Recall Management and Customer Relations, and a remarkable 98 points in Human Rights.

SUSTAINABLE PRACTICES

SUSTAINABLE GOVERNANCE

In July 2021, ViTrox's Board of Directors ("Board") established the ESG Steering Committee ("ESC" or "Committee") to serve as the highest level of authority in the planning and supervision of sustainability-related strategies, priorities and targets and facilitate the accomplishment of sustainability management policies and goals. As the leader of our sustainability governance, the Board considers the integration of ESG matters within the Group's business strategies, including the development and implementation of company strategies, business plans, major action plans and risk management. The Board also plays a supervisory and guiding role in determining the likelihood of success of the strategies, regularly reviewing the improvement progress and guiding the management team to make adjustments as needed.

The ESC formation aims to create a seamless collaboration among our people to adapt our ESG strategies to each asset class while driving ownership and accountability across the Group. The Committee comprises ViTrox's senior management and is chaired by ViTrox's Managing Director/President/Group CEO who oversees the Committee's performance and reports the progress to the Board. While the senior management continues to set the Company on a growth trajectory, it remains equally focused on creating positive environmental and social impacts. The ESC updates the Board with the understanding and knowledge of sustainability matters, the Chairman of ESC reports to the Board on the Company's sustainable performance and plans as well as key issues and countermeasures that stakeholders are concerned about. Meanwhile, the ESG Working Group ("EWG") supports ESC and the Board in integrating and implementing sustainability practices into their day-to-day operations. A snapshot of ViTrox's sustainability governance and their respective duties are presented below.

Governance Structure	Duties and Responsibilities
Board of Directors	- Oversee the overall responsibility of ViTrox's ESG strategies - Review the terms of reference, policies and procedures relevant to ViTrox's sustainability agenda - Expand adequate resources to ESC to perform its duties and provide professional consultancy services for them
Environmental, Social and Governance Steering Committee Chairman : Dato' Chu Jenn Weng Member : Siaw Kok Tong Yeoh Shih Hoong Lim Kim Seng Wee Kah Khim	- Advocate sustainability strategies, policies and goals to the Board - Evaluate the effectiveness of the sustainability strategies, policies and goals - Provide oversight and input on the Group's sustainability agenda to align with the Group's values and commitment - Review the Report and other issues arising from independent auditors, regulators or consultants - Advise and recommend strategic positioning to the Board on emerging sustainability risks and opportunities
Environmental, Social and Governance Working Group	- Assist ESC in integrating the Group's sustainability strategies into business operations and implementing initiatives towards achieving the Group's sustainability ambition - Identify sustainability matters and formulate action plans - Supervise interdepartmental communication and coordinate resource integration

ViTrox believes that maintaining a good degree of communication and understanding with all the internal and external stakeholders involved is highly essential in our journey to be good corporate governance and a reputable sustainable business entity. Hence, the Group recognises the need to conduct a continuous dialogue and information sharing with relevant stakeholders in a timely, effective and transparent manner. The Board is mindful of consistently updating all stakeholders with the understanding and knowledge of sustainability matters to effectively discharge its role in ESG oversight, including climate-related risks and opportunities.

MATERIALITY ANALYSIS

Materiality analysis serves as a crucial compass in shaping our Report, establishing enduring sustainability goals and facilitating effective communication with our stakeholders. The materiality analysis process allows us to understand stakeholders' concerns and change of attitude regarding sustainability information, thereby enhancing the transparency of sustainability matters on different communication channels.

ViTrox conducts materiality analysis annually to track trends and developments related to the mid- to long-term goals of our material topics by collecting stakeholders' expectations and feedback through diverse communication channels. Based on the materiality analysis outcomes, we realign sustainability targets and strategies for planning and reallocating resources into ViTrox's material topics.

SUSTAINABLE PRACTICES

MATERIALITY ANALYSIS (CONT'D)

Material Topics Analysis Process

In accordance with international sustainability reporting standards, ViTrox follows the systematic guidance of GRI 3: Material Topics 2021 to identify key sustainability matters. Our method considers stakeholders' concerns and the actual and potential impacts on the economy, environment, people, and human rights across our operations and business relationships. To facilitate this process, we have implemented a 4-stage materiality analysis, a structured approach that allows us to identify, assess and prioritise material topics most relevant to our business and stakeholders. Subsequently, we translate these priorities into concrete and measurable long-term sustainability goals, demonstrating our dedication to transparent and impactful sustainability practices.

Identification of Sustainability Matters	- Identify, gather and consolidate the relevant inputs from discussions and interviews with our internal stakeholders, including employees and representatives of different functional departments who frequently engage with the external stakeholders - Benchmark industry best practices by analysing insights from industry peers and noting key developments since the last materiality analysis - Research sustainability trends and review global initiatives and frameworks to compile an initial list of potential sustainability matters
Categorisation and Prioritisation of Sustainability Matters	- Assess the materiality level of each sustainability matter through evaluations conducted by business unit managers - Identify relevant stakeholders and evaluate the impact of each sustainability issue on the Group's operations. Consider the degree of influence stakeholders have on decision-making, their expectations, and the broader effects on the economy, environment, people and human rights - Prioritise sustainability issues based on the concept of double materiality by assessing both how sustainability matters affect stakeholder perceptions and how the Company's operations and business relationships influence the economy, environment, people and human rights - Identify key sustainability matters by analysing internal documents and processes, peer reviews and Risk and Opportunity ("R&O") register - Review the R&O register periodically as part of our risk assessment process to ensure our sustainability practice effectively addresses key sustainability matters - Secure the R&O register to align with legislative requirements and industry best practices while addressing stakeholders' interests
Review and Validation	Review existing Group policies, related compliance requirements, R&O registers and examine sustainability trends in the industry sector and the reporting practices of peer companies
Endorsement	ESC reviews and the Board approves the materiality analysis

Since 2021, we have strategically realigned our priorities and collaborated with the EWG members to conduct a comprehensive materiality analysis. Our primary aim was to identify ESG material factors that may significantly impact ViTrox's business or substantially influence the decisions of stakeholders. This year, we further enhanced our assessment by evaluating both the impact of sustainability matters on stakeholder perceptions and the Company's influence on the economy, environment, people and human rights. This approach aligns with GRI Material Topics: 2021, ensuring all material topics are accurately identified and reported.

In 2022 and 2023, we pinpointed over 15 sustainability matters, prioritising 11 of them as material topics. We also reviewed the corresponding long-term goals, programmes, and resource allocations to ensure alignment with our sustainability strategy. The process involved a thorough update of the list of material topics through in-depth desktop research, ensuring it accurately captured prevailing internal and external stakeholder concerns.

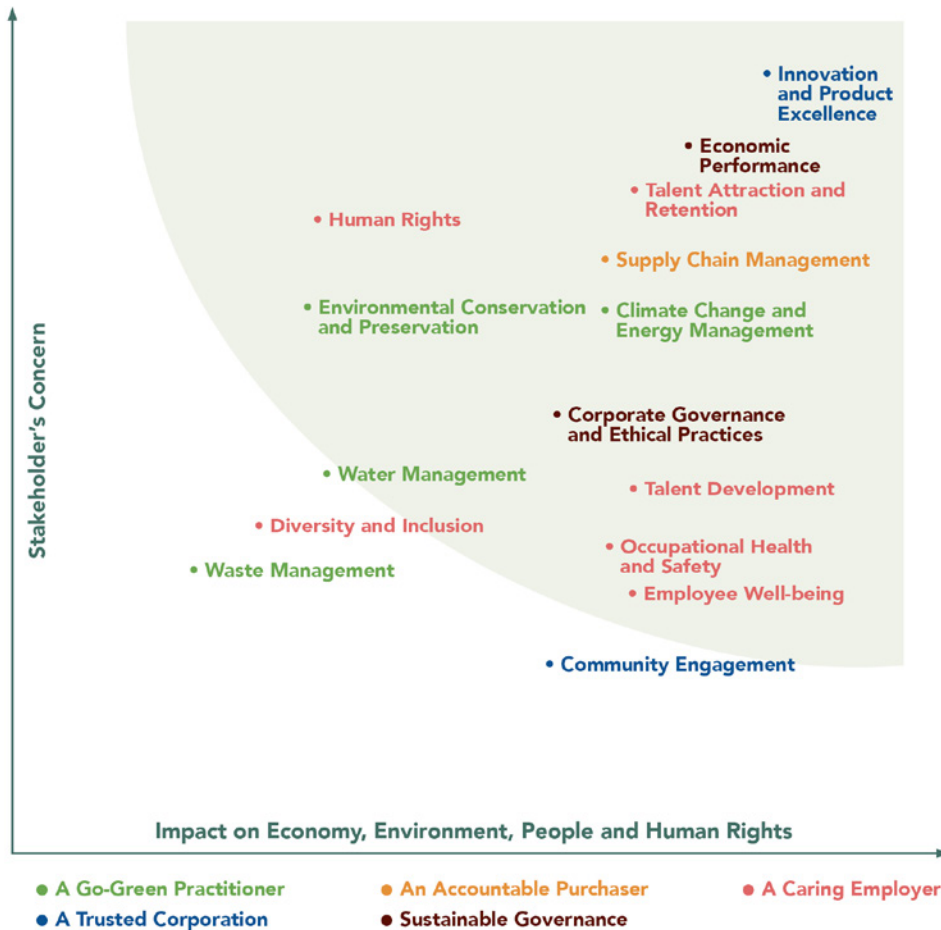
Following our latest review in 2024, we reaffirm that the key material topics identified in the previous year remain highly relevant to our business and stakeholders. Given the dynamic ESG landscape, we continue to monitor emerging trends, regulatory developments and industry best practices to ensure our sustainability approach remains robust and responsive to stakeholder expectations.

The identified sustainability matters are illustrated in the materiality matrix. The x-axis represents the actual and potential impacts on the economy, environment, people, and human rights, across the Company's activities and business relationships. The y-axis indicates how critical each issue influences the stakeholders' decisions about engaging with our business.

SUSTAINABLE PRACTICES

MATERIALITY ANALYSIS (CONT'D)

Materiality Matrix



Notes:-

¹ Stakeholders scored differently in their degree of concern and influence for each issue.

(10 points = highly concerned, 8 points = concerned, 6 points = somewhat concerned, 4 points = mildly concerned, 2 points = not concerned)

² ViTrox ESG representatives score for impact on economy, environment, people and human rights.

(10 points = highly impacted, 8 points = impacted, 6 points = moderately impacted, 4 points = not much impacted, 2 points = not impacted)

Explanation of differences from the 2023 Materiality Matrix:-

- Compared to last year, the impact of "Climate Change and Energy Management", "Corporate Governance and Ethical Practices" and "Employee Well-being" on the economy, environment, people and human rights has witnessed a notable increase compared to the preceding assessment period.
- Replaced "Workplace Health and Safety" with "Occupational Health and Safety".

We categorised our sustainability matters according to the ESG pillars as follows:-

Our Environmental Endeavour	Our Social Involvement	Our Governance Management
Material Topics		
- Climate Change and Energy Management - Environmental Conservation and Preservation	- Employee Well-being - Human Rights - Occupational Health and Safety - Talent Attraction and Retention - Talent Development	- Corporate Governance and Ethical Practices - Economic Performance - Innovation and Product Excellence - Supply Chain Management
Secondary Topics		
- Water Management - Waste Management	- Community Engagement - Diversity and Inclusion	

ViTrox integrates our sustainability strategies into 5 core themes: A Go-Green Practitioner, An Accountable Purchaser, A Caring Employer, A Trusted Corporation and Sustainable Governance.

SUSTAINABLE PRACTICES

MATERIALITY ANALYSIS (CONT'D)

Materiality Matrix (Cont'd)

Material Topics

Core Theme	Sustainability Matter	Significance to ViTrox's Operations	Potential Impact to ViTrox's Operations	GRI Specific Topic	Contributions to UN SDGs
 A Go-Green Practitioner	Climate Change and Energy Management	Good energy management practices improve operational performance and reduce environmental burdens and carbon footprint	- Operational performance will deteriorate and environmental burdens will increase - Unstable power supply will cause a direct impact on production capacity and Company reputation	GRI 302:Energy GRI 305:Emissions	7, 13
	Environmental Conservation and Preservation	Clean technology initiatives minimise operations and value chain's environmental impact to promote sustainable consumption	Failure to meet customer needs might compromise customer trust and affect the Company's market image	GRI 304:Biodiversity	12, 15
 An Accountable Purchaser	Supply Chain Management	A sustainable and responsible supply chain secures stable sourcing of materials, cost competitiveness, delivery of quality products and is critical to business continuity	Disruptions in the supply chain will impact Company operations and our commitment to customers	GRI 203:Indirect Economic Impacts GRI 204:Procurement Practices GRI 308:Supplier Environmental Assessment GRI 414:Supplier Social Assessment	8, 12, 13
 A Caring Employer	Talent Attraction and Retention	Talented employees support our global competitiveness and maintain our competitive advantages, thereby contributing to sustainable and long-term business growth	The outflow of talented employees will directly affect our competitiveness	GRI 201:Economic Performance GRI 401:Employment	5, 8
	Talent Development	Good training and development programmes help to retain talents and improve employee performance through regular education and training	The Company's competitive advantage and growth momentum will suffer if talents fail to progress with evolving landscapes	GRI 404:Training and Education	4
	Occupational Health and Safety	Maintaining employee safety and health and providing a good workplace environment are conducive to improving productivity and quality	Safety and health risks may lead to significant economic or social loss for the Company and hence undermine competitiveness	GRI 403:Occupational Health and Safety	3, 8
	Employee Well-being	- Providing physically and psychologically safe and conducive working environment where our people are recognised, appreciated and treated with care and respect - Positive workplace encourages employees to stay healthy, happy and motivated	Safeguard ViTroxians' physical health and mental well-being to build a positive working environment	GRI 403:Occupational Health and Safety	3

SUSTAINABLE PRACTICES

MATERIALITY ANALYSIS (CONT'D)

Materiality Matrix (Cont'd)

Material Topics (Cont'd)

Core Theme	Sustainability Matter	Significance to ViTrox's Operations	Potential Impact to ViTrox's Operations	GRI Specific Topic	Contributions to UN SDGs
 A Caring Employer	Human Rights	Upholding the fundamental rights and interests of employees and providing a harmonious working environment	Company reputation, employee morale and talent recruitment could suffer from the lack of proper protection for the human rights of our people	GRI 402:Labour/Management Relations GRI 406:Non-discrimination GRI 407:Freedom of Association and Collective Bargaining GRI 408:Child Labour GRI 409:Forced or Compulsory Labour GRI 412:Human Right Assessment	5, 8, 10, 16
 A Trusted Corporation	Innovation and Product Excellence	Continuous innovation of technologies to lower costs, improve efficiency and strengthen our core competencies to meet customer demands	Continuous innovative breakthroughs can increase revenue and remain sustainable	GRI 201:Economic Performance GRI 203:Indirect Economic Impacts GRI 418:Customer Privacy	3, 9, 12, 17
 Sustainable Governance	Economic Performance	Adopting prudent business plans, disciplined capital management and financial performance to create long-term economic value and build a solid financial foundation	Lost of investors' confidence in our long-term investment value	GRI 201:Economic Performance GRI 207:Tax	1, 8, 9
	Corporate Governance and Ethical Practices	Creating good corporate ethics to drive long-term business success	Good business conduct and ethics ensure sustainable operation, avoid operational risks and enhance corporate image	GRI 205:Anti-corruption GRI 405:Diversity and Equal Opportunity	16

Secondary Topics

Core Theme	Sustainability Matter	Management Approach	GRI Specific Topic	Contributions to UN SDGs
 A Go-Green Practitioner	Water Management	Adopting water management initiatives to reduce water consumption and use intensity	GRI 303:Water and Effluents	6
	Waste Management	Executing the 5R principles – Refuse, Reduce, Repair, Reuse and Recycle – in the waste management programme and adherence to environmental regulations in the handling of waste disposal	GRI 306:Waste	12
 A Caring Employer	Diversity and Inclusion	Enhancing workforce diversity and inclusion to unlock the full potential of human resources available as we respect differences and believe that equal employment opportunities strengthen our competitiveness	GRI 202:Market Presence GRI 405:Diversity and Equal Opportunity	5, 10
 A Trusted Corporation	Community Engagement	Cultivating volunteerism through our activities and supporting the local communities through our corporate social responsibility programmes	GRI 203:Indirect Economic Impacts GRI 413:Local Communities	1, 4

SUSTAINABLE PRACTICES

STAKEHOLDER ENGAGEMENT

At ViTrox, we believe that consistent communication and understanding with all internal and external stakeholders are essential in our journey to becoming a reputable sustainable business entity with good corporate governance. The Group conducts continuous dialogues and information sharing with the relevant stakeholders in a timely, effective and transparent manner. The invaluable feedback from our stakeholders provides direction to our business as we grow to become a responsible corporate citizen.

We empower respective business divisions to assess the best approach to engage our stakeholders in our mission to achieve meaningful engagements that fulfil our stakeholders' needs. We engage with our stakeholders across various channels and frequencies, from daily communications and weekly updates to quarterly follow-ups and annual meetings. In the context of sustainability, we place high importance on key stakeholders who significantly influence our business or are affected by our operational activities. We compiled information regarding the concerns of each group of stakeholders, the methods and frequency of engagements and our responses to the concerns raised in the table below.

Stakeholder	Engagement Channel	Sustainability Concern	Main Focus of Sustainability Matters	Key Communication Outcomes
Customers	Annually - Operational audit and discussion - Exhibition and roadshow Ongoing - Communication and discussion meetings - Customer satisfaction survey - Online customer support system (VCare) - User Group Meeting	- Product innovation - Product quality - Customer service - Purchase experience - Sustaining long-term relationships - Information security - Demonstration of good ESG adherence and practices	- Innovation and Product Excellence - Corporate Governance and Ethical Practices - Environmental Conservation and Preservation	- Discussed and communicated product innovation and information with customers during customer visits - Conducted regular customer satisfaction surveys and collected feedback from customers on our products and services to strengthen long-term customer relationships - Planned for technology and product development and stimulated the sales and marketing strategies according to customers' feedback - Executed Customer Experience Recovery Action programme to strengthen the customer experience - Ongoing upskilling training programmes for employees to enhance customer service quality and satisfaction - Conducted site installation and provided constructive consultation - Shared our core values with worldwide SCPs
Employees	Annually - Appraisal and performance review - Annual company dinner Quarterly - Employee satisfaction survey - Employee suggestion programme - Quarterly meetings - One-on-one meetings Ongoing - Employee engagement programmes - Festival gatherings - Formal meetings and discussions - Special interest club activities - Training and development programmes - Team building programme - Volunteering activities	- Sustainable growth and development of organisation - Career development and training - Frequent communication, discussion and engagement - Equal opportunity for career advancement - Law-abiding operations - Safe and healthy working environment - Employee relationship enhancement	- Talent Attraction and Retention - Talent Development - Occupational Health and Safety - Human Rights - Employee Well-being - Corporate Governance and Ethical Practices	- Continued to uphold the fundamental principles of ViTrox's shared core values: I.A.C.T.G. - Identified and worked on improvement plans by respective business unit heads - Conducted Training Needs Analysis to meet the learning requirements of ViTroxians - Executed various learning and development initiatives with the support of learning and development platforms - Updated new policies in the employee handbook in a timely manner - Held club meetings and activities to improve employee relationships and well-being - Established Emergency Response Team to create a safe and healthy working environment - Communicated Anti-bribery and Corruption Policy ("ABCP") and procedures through various platforms, including online learning

SUSTAINABLE PRACTICES

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder	Engagement Channel	Sustainability Concern	Main Focus of Sustainability Matters	Key Communication Outcomes
Investors/ Shareholders	Annually - Annual report - Annual General Meeting Quarterly - Quarterly financial results - Quarterly analyst briefing Ongoing - Corporate website - Investor relationship channel As required - Regular meetings and correspondence - Feedback to media enquiries	- Business growth and expansion plans - Impact from the global economy on the Company's operations - Timely communication of information - Demonstration of good ESG adherence and practices - Transparency in financial reporting - Risk management	- Economic Performance - Innovation and Product Excellence - Corporate Governance and Ethical Practices - Climate Change and Energy Management - Environmental Conservation and Preservation	- Responded to investors' enquiries regarding issues that are material to the business in a timely manner - Issued press releases as and when needed to communicate important Company announcements - Conducted regular meetings with investors to explain the Company's growth, expansion plans and adherence to ESG practices - Published financial reports regularly in a transparent manner - Published our ESG commitments, initiatives and key achievements on our ESG website (www.vitrox.com/esg/)
Suppliers	Annually - Vendor performance assessment - Supplier Code of Conduct ("SCOC") - Supplier Self-Assessment Questionnaire - Conflict Minerals Policy Ongoing - Supplier selection via pre-qualification and registration - Regular meetings and correspondence	- Strategic partnership - Raw material quality - Ethics, integrity and regulatory compliance	- Corporate Governance and Ethical Practices - Supply Chain Management - Environmental Conservation and Preservation - Human Rights	- Established good supplier relationships and fostered strategic partnerships - Communicated the ABCP and the SCOC and Conflict Minerals Policy to our suppliers - Set up the whistleblowing channel for non-compliance cases to be reported - Established a fair supplier sourcing process and conducted the regular performance assessment
Regulators	Annually - Audit conducted by relevant authorities on Company's assets As required - Official correspondences and site visits - Participation in programmes organised by government bodies	- Regulatory compliance - Supporting the country's economic growth - Ethical business practices - Good corporate governance practices - Environmental and social impact	- Economic Performance - Innovation and Product Excellence - Corporate Governance and Ethical Practices - Occupational Health and Safety - Human Rights - Environmental Conservation and Preservation	- Complied with rules and regulations applicable to the Company's business operations - Conducted proper planning before the scheduled inspections - Took corrective measures to improve areas highlighted in audit and inspection reports
Community	Ongoing - Community engagement and corporate social responsibility programmes - V-Serve programme - ViTrox Foundation	- Environmental protection - Local community activities involvement - Employee engagement and employee bond enhancement - Good corporate citizenship - Financial and non-financial contributions to local communities	- Community Engagement - Climate Change and Energy Management - Human Rights - Waste Management - Water Management - Environmental Conservation and Preservation	- Made contributions to medical donation, fundraising, education donation and sponsorship - Organised volunteering activities involving employees - Took relevant steps to respond to social issues and major events in the local community and recorded the impact of those steps - Made progress in environmental protection projects

SUSTAINABILITY AT VITROX

OUR CORE THEMES

ViTrox integrates our sustainability strategies into 5 core themes.



A Go-Green Practitioner

Preserving Mother Nature is one of the ultimate goals of ViTrox. ViTrox has carried out numerous efforts and initiatives in environmental conservation over the years. We believe that environmental protection is every company's responsibility, as it weighs the same as company growth. There are a few main focuses of ViTrox in ecological protection, including clean technology solutions, climate change management, efficient energy usage, air pollution control, water management and waste management, for ensuring a sustainable world.



An Accountable Purchaser

ViTrox is committed to being an accountable purchaser by sourcing environmentally conscious, safe, legal and high-quality products and services from our worldwide suppliers. To sustain our supply chain ecosystem, we expect our suppliers and their employees to fulfil the requirements stated in our standard policy for protecting the environment, guaranteeing product and service quality and ensuring cost control, human rights, health and safety are all in place. We believe that the collective efforts of all the stakeholders could make a big difference.



A Caring Employer

ViTrox aims to provide a harmonious, trusted and caring working culture and environment for our people, as their efforts and contributions are unmeasurable. We believe that by providing an enjoyable workplace, practising fair treatment and offering numerous learning opportunities to our people, these efforts will ignite their innovative ideas and promote continuous growth in their career path. ViTrox is committed to upholding and protecting the human rights of everyone and treating everyone with dignity and respect.



A Trusted Corporation

Our core values are the fundamental principles of ViTrox that guide us to think, talk and do the right things every day in the pursuit of both individual and Company greatness. ViTrox performs social responsibilities by upholding heartfelt engagement with customers, cultivating the spirit of volunteerism among our people and organising numerous donation and fundraising initiatives for people in need. The ultimate goal is to create a net-positive impact within the community through our continuous efforts.



Sustainable Governance

ViTrox upholds the highest standards of ethics, honesty and integrity throughout our business dealings and conducts. We believe these are significant elements to ensure the Company's sustainable development. Our people are obliged to observe key etiquettes of No Bribe/Cheat, No Blame, No Give Up, No Criticise/Condemn and No Complacent; also known as B.B.G.C.C., at all times.

SUSTAINABILITY AT VITROX

OUR SUSTAINABILITY HIGHLIGHTS

 A Go-Green Practitioner	 An Accountable Purchaser	 A Caring Employer	 A Trusted Corporation	 Sustainable Governance
2 Sustainability goals enhanced E	66% Procurement from local suppliers E•S	95% Local workforce S	10 New products introduced G	93% Revenue from Malaysia operations G
6% Energy saved from last year's electricity purchase E	93% Procurement of fabrication parts from local suppliers E•S	28% Female composition in managerial positions S	25% Revenue from New Product Introductions G	0 Confirmed incidents of corruption G
405MWh Energy saved from efficiency projects E	100% Communication with suppliers on SCOC, ABCP and Conflict Minerals Policy G	76% Engaged employee S	+48 Customer Net Promoter Score G	44% Female composition on Board G
16% Total electricity from renewable sources E	100% Communication with Tier-1 suppliers on SAQ G	3,170 Students engaged in STEM-related activities S	88% Customer trustworthiness level G	96% Board attendance G
71% Increase in solar energy generation E	100% Tier-1 suppliers responded SAQ G	74% Employee completing 20 training hours S	44% Customer Experience Recovery Rate G	100% Completed ABC e-quiz G
90% Components comply with RoHS Directive E•G	43 Suppliers assessed via desk assessments G	40 Training hours per employee S	RM55M Invested in R&D G	94% Completed cybersecurity awareness training G
96% Hazardous waste recycled E	100% New and existing buyers trained S	938 Sharing sessions conducted S	29 Voluntary hours per employee S	4 Star FTSE4Good ESG rating G
74% Recyclable material used for void-fill in packing E	100% PAC industry lots occupied E•S	0 Incidents on human rights violations S	14 NGOs nurtured through meaningful giving S	9+ Additional awards G

SUSTAINABILITY AT VITROX

OUR SUSTAINABILITY GOALS

ViTrox's EWG, in collaboration with the ESC, has been instrumental in aligning our goals with the UN SDGs, leveraging ViTrox's core competencies to underscore our commitment to sustainable development. The ESC has been pivotal in setting specific goals and aligning strategies with our ESG core themes and organisational SDGs. This strategic alignment ensures that we not only pursue our sustainability agenda but also integrate it seamlessly into ViTrox's daily operations, balancing the interests of our stakeholders. Our commitment to sustainability is further demonstrated through our transparency in reporting. By setting clear goals and regularly sharing our progress, we aim to keep our stakeholders informed about our sustainability performances and our steadfast dedication to contributing positively to our planet and society.

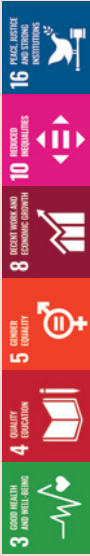
Building on the foundation established in 2022, ViTrox set 30 ambitious sustainability goals aimed at enhancing our ESG performance by 2030. In 2023, we expanded this commitment, adding 5 new targets for a total of 35 goals, each designed to address critical sustainability matters and advance our alignment with the UN SDGs. These goals reflect ViTrox's focus on the 14 most relevant SDGs to our operations and our broader mission to create positive societal and environmental impact.

Reflecting on our progress in 2024, ViTrox achieved 19 out of the 35 targets set in 2023, marking significant strides in advancing our ESG initiatives. However, 14 targets remain unmet, highlighting areas for further improvement. Recognising that these goals are long-term, we have intentionally set ambitious targets to drive ESG excellence. To enhance our commitment to reducing pollution and waste, we have introduced 2 new goals and removed 2 existing ones for better alignment. By maintaining high benchmarks, we ensure our efforts remain impactful, forward-looking, and continuously drive innovation and improvement.

Sustainability Matter	Measurement	Baseline	Actual Performance			Status	Target	Target	Goal	
			2021	2022	2023	2024	2024	2025	2030	
Core Theme: A Go-Green Practitioner										
SDG Alignment	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION 15 LIFE ON LAND									
Climate Change and Energy Management	Energy savings rate of previous year's purchased electricity	2023: 6,595MWh	Not applicable; this is a newly added target in 2023.			0.6%	6.1%	Achieved	≥ 2.0%	≥ 2.0%
	Year-on-year reduction of Scope 2 carbon emissions per revenue on a 3-year rolling period basis	2023: 0.00529 tCO ₂ e/RM'000	Not applicable; this is a newly added target in 2023.	7.7%	-5.1%	-23.2%		Not achieved	≥ 2.0%	≥ 2.0%
Environmental Conservation and Preservation	Compliance with Restriction of Hazardous Substances ("RoHS") Directive	2023: 46.0%	1			46.0%	90.2%	Achieved	≥ 50.0%	100%
	Employees' participation in V-Meal	2021: 78.8%	78.8%	74.9%	70.2%	65.9%		Not achieved	≥ 80.0%	≥ 85.0%
	Year-on-year increase in number of earth-friendly meals served	2023: 177,635 meals	Not applicable; this is a newly added target in 2023.	155,884 meals	177,635 meals	29.3%		Achieved	≥ 5.0%	≥ 15.0%
Water Management	Reduction of water consumption per 1,000 sq. ft. for cooling infrastructure	2023: 85.1m ³ /1,000 sq. ft.	Not applicable; we collected data since April 2023.			85.1m ³ /1,000 sq. ft.	20.2%	Achieved	≥ 3.0%	≥ 20.0%
	Reduction of water consumption per headcount for domestic usage	2023: 14.8m ³ /pax	Not applicable; we collected data since April 2023.			14.8m ³ /pax	-44.6%	Not achieved	≥ 3.0%	≥ 20.0%

SUSTAINABILITY AT VITROX

OUR SUSTAINABILITY GOALS (CONT'D)

Sustainability Matter	Measurement	Baseline	Actual Performance				Status	Target	Target	Target	Goal
			2021	2022	2023	2024	2024	2024	2025	2030	
Core Theme: A Go-Green Practitioner (Cont'd)											
Waste Management	Wood waste diversion ²	2021: 100% ³	³ 100%	100%	100%	100%	Achieved	≥ 40.0%	²	²	
	Reduction of non-biodegradable materials used in packing activities foam; 150 bags foam peanuts	2022: 550 pieces polyethylene foam; 150 bags foam peanuts	Not applicable; we commenced this initiative in 2023.		96.7%	68.8%	Achieved	≥ 40.0%	≥ 50.0%		100%
	Year-on-year increase in usage of honeycomb paper wrappers ⁴	2023: 940kg	Not applicable; we commenced this initiative in 2023.		940kg	15.0%	Achieved	≥ 10.0%	⁴	⁴	
	Hazardous waste recycling rate ⁵	2024: 96.1%	Not applicable; we commenced this initiative in 2024.			96.1%	Not applicable; we commenced this initiative in 2024.	≥ 91.0%			100%
	Recyclable material usage rate for void-fill solutions in packing activities ⁶	2024: 73.8%	Not applicable; we commenced this initiative in 2024.			73.8%	Not applicable; we commenced this initiative in 2024.	≥ 79.0%			100%
Core Theme: An Accountable Purchaser											
SDG Alignment											
Supply Chain Management	Procurement from local suppliers	2021: 62.8%	62.8%	62.1%	64.3%	66.2%	Achieved	≥ 64.0%	≥ 64.0%	≥ 65.0%	
	Communication with suppliers on Supplier Code of Conduct ("SCOC"), Anti-Bribery and Corruption Policy ("ABCP"), and Conflict Minerals Policy ⁷	2023: 100%		⁷	100%	100%	Achieved	100%	100%	100%	
	Communication with Tier-1 suppliers on Supplier Self-Assessment Questionnaire ("SAQ") ⁸	2023: 100%	Not applicable; we initiated SAQ in 2022.	⁸ 50	100%	100%	Achieved	≥ 45.0%	100%	⁸ 100%	
Core Theme: A Caring Employer											
SDG Alignment											
Talent Attraction and Retention	Year-on-year employee growth rate	2023: 989 employees	17.7%	11.4%	11.1%	-5.1%	Not achieved	≥ 15.0%	≥ 15.0%	≥ 15.0%	
	Intern conversion rate to new hire	2021: 26.7%	26.7%	20.9%	18.8%	13.8%	Not achieved	≥ 20.0%	≥ 20.0%	≥ 20.0%	

SUSTAINABILITY AT VITROX

OUR SUSTAINABILITY GOALS (CONT'D)

Sustainability Matter	Measurement	Baseline	Actual Performance				Status	Target 2024	Target 2025	Goal 2030
Core Theme: A Caring Employer (Cont'd)										
Talent Attraction and Retention	Number of school students engaged in STEM-related activities	2022: 1,076 students	Not applicable; we commenced this initiative in 2022.	1,076 students	2,076 students	3,170 students	Achieved	≥ 1,500 students	≥ 2,000 students	≥ 3,000 students
	Employee Net Promoter Score	2022: +44.7	+54.3	+44.7	+42.3	+40.2	Not achieved	≥ +45.0	≥ +45.0	≥ +55.0
	Employee engagement rate	2023: 78.9%	Not applicable; transitioned from employee engagement rate in 2023.	78.9%	78.9%	75.6%	Not achieved	≥ 80.0%	≥ 80.0%	≥ 85.0%
	Employee turnover rate	2021: 7.5%	7.5%	15.1%	10.9%	14.6%	Not achieved	≤ 9.0%	≤ 9.0%	≤ 8.0%
Talent Development	Employees completing 20 training hours	2021: 78.1%	78.1%	80.2%	81.7%	74.2%	Not achieved	≥ 80.0%	≥ 80.0%	≥ 90.0%
Occupational Health and Safety	Incident rate ⁹	2021: 2.4	2.4	5.4	6.3	3.2	Not achieved	< 2.0	< 2.0	< 1.0
	Lost time injury frequency rate ¹⁰	2021: 1.2	1.2	2.1	1.6	1.2	Not achieved	< 1.0	< 1.0	< 0.5
Human Rights	Human rights related training	2023: 87.8%	Not applicable; we commenced this initiative in 2023.	87.8%	87.8%	87.3%	Achieved	≥ 85.0%	≥ 85.0%	100%
Diversity and Inclusion	Diversity, Equity and Inclusion ("DEI") programme participation rate for hiring managers	2023: 86.1%	Not applicable; we commenced this initiative in 2022.	57.0%	86.1%	85.1%	Achieved	≥ 85.0%	≥ 85.0%	100%
	Female employee composition	2021: 30.0%	30.0%	31.3%	31.6%	32.3%	Achieved	≥ 30.0%	≥ 30.0%	≥ 30.0%
	Female composition in managerial positions	2021: 23.3%	23.3%	29.5%	26.7%	28.2%	Achieved	≥ 25.0%	≥ 25.0%	≥ 28.0%
	Female composition in technical positions	2021: 15.4%	15.4%	15.5%	15.4%	15.3%	Not achieved	≥ 20.0%	≥ 20.0%	≥ 25.0%
Core Theme: A Trusted Corporation										
SDG Alignment	1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 17 PARTNERSHIPS FOR THE GOALS									
Innovation and Product Excellence	Number of new product introduction ("NPI")	At least 2 NPIs per annum by each business unit	11	13	13	10	Achieved	≥ 10	≥ 10	≥ 10

SUSTAINABILITY AT VITROX

OUR SUSTAINABILITY GOALS (CONT'D)

Sustainability Matter	Measurement	Baseline	Actual Performance			Status	Target	Target	Goal
Core Theme: A Trusted Corporation (Cont'd)									
Innovation and Product Excellence	Revenue contribution from NPI	2021: 21.9%	21.9%	22.5%	16.9%	Achieved	≥ 20.0%	≥ 20.0%	≥ 20.0%
	Customer Net Promoter Score	2021: +46.5	+46.5	+47.0	+48.1	Not achieved	≥ +50.0	≥ +50.0	≥ +55.0
	Customer trustworthiness level	2021: 84.9%	84.9%	86.8%	87.8%	Not achieved	≥ 88.0%	≥ 88.0%	≥ 90.0%
	Customer Experience Recovery Rate ("CERA")	2021: 34.6%	34.6%	32.2%	46.8%	Achieved	≥ 35.0%	≥ 40.0%	¹¹ ≥ 45.0%
Community Engagement	Average voluntary hours per employee	2021: 13 hours	13 hours	25 hours	¹² 28 hours	Achieved	≥ 18 hours	≥ 25 hours	¹³ ≥ 30 hours
Core Theme: Sustainable Governance									
SDG Alignment									
Corporate Governance and Ethical Practices	Number of confirmed incidents of corruption	2021: 0	0	0	0	Achieved	0	0	0
	Female composition on the Board of Directors ("Board")	Practise 5.9 of the Malaysian Code on Corporate Governance: At least to have 30% females on the Board	28.6%	44.4%	44.4%	Achieved	≥ 30.0%	≥ 30.0%	≥ 30.0%

Notes:-

- In setting our target and goal for RoHS-compliant materials, ViTroX moves towards self-declaration and monitoring of RoHS-compliant materials starting in 2023. We target to achieve zero (0) use of hazardous materials and achieve 92% and 100% RoHS-compliant materials in all ranges of our products by 2025 and by 2030 respectively, with the exception of Advanced 3D X-ray Inspection ("AXI") machines.
- Wood waste diversion target has been discontinued to adopt a more holistic approach to waste management.
- This data represented 100% diversion of wooden waste from landfills from July 2021 to December 2021 as we started collecting data from July 2021.
- Year-on-year increase in usage of honeycomb paper wrappers used in packing activities target is discontinued in our efforts to shift toward circular economy practices.
- In 2024, we introduced a new target to achieve a high recycling rate of hazardous waste generated from operations to effectively manage our hazardous waste and reduce environmental pollution.
- In 2024, we introduced a new target to promote a circular economy by encouraging the use of recyclable materials in our packing activities which were designed to be reintroduced into the supply chain rather than discarded, further minimising waste accumulation from packing activities.
- In 2022, we set to achieve a minimum of 55% signed SCOC from our active suppliers in 2023, with the aim to reach 80% by 2030. Starting in 2023, we shifted our focus to communicate our ABC Policy in conjunction with the SCOC to all active and new suppliers, rather than solely tracking signed SCOCs from active suppliers. In 2024, we launched the Conflict Minerals Policy and took an additional step to communicate it, alongside the SCOC and ABCP, to suppliers with business dealings in the past 5 years.
- In 2024, we communicated with 50 key suppliers on SAQ. In 2023, we set the target to communicate with at least 40% and 80% of active suppliers on SAQ by 2024 and 2030, respectively. In 2024, we increased our 2030 goal for communication with Tier-1 suppliers on SAQ from 80% to 100% as part of our efforts to lift our supplier screening standards and promote greater transparency in supplier risk management.
- Incident rate refers to the number of occupational incidents occurring in a workplace every 1 million hours worked.
- Lost time injury frequency rate refers to the number of lost time injuries occurring in a workplace every 1 million hours worked.
- In 2024, we reset the 2030 CERA goal to achieve at least 45% as compared to previously set at 40% in view of its steady growth for the past 2 years.
- Restatement of figure due to data update.
- In 2024, we increased the average voluntary hours per employee from 20 to at least 30, further strengthening our culture of volunteerism as evidenced by previous records.

A GO-GREEN PRACTITIONER



ViTrox recognises the importance of addressing climate change and is committed to reducing our carbon footprints. We strive to achieve net-zero carbon emissions, Scope 2, by the end of 2030. This is aligned with the global climate goal of limiting the earth's warming to 1.5°C and Malaysia's unconditional target to cut carbon intensity against GDP by 45% compared to 2005 levels by 2030 as a signatory of the Paris Agreement.

ViTrox's commitment to sustainability is reflected in our efforts to improve energy consumption efficiency through innovative ways such as using big data analytics to monitor and optimise electricity usage, room temperature and light intensity. We are also committed to investing in renewable energy and procurement of credible renewable energy to help transition to a low-carbon economy. Being a Go-Green Practitioner, we aim to coexist with nature and strive to pursue practices that will preserve the well-being of the environment and sustain its natural resources for the current and future generations.

Sustainability Highlights 2024

2 Sustainability goals enhanced	6% Energy saved from last year's electricity purchase	405MWh Energy saved from efficiency projects	16% Total electricity from renewable sources	71% Increase in solar energy generation	90% Components comply with RoHS Directive	96% Hazardous waste recycled	74% Recyclable material used for void-fill in packing
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Environmental Policy

ViTrox Group continually strives to protect the environment and minimise the environmental impact resulting from the Group's activities. This is attained through partnerships with our employees, suppliers, contractors and customers. As stated in our [Environmental Policy](#), ViTrox is committed to:-

- Adhering and complying with the relevant Malaysian environmental laws and regulations
- Utilising resources more effectively through the practice of the 5R principles
- Raising awareness among employees towards the environment and encouraging them to follow a healthy diet
- Minimising energy and water usage through various conservation methods
- Preventing incidents involving environmental pollution through training and awareness
- Mitigating environmental pollution through the implementation of an effective emergency response plan
- Providing education and training on environmental protection and responsibilities across all levels within the Company
- Continually improving and enhancing the environmental care responsibilities in the Company

CLIMATE CHANGE AND ENERGY MANAGEMENT

Management Purpose	ViTrox strengthens our commitment to climate action by implementing climate strategies that enhance climate governance, improve energy efficiency, reduce carbon emissions intensity and promote climate advocacy and education.					
Management Approach	• Achieve energy savings rate of 2% of the previous year's purchased electricity through various energy-saving initiatives, such as using big data analytics to monitor and optimise electricity usage, room temperature and light intensity • Reduce Scope 2 carbon emissions intensity by 2% compared to the previous year through continuous investment in renewable energy and procurement of credible renewable energy • Adopt recommendations from Task Force on Climate-related Financial Disclosures to enhance climate governance and frameworks					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Energy savings rate of previous year's purchased electricity	≥ 2.0%	Achieved	6.1%	≥ 2.0%	≥ 2.0%
	Year-on-year reduction of Scope 2 carbon emissions per revenue on a 3-year rolling period basis	≥ 2.0%	Not achieved	-23.2%	≥ 2.0%	≥ 2.0%

Climate Change

Climate change stands as one of the foremost global risks confronting societies today, and the business landscape is no exception to its far-reaching impacts. In recent years, an increasing number of companies have intensified their efforts to confront climate change and leverage its associated risks and opportunities ("R&O"). ViTrox, a leading provider of automated vision solutions, is firmly committed to this cause. This Report provides a detailed analysis of the climate-related R&O we are confronting, alongside an overview of the initiatives we have undertaken to address these critical challenges.

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Change (Cont'd)

In 2022, we enhanced our sustainability roadmap to align with the Paris Agreement's goal of limiting global warming to 1.5°C and Malaysia's 12th Plan (2021-2025) of achieving net-zero greenhouse gas ("GHG") emissions by 2050. Since 2023, ViTrox has been a listed supporter of the TCFD, reinforcing our commitment to transparent climate-related R&O disclosures. Our approach, aligned with TCFD recommendations, includes progressive R&O identification, mitigation, and scenario analysis. Scenario analysis plays a crucial role in exploring diverse potential futures, leveraging logical and internally consistent frameworks such as the Sixth Assessment Report ("AR6") of the Intergovernmental Panel on Climate Change ("IPCC"). We make reference to the Shared Socioeconomic Pathway ("SSP") scenarios to assess climate change responses, examining both a low-emissions scenario aligned with the Paris Agreement (SSP1-2.6) and a high-emissions scenario (SSP5-8.5) to guide our strategic planning. Our commitment aligns with Bursa Securities' stringent sustainability disclosure mandates, showcasing our proactive approach to exceeding industry standards.

In our commitment to driving positive change for the planet, ViTrox remains steadfast in integrating sustainability into our core business operations. Through clear targets for reducing GHG emissions and strategic investments in renewable energy and low-carbon technologies, we aim to build a resilient and sustainable business capable of navigating the challenges and seizing the opportunities presented by climate change in the 21st century.

Climate Governance

ViTrox utilises an established governance framework to oversee and manage climate-related risks within our existing corporate governance structure. The effectiveness of this climate governance framework is attributed to the sustainable leadership demonstrated by our Board of Directors ("Board") and senior management, who collectively form our leadership team. This leadership team has set an ambitious path for ViTrox and is committed to achieving net-zero carbon emissions in Scope 2 by 2030. This commitment has enabled ViTrox to prioritise environmental stewardship and strive towards sustainability leadership within our industry. We believe this strategic emphasis will safeguard our long-term value to stakeholders and facilitate our successful transition into a low-carbon economy. With the Board and senior management comprising seasoned professionals across various industry sectors, we benefit from their diverse backgrounds and experiences, enabling comprehensive oversight and governance of our climate-related risks.

Board Oversight and Management Responsibility in Climate-Related Matters

Our sustainability governance is led by the ESG Steering Committee ("ESC"), which comprises our senior management, including 3 Executive Directors from the Board. The ESC plays a pivotal role in overseeing the Group's sustainability strategy and issues, encompassing ESG targets, performance and progress. ESC strives to integrate sustainability throughout our business and value chain, addressing sustainability R&O in an integrated and strategic manner to bolster the Group's long-term strategy and success.

The ESC works together with the Risk Management Committee ("RMC") to identify and address climate-related R&O. While functioning as separate entities, both committees are made up of the same members, demonstrating a strategic synergy through their shared membership. This overlap fosters a collaborative working environment by leveraging the diverse expertise of the same dedicated members, thereby promoting smooth communication and knowledge sharing, yielding a comprehensive approach to ESG R&O, streamlining decision-making and solidifying our commitment to broader sustainability efforts.

The RMC convenes meeting biannually to review the R&O register. While our agenda covers a broad spectrum of R&O, it is designed to ensure a holistic overview of factors that could influence the Group's operational and strategic objectives. This integrated approach facilitates a detailed assessment of each R&O impact on our Group's operations and strategic direction, including climate-related R&O. The ESC then takes the lead in reporting these climate-related risks and opportunities to the Board, ensuring transparency and clarity in our reporting processes. This not only highlights our ongoing sustainability initiatives but also reinforces our dedication to sustainability. The seamless collaboration between the ESC, RMC and the Board exemplifies our commitment to effectively managing and incorporating sustainability considerations into our comprehensive business strategy, demonstrating our proactive stance in addressing and integrating environmental and sustainability matters at the core of our operations.

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Governance (Cont'd)

Board Oversight and Management Responsibility in Climate-Related Matters (Cont'd)

We are pleased to disclose our sustainability integration, in line with the recommendations of Bursa Malaysia Securities Berhad's Listing Requirements and the guidance by the Malaysian Code on Corporate Governance ("MCCG").

Practice 4.1	We strive to embed sustainability in our business management and operations to move towards our sustainability targets and goals, as well as the net-zero carbon emissions target by 2030. As such, each of our business divisions is responsible for allocating resources to incorporate sustainability initiatives into their annual business plans.
Practice 4.2	We communicate our sustainability strategies, priorities, targets and performance to our internal and external stakeholders regularly via various platforms and channels. Among them are the annual Sustainability Report, employee engagement training and programmes, analyst and investor presentation updates, media releases and ViTrox's corporate website. In 2023, we rolled out a comprehensive e-learning programme for all permanent employees, contract workers, interns and students, as part of our ESG and sustainability awareness initiative. The programme is set as part of the induction programme for all our employees due to its importance. We also reviewed our material topics in 2024, which were identified in 2023, to further align with current trends and risks and industry peers.
Practice 4.3	The Board is mindful of consistently updating with the understanding and knowledge of sustainability matters, to discharge its role in ESG oversight effectively, including climate-related R&O. The ESC and EWG work together to ensure that the Group is kept updated with and understands sustainability and ESG-related issues relevant to the Company, including climate-related R&O, as well as the rapidly evolving regulatory requirements. Refer to the Climate Advocacy and Education section for more information.
Practice 4.5	In 2021, our Managing Director/President/Group CEO Dato' Chu Jenn Weng spearheaded the ESC to launch the ESG website. He also teamed with senior management to set ESG strategies and roadmap and formulate concrete action plans in promoting ESG practices and culture within ViTrox and our supply chain. The ESG Working Group ("EWG") was also formed to assist ESC in integrating the Group's sustainability strategies into business operations and implementing initiatives towards achieving the Group's sustainability ambition, identifying sustainability matters, formulating action plans, supervising interdepartmental communication and coordinating resource integration. In 2022, the ESC was thrilled to announce that we have achieved a significant milestone by setting ambitious ESG targets for the year 2023 and goals for the year 2030, demonstrating our strong commitment to sustainability and responsible business practices. Subsequently, in 2024, we have revised certain old targets and added new targets to realign our goals to increase our target-setting effectiveness and precision.

Climate Strategy

We endorse global and national objectives, such as those outlined in the Paris Agreement, aimed at achieving net-zero carbon emissions, and we are committed to contributing to these goals through our own initiatives. We recognise the urgency of addressing climate change and have developed 4 strategies to facilitate low-carbon transformation and climate adaptation. These strategies encompass initiatives to reduce our carbon footprint, increase energy efficiency, transition towards renewable energy sources and enhance resilience to climate-related risks. We actively engage with stakeholders to collaborate on fulfilling our commitment to achieving net-zero carbon emissions, fostering partnerships that drive collective action towards a sustainable future.

Climate Change Strategy

Our strategies to adapt to climate change and build resilience for a sustainable future

Low-carbon Strategies	Performance-oriented Results	Comprehensive Management Framework	Climate Advocacy and Education
- Implement low-carbon strategies, energy saving programmes and utilisation of green energy - Adopt concepts of green buildings, process automation and smart resource management - Invest in cleantech and products with resource efficiency benefits	- Set long-term stretched targets to drive swift and agile climate change adaptation and mitigation - Achieve company-wide strategic alignment of goals - Use quantitative metrics and performance-oriented results to measure progress and promote data-driven decision making	- Adopt recommendations issued by TCFD - Integrate climate-related risks management into the Company's enterprise risk management ("ERM") - Identify climate-related R&O and perform scenario analysis to mitigate risks	- Participate in global and national sustainability initiatives, such as Signatory of Malaysia Digital Climate Action Pledge and Paris Agreement, and ESG assessments by rating agencies like FTSE Russell and S&P Global - Facilitate climate education and awareness through ESG seminars and company-wide ESG awareness programmes

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Low-carbon Strategies

ViTrox is dedicated to implementing low-carbon strategies across various fronts to mitigate our environmental impact and contribute to a sustainable future. Through energy-saving initiatives and the adoption of green energy sources, we aim to reduce our carbon footprint and promote renewable energy utilisation. Our commitment extends to the development of green campuses, characterised by green buildings, process automation and smart resource management systems, which not only enhance operational efficiency but also minimise resource consumption and emissions. We prioritise investments in cleantech and products with resource efficiency benefits, leveraging innovation to drive sustainable solutions and support the transition towards a low-carbon economy. These initiatives underscore our proactive approach to environmental stewardship and our commitment to driving positive change for the planet and future generations.

Energy Management

At ViTrox, we constantly monitor and optimise energy consumption to ensure that our facilities and manufacturing processes utilise energy efficiently to mitigate global warming. To achieve our objectives of minimising the environmental impact of energy use and improving energy efficiency, we have implemented a number of energy efficiency measures.

Energy Efficiency Programmes	Objectives
Installation of an industrial-scale photovoltaic system on our buildings' rooftop	To reduce the effect of climate change; with solar energy powering the building, there are no emissions from energy production and no fuel burning
Installation of solar street lights	To utilise zero-emission green energy and mitigate climate change
Conversion of air-cooled split air-conditioners to a centralised air-cooled system, which is known as Variable Refrigerant Flow ("VRF") System, and chilled water air-conditioners	To centralise the air-cooled system to achieve an optimal level of energy consumption and provide flexibility to a different workplace
Installation of high-quality light emitting diode ("LED") lighting based on lighting ergonomics and use of sensors for automatically lighting on/off triggers	To optimise the energy consumption as LED lights produce higher lumens with lower heat generation
Application of automatic power-off timer and sensor in the air-conditioning system	To minimise the energy consumption
Replacement of Campus 2.0 cooling tower infill	To enhance chiller energy efficiency
Conversion of rotary screw air compressor to variable speed screw air compressor	To optimise energy efficiency with variable speed inverters and eliminate the instant spike to the maximum demand on electricity tariff
Discipline in switching off unused lighting and electronic equipment and installation of motion sensors in toilets to automatically control the lighting on/off in the area	To minimise the energy consumption
Setting an optimum temperature for our air-conditioning units ("ACUs")	To minimise energy consumption, increase cost saving and provide improved comfort



A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Low-carbon Strategies (Cont'd)

Energy Management (Cont'd)

In 2023, we set a target to reduce our purchased electricity consumption by at least 2% compared to the previous year. Our total purchased electricity for 2023 was 6,595.3MWh, equating to a minimum savings target of 131.9MWh. In 2024, we implemented 2 major energy efficiency initiatives:-

Energy Efficiency Projects	Unit	Savings
Shutdown of the chiller in Campus 2.0 for 5 hours during non-working hours	MWh	201.4
Upgrading the alternating current ("AC") fan to an electronically commutated ("EC") fan for Campus 2.0 AHU	MWh	203.6
Total	MWh	405.0

Total savings of 405.0MWh represents a 6.1% reduction in electricity consumption, significantly exceeding our initial target of 2%. This achievement underscores our steadfast commitment to sustainability and operational efficiency, reinforcing our dedication to responsible energy management and continuous environmental improvement. We measure savings rates based on purchased energy as our main focus is to ultimately reduce our reliance on non-renewable energy and reduce carbon emissions.

	Unit	2021	2022	2023	2024
Purchased electricity	MWh	4,812.3	6,028.7	6,595.3	7,355.6
Baseline used to set energy savings target	MWh	4,121.9	4,812.3	6,028.7	6,595.3
Targeted energy savings; at least 2% reduction from previous year's purchased electricity	MWh	Not applicable; this is a newly added target in 2023.		120.6	131.9
Actual energy savings	MWh	Not applicable; this is a newly added target in 2023.		35.1	405.0
Actual energy savings rate compared to previous year's purchased electricity	%	Not applicable; this is a newly added target in 2023.		0.6	6.1

Our 2025 target is to save 2% of non-renewable electricity, equivalent to 147.1MWh, from the current year's 7,355.6MWh purchased electricity. We are continuously exploring innovative strategies to enhance energy efficiency, and we aim to drive sustainable energy management and long-term operational improvements, ultimately achieving reduced energy consumption across our operations.

Additionally, to achieve our net-zero carbon emissions goal, we will continuously invest in renewable energy sources, procure Renewable Energy Certificates ("REC"), and other strategic decarbonisation initiatives. These measures, further bolstered by our energy intensity reduction target and energy savings target, will accelerate our transition toward a low-carbon future, supporting our commitment to achieving net-zero carbon emissions in Scope 2.

Other than energy-efficiency programmes mentioned above, we also have established various strategic initiatives to limit global warming and preserve natural resources.

Initiative	Related Link
Green Building and Environment Reducing the carbon emissions of our facilities is a critical step to mitigate climate change. We include 6 green features in constructing our Campus: Green Technology, Green Construction, Green Landscaping, Green Corner, Green Initiatives and Green Fleet.	V-SHARE
Sustainable Consumption We produce pesticide-free agricultural products, prepare food ingredients at V-Veggie Salon ourselves, serve our people earth-friendly meals, sell locally grown vegetables, reproduce food waste into enzymes and harvest rainwater with eco ponds.	Environmental Conservation and Preservation
Deployment of V-ONE AIoT Cloud Fourth Industrial Revolution is the ongoing evolution of smart manufacturing and digital technologies. As such, we deploy our homegrown V-ONE to collect the trend of energy consumption by area. Such data will help us to monitor our daily energy consumption data for better analysis and decision-making.	ESG Feature Stories
Flexible Work Arrangement We introduce hybrid work arrangements and extend flexible working hours to improve the work-life harmony of employees and, at the same time, avoid our people being caught in traffic jams, thereby reducing carbon emissions.	Talent Attraction and Retention

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Low-carbon Strategies (Cont'd)

Solar Photovoltaic System

Solar energy replaces and reduces the usage of other energy sources that significantly affect the environment. We implement the concept of solar energy by installing a Solar Photovoltaic ("PV") system in our buildings, which results in zero (0) GHG emissions and zero (0) environmental impact. In 2024, ViTrox installed an additional 956 solar panels across our facilities, increasing the total capacity to 515.6kW from 1,410 solar panels with a capacity of 458.2kW in 2023. This expansion includes 178 solar panels at Campus 2.0 with a 95.2kW industrial-scale PV system and 778 panels at Campus 3.0 with a capacity of 420.1kW. Overall, 2,366 solar panels generated 1,392.6MWh of green energy, marking a 71.3% increase in renewable energy generation from solar panels. With this, ViTrox was able to reduce 889.9 tonnes of CO₂ emissions in 2024.

	Unit	2021	2022	2023	2024
Number of solar panels	unit	1,410	1,410	1,410	2,366
Solar panel capacity	kW	458.2	458.2	458.2	973.5
Green energy generated from solar	MWh	688.2	812.4	813.0	1,392.6
Changes in solar energy generation	%	-2.2	18.0	0.1	71.3
Equivalent reduction of CO ₂ emissions	tonne	439.8	519.1	519.5	889.9
Equivalent number of trees planted to absorb the annual CO ₂ emissions ¹	tree	19,991	23,595	23,614	40,450

Note:-

¹ Based on data from the European Environment Agency ("EEA"), a mature tree is estimated to absorb approximately 22kg of CO₂ from the atmosphere annually.

Energy Consumption

Energy Consumption	Unit	2021	2022	2023	2024
Purchased electricity:-					
• Non-renewable energy	MWh	4,812.3	6,028.7	5,753.8	7,355.6
• Renewable energy (Green Electricity Tariff ("GET") from TNB1)	MWh	0.0	0.0	841.5	0.0
Renewable energy - solar	MWh	688.2	812.4	813.0	1,392.6
Total electricity consumption	MWh	5,500.5	6,841.2	7,408.3	8,748.2
Total non-renewable energy consumed	MWh	¹ 4,812.3	¹ 6,028.7	5,753.8	7,355.6
Total renewable energy consumed	MWh	688.2	¹ 812.4	1,654.5	1,392.6
Solar energy/Total electricity consumption	%	12.5	11.9	11.0	15.9
Total renewable energy consumed/Total electricity consumption	%	12.5	11.9	22.3	15.9
Fuel consumption:-					
• Petrol	MWh	6.2	9.0	² 11.1	8.3
• Diesel	MWh	33.5	48.6	83.0	83.7
Total fuel consumption	MWh	39.7	57.6	² 94.1	92.0
Total energy consumption	MWh	5,540.2	6,898.8	² 7,502.4	8,840.2
Renewable energy/Total energy consumption	%	12.4	11.8	22.1	15.8

Notes:-

¹ TNB refers to Tenaga Nasional Berhad, Malaysia's largest electricity utility company.

² Restatement of figure due to data update.

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Low-carbon Strategies (Cont'd)

Energy Consumption (Cont'd)

In 2024, ViTrox's total energy consumption amounted to 8,840.2MWh. The majority of this consumption – 83.2% – came from purchased non-renewable electricity, followed by solar energy at 15.8%. Diesel and petrol collectively accounted for 1.0% of the total energy usage. Our electricity consumption increased by 18.1% despite implementing energy-efficient measures, primarily attributable to expansion of Campus 3.0 and increased school visitation and educational activities hosted by ViTrox Academy Sdn. Bhd. ("VA"). Currently, ViTrox does not consume fuel from renewable sources, indicating a potential area for future sustainability initiatives.

Scope	Emission Type	Definition	Status
Scope 1	Direct emissions	GHG emissions from sources that are owned, such as company-owned vehicles	Measured and disclosed
Scope 2	Indirect emissions	GHG emissions generated from the consumption of purchased electricity	Measured and disclosed
Scope 3	Indirect emissions	GHG emissions from sources that are not owned or controlled such as business travel and employee commuting	Measured and disclosed emissions from business travel and employee commuting. Efforts to quantify the remaining Scope 3 emissions are ongoing

GHG Emissions ¹	Unit	2021	2022	2023	2024
Scope 1	tCO ₂ e	8.9	12.3	² 19.9	18.7
Scope 2 ³	tCO ₂ e	3,075.1	3,852.4	3,676.7	4,700.2
Scope 3	tCO ₂ e	Not applicable; data collection only started in 2023.		1,326.9	1,542.8
Total 1, 2 and 3	tCO ₂ e	3,084.0	3,864.7	² 5,023.5	6,261.7
Scope 2 carbon emissions intensity on a 3-year rolling period basis	tCO ₂ e / RM'000	0.00545	0.00503	0.00529	0.00651
Year-on-year reduction of Scope 2 carbon emissions per revenue on a 3-year rolling period basis	%	Not applicable; this is a newly added target in 2023.	7.7	-5.1	-23.2

Notes:-

¹ ViTrox only calculates GHG emissions for CO₂. CO₂ has a global warming potential ("GWP") of 1.

² Restatement of figure due to data update.

³ The emission factor used is the Sustainable Energy Development Authority ("SEDA") 2016 Baseline CO₂ for the Peninsular of 0.6tCO₂/MWh.

The emissions scopes of GHG emissions are disclosed under the financial control model for the GHG consolidation approach and location-based method which accounts for 100% of GHG emissions from ViTrox's operations.

In 2024, our GHG emissions recorded a total of 18.7 tonnes of carbon dioxide equivalent ("tCO₂e") Scope 1 emissions, 4,700.2tCO₂e Scope 2 emissions and 1,542.8tCO₂e Scope 3 emissions, making a total of 6,261.7tCO₂e. The decrease in Scope 1 emissions was due to decreased business activity and usage of Company vehicles for customer support visits. Our total Scope 2 GHG emissions increased to 4,700.2tCO₂e as compared to 2023 of 3,676.7tCO₂e, primarily due to the expansion of ViTrox Campus 3.0 and the associated energy consumption from common infrastructure and office space lighting.

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Low-carbon Strategies (Cont'd)

Energy Consumption (Cont'd)

We introduced a new target in 2023 to achieve at least 2% year-on-year reduction of Scope 2 carbon emissions per revenue on a 3-year rolling period basis as a more precise sustainability measurement by accounting for operational variations and scaling emissions reduction efforts in proportion to business activities. We firmly believe that focusing on carbon emissions intensity will provide a more accurate and impactful measure of our sustainability efforts. This shift in focus allows us to better account for variations in our business operations and scale our emissions reduction efforts in proportion to our activities. Carbon emissions intensity reflects the amount of emissions produced per revenue, providing a more nuanced and relevant metric for our industry. We missed our target to reduce Scope 2 carbon emission intensity due to the expansion of Campus 3.0 which increased the electricity usage from heating, ventilation, and air conditioning ("HVAC") systems.

Scope 3	Unit	2023	2024
Category 6: Business Travel ¹	tCO ₂ e	Not applicable; data collection only started in 2024.	292.5
Category 7: Employee Commuting ²	tCO ₂ e	1,326.9	1,250.3
Total	tCO ₂ e	1,326.9	1,542.8

Notes:-

¹ In 2024, we started to measure Scope 3 emissions, category 6 – business travel, according to the methodology recommended by GHG Protocol.

² In 2023, we started to measure Scope 3 emissions, category 7 – employee commuting, according to the methodology recommended by GHG Protocol.

In 2023, we expanded our GHG emissions disclosures to include Scope 3 (indirect emissions) related to employee commuting, reinforcing our commitment to comprehensive carbon footprint tracking. This initiative aligns with the enhanced sustainability requirements set by Bursa Securities, ensuring greater transparency in our emissions reporting. To establish a robust measurement framework, we adopted the distance-based method, collecting data on employees' commuting patterns, including distance travelled and mode of transport. Our estimation model incorporates the average ratio of cars to motorcycles entering our Campus (80.8% for cars and 19.2% for motorcycles), applying GHG conversion factors for each mode of transport. The relevant emission factors are sourced from the United Kingdom's Department for Environment, Food & Rural Affairs ("DEFRA"), while calculation methodologies reference the GHG Protocol. As part of our continuous improvement efforts, we will further enhance data collection processes to achieve more precise measurements of employee commuting emissions in the coming years. Our emissions from Scope 3 employee commuting decreased from 1,326.9tCO₂e to 1,250.3tCO₂e in line with a decrease in the number of employees.

In 2024, we expanded our Scope 3 reporting to include business travel emissions, further aligning with Bursa Securities' enhanced sustainability requirements. To quantify these emissions, we employ the spend-based method, which calculates emissions by multiplying our activity data with relevant emission factors. The DEFRA emission factors provide a standardised basis for measurement, ensuring internationally recognised and consistent calculations, while the GHG Protocol serves as the guiding framework for our methodology. For calculation assumptions, emissions from accommodation during business travel were excluded as it is considered optional under the GHG Protocol. Emissions from water transport were excluded due to their negligible impact, while rail transport emissions were also considered negligible and incorporated into land transport emissions. By incorporating business travel emissions into our Scope 3 reporting, we are strengthening our sustainability approach, enabling data-driven decision-making and more effective strategies to minimise our environmental footprint.

ViTrox does not produce nitrogen oxides (NO_x) and sulphur oxides (SO_x) emissions, as none of our business activities involves biomass combustion.

Performance-oriented Results

Setting targets and goals are crucial for driving swift and agile climate change adaptation and mitigation within an organisation. By establishing long-term stretched targets, we can challenge ourselves to go beyond incremental improvements and pursue ambitious climate action measures. These targets are aligned with the overarching goal of reducing the Company's environmental footprint and contributing to global efforts to combat climate change. Achieving company-wide strategic alignment of these goals ensures that every department and employee works towards the same objectives, fostering collaboration and synergy across the organisation. Additionally, using quantitative metrics and performance-oriented results to measure progress enables us to track our progress effectively and identify areas for improvement. We promote data-driven decision-making to make informed choices that maximise our impact on climate change mitigation while optimising resource allocation and operational efficiency.

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Performance-oriented Results (Cont'd)

ViTrox's Hoshin Plan, a blueprint of high-level strategies set by senior management using Objectives and Key Results ("OKR") and the Balanced Scorecard, incorporates energy saving initiatives, and monetary rewards are based on targets set in the Hoshin plan that cascade down to entry-level employees. The Hoshin strategic plans are then shared with leaders from all Business Units ("BUs") for further discussion and review with their teams. The Group CEO will brief the Board on the Annual Hoshin Plan at the 1st Board Meeting of a financial year, to seek further input and approval from the Board before execution. This creates transparency and clarity for all leaders as they will have a clear understanding and direction for both long and short-term focus areas.

Comprehensive Management Framework

A comprehensive management framework is essential for effectively addressing climate-related R&O within an organisation. By adopting recommendations issued by the TCFD, we can enhance our transparency and disclosure practices regarding climate-related R&O. This involves systematically assessing and disclosing climate-related risks, such as physical risks from extreme weather events and transition risks arising from regulatory changes and market shifts. Additionally, integrating climate-related risk management into the Company's ERM framework ensures that climate risks are identified, assessed and managed alongside other strategic risks. This holistic approach enables us to mitigate potential impacts on our operations, finances and reputation, while also capitalising on opportunities presented by the transition to a low-carbon economy.

Furthermore, conducting climate R&O identification and scenario analysis are integral to controlling risks and seizing opportunities in a rapidly changing climate landscape. Through scenario analysis, we can evaluate the potential impacts of different climate scenarios on our business operations, supply chains and financial performance. This enables proactive decision-making and strategic planning to adapt to climate-related changes and capitalise on emerging opportunities. By systematically identifying and assessing climate R&O, we can strengthen our resilience, enhance our competitive advantage and position ourselves for long-term sustainability.

Climate Advocacy and Education

Climate Advocacy

At ViTrox, we are fully dedicated to attaining net-zero carbon emissions, Scope 2, by the conclusion of 2030. This objective aligns with the worldwide climate objective of constraining the earth's warming to 1.5°C and Malaysia's unconditional commitment to reduce carbon intensity against GDP by 45% compared to 2005 levels by 2030 as a participant in the Paris Agreement.

In alignment with the aforesaid Company's commitment, ViTrox signed the [Malaysia Digital Climate Action Pledge](#) ("MDCAP") in 2022 as part of its first cohort. Upon signing this pledge, we committed to:-

- Share our sustainability best practices in terms of strategies, action plans and initiatives
- Conduct business operations in an environmentally responsible manner through the practices of Reduce, Reuse and Recycle
- Take action to minimise GHG emissions by implementing energy efficiency and/or renewable energy or other emission-reducing measures

Being a conscientious corporate entity, ViTrox regards ESG as a significant obligation for businesses and remains steadfast in its endeavours towards sustainable development. We actively engage in both domestic and international sustainability initiatives and evaluations to underscore our commitment and aspirations regarding sustainability matters. This includes collaborative promotion of TCFD and ongoing involvement in global ESG assessments such as FTSE Russell and CSA by S&P Global.

Continued Development for Board of Directors and Management Team

The continued development of the Board and management team in climate change and ESG topics is imperative due to the urgency and complexity of these issues. The Board and management team need to stay abreast of evolving regulatory frameworks, investor expectations and societal trends related to climate change. Continuous development enables them to seize new business opportunities, and identify and mitigate risks associated with environmental vulnerabilities, social licence to operate and governance failures, thereby safeguarding the organisation's reputation and resilience. Leadership of the Board and management is instrumental in fostering a culture of sustainability within the organisation, and continuous development efforts signal a commitment to integrating climate change and ESG considerations into decision-making processes, incentivising employees to embrace sustainability practices and aligning corporate values with societal expectations.

As at 31 December 2024, our Board members attended training courses such as "Mandatory Accreditation Programme Part II: Leading for Impact" and "Environmental, Health & Safety Awareness" to enhance their knowledge, skills and strategies necessary to integrate ESG principles into organisational strategies, enhance sustainability practices, and drive long-term value creation.

A GO-GREEN PRACTITIONER

CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Climate Strategy (Cont'd)

Climate Advocacy and Education (Cont'd)

Continued Development for Board of Directors and Management Team (Cont'd)

These comprehensive courses provide a thorough examination of ESG considerations within corporate sustainability frameworks. They gained insight into heightened expectations on corporations regarding sustainability, directors' responsibilities, effective board oversight, global and local environmental challenges, strategies for managing environmental risks, making organisational commitments, and addressing social and governance aspects, including community engagement, health and safety, reporting requirements, international developments, and challenges with sustainability reporting and ESG data.

Cultivation and Communication of Climate Change Awareness

We have launched a mandatory ESG awareness programme designed to heighten employee understanding and consciousness of ESG principles. We also update our people on the latest business accomplishments through press releases and e-newsletters as well. These help employees take pride in the Company's performance and encourage them to play a part in climate change. We also work together with our business partners and communicate the importance of ESG performance through long-term supplier development initiatives, such as sharing best practices to enhance the sustainability literacy of our suppliers. We share our ESG initiatives with our SCPs and customers through regular informative e-newsletters and conduct sharing sessions to give ViTrox's ESG overview for SCPs to better understand our ESG initiatives and achievements.

Risk Management

ViTrox conducts biannual R&O assessments, which involve identifying, analysing and mitigating R&O within the organisation. These assessments align with our commitment to understanding the Company's context, as well as the needs and expectations of stakeholders. We proactively address identified R&O, ensuring that we effectively manage potential challenges and capitalise on favourable circumstances.

The R&O register serves as a comprehensive tool for cross-functional stakeholders to identify, assess and address potential R&O within the organisation. This process involves developing action plans to mitigate or capitalise on these R&O, utilising the R&O grading matrix to prioritise and allocate resources effectively. The integration and implementation of these actions to manage Company R&O, especially on climate-related R&O, are crucial, to ensure alignment with organisational objectives and strategic direction. Regular reviews of the actions' effectiveness enable continuous improvement and adaptation to evolving circumstances, reinforcing the organisation's resilience and ability to seize opportunities while mitigating risks.

In establishing the context of the organisation, internal stakeholders from different functional departments who frequently engage with the external stakeholders identify both external and internal factors pertinent to the Company's purpose and strategic direction. This process encompasses determining the interested parties relevant to specific topics, including climate change, and understanding their concerns on these specific topics. The inputs identified through this process will be subject to monitoring and review according to a scheduled frequency of twice a year. This systematic approach ensures ongoing assessment and alignment with the evolving needs and expectations of stakeholders, facilitating effective management of the organisation's R&O, including climate-related R&O.

The scheduling of R&O reviews involves organising meetings with 2 primary objectives. First, these meetings facilitate a comprehensive review involving relevant stakeholders to discuss and analyse identified R&O, including those related to climate. This collaborative approach ensures the consideration of diverse perspectives, enabling a thorough understanding of the potential impacts and implications of each R&O. Second, the R&O review meetings include a session with senior management, comprising members of the ESC and the RMC. This provides an opportunity to present findings, discuss strategic implications and gain executive-level insights and decisions. Engaging with senior management ensures alignment between risk management efforts and organisational objectives, facilitating informed decision-making and proactive strategies for risk mitigation and opportunity pursuit. During the meeting with senior management, the ESC leverages the RMC's input to identify significant R&O, including those related to climate, for reporting operational and non-operational risks to the Board. This ensures a coordinated and comprehensive approach to managing R&O, including climate-related ones, within ViTrox. This approach is in line with the recommendations of TCFD to include R&O and scenario analysis specific to our context, such as the sector we operate in, the geographical region and the current regulatory landscape. By considering the context comprehensively, we can develop more accurate and insightful R&O identification and mitigation, as well as scenario analyses that inform strategic decision-making and risk management efforts effectively.

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CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Risk Management (Cont'd)

Climate-related Risks

As the global climate continues to undergo significant changes, businesses face a dual challenge of adapting to both the physical impacts and the transition towards a lower-carbon economy. These challenges manifest in the form of physical risks and transition risks, each presenting unique considerations and implications for organisations worldwide.

Transition risk refers to the hurdles and adjustments that organisations encounter as they navigate the transition towards a lower-carbon economy. This transition encompasses a spectrum of changes, including shifts in policies, regulations, technologies and market dynamics, aimed at addressing climate change mitigation and adaptation requirements. However, the pace and coherence of these changes can vary across jurisdictions, posing significant risks and adjustment costs, particularly for businesses operating in multiple regions. Therefore, understanding and effectively managing transition risks are paramount for organisations striving to adapt and thrive in an evolving climate-conscious landscape.

Applying this to us, the semiconductor industry is energy-intensive, and the transition to renewable energy sources and low-carbon technologies could have significant implications for the Company's operations and profitability. Addressing this risk, we set a new target to achieve an energy savings rate of 2% of the previous year's purchased electricity starting in 2023 and a new target to achieve a 2% year-on-year reduction of Scope 2 carbon emissions per revenue on a 3-year rolling period basis.

Conversely, physical risks stem directly from the impacts of climate change, ranging from acute events like storms and floods to chronic shifts in climate patterns over time. These risks have tangible financial implications for businesses, encompassing direct damage to assets and indirect repercussions such as disruptions in the supply chain. Moreover, changes in factors like water availability, quality and sourcing, along with challenges like food security and extreme temperature fluctuations, can further impact organisations' financial performance. From operational disruptions to employee safety concerns, businesses must navigate myriad physical risks in their day-to-day operations.

Our manufacturing facilities are located in Malaysia, a country vulnerable to extreme weather events due to our location in the equatorial zone. In addition, our business partners, including suppliers and customers, are also located in areas prone to climate disasters. To mitigate these risks, we implement measures such as diversifying our supply chain and strengthening our disaster preparedness plans.

In this dynamic climate landscape, we must recognise and address both physical and transition risks. By understanding the nuances of these risks and implementing robust risk management and adaptation strategies, we can enhance our resilience and sustainability in the face of climate-related challenges.

The following table describes the types of climate-related risks, impacts and time horizons of the risks identified for ViTrox.

Type of Risk	Example	Impacts	Time Horizon ¹
Transition Risk			
Legal risk	- Exposure to litigation due to the failure of an organisation to mitigate the impacts of climate change, failure to adapt to climate change - Compliance with stricter Environmental Management System ("EMS")	- Increased costs and/or reduced demand for products and services resulting from fines and judgments - Loss of company reputation - Loss of customer confidence due to lower ESG rating	MT, LT
Policy risk	- Enhanced climate-related reporting obligations - Government subsidies/grants for development and adopting climate-friendly technologies	Increased operating costs (e.g., higher compliance costs, increased insurance premiums)	MT, LT
Technology risk	- Substitution of existing products and services with lower-emissions options - Unsuccessful investment in new green technologies - Costs to transition to lower-emissions technology - Compliance to RoHS Directive	- Loss of market share and decreased market competitiveness if fails to acquire the subsidies due to slow in development and adoption of related technologies - Write-offs and early retirement of existing assets - Reduced demand for outdated products and services - Increased capital investments in research and development ("R&D") - Costs to adopt/deploy new practices and processes	MT, LT

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CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Risk Management (Cont'd)

Climate-related Risks (Cont'd)

Type of Risk	Example	Impacts	Time Horizon ¹
Market risk	- Changing customer behaviour - Increased cost of raw materials	- Reduced demand for goods and services due to shift in consumer preferences - Increased production costs due to changing input prices (e.g., energy, water) and output requirements (e.g., waste treatment) - Abrupt and unexpected shifts in energy costs - Change in revenue mix and sources, resulting in decreased revenues	ST, MT, LT
Reputational risk	- Changing consumer preference for companies that have green reputations - Stakeholder concerns about climate change - Lack of transparency in climate-related disclosures	- Reduced revenue from decreased demand for goods/ services - Reduced revenue from decreased production capacity (e.g., delayed planning approvals, supply chain interruptions) - Reduced revenue from negative impacts on workforce management and planning (e.g., employee attraction and retention) - Loss of trust from investors and customers, leading to decreased brand value and difficulty attracting partnership	ST, MT, LT
Physical Risk			
Extreme weather events (acute)	Increased severity of extreme weather events such as cyclones and floods	- Global supply chain disruption - Reduced revenue from decreased production capacity - Increased capital costs (e.g., damage to facilities) - Increased insurance premiums and potential for reduced availability of insurance on assets in "high-risk" locations	MT, LT
Changes in climate patterns (chronic)	- Changes in precipitation patterns and extreme variability in weather patterns - Rising mean temperatures - Rising sea levels		MT, LT

Note:-

¹ Time Horizon – Short Term ("ST"): 0 - 5 years; Medium Term ("MT"): 6 - 10 years; Long Term ("LT"): > 10 years

Climate-related Opportunities

Identifying and capitalising on opportunities related to climate change are imperative for organisations navigating the transition to a sustainable future. Firstly, enhancing resource efficiency across production, distribution and infrastructure not only reduces operating costs but also contributes to global carbon emission reduction efforts, positioning businesses for long-term success. Similarly, shifting energy sources towards renewables presents a dual benefit of cost savings and aligning with global carbon emission reduction goals, as evidenced by the increasing investments in renewable energy capacity worldwide.

Secondly, innovating products and services to meet evolving consumer demands for low-emissions options not only boosts competitiveness but also responds to shifting market preferences, thereby enhancing market share and profitability. Moreover, proactive exploration of new markets and assets, along with building resilience to climate risks, diversifies organisational activities and fosters adaptation to changing environmental dynamics, ensuring long-term viability and sustainability in an ever-evolving business landscape.

The following table describes the types of climate-related opportunities and impacts of the opportunities identified for ViTrox.

Category	Example	Impact
Resource efficiency	- Use of more efficient modes of transport - Implementation of smart warehouse solutions for optimising operations, improving efficiency and enhancing overall performance - Use of recycling - Reduced water usage and consumption	- Reduced operating costs (e.g., through efficiency gains and cost reductions) - Increased production capacity, resulting in increased revenues - Increased value of fixed assets (e.g., highly rated energy efficient buildings) - Increase cost saving through reuse of materials and reduced cost of waste disposal - Benefits to workforce management and planning (e.g., improved health and safety, employee satisfaction) resulting in lower costs

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CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Risk Management (Cont'd)

Climate-related Opportunities (Cont'd)

Category	Example	Impact
Energy source	• Use of lower-emissions sources of energy • Implementation of solutions to monitor and optimise energy consumptions in manufacturing processes, plus identifying and addressing inefficiencies • Use of supportive policy incentives • Use of new technologies • Participation in carbon market • Shift toward decentralised energy generation	• Reduced operational costs • Higher returns on investment in low-emissions technology • Increased capital availability (e.g., as more investors favour lower-emissions producers) • Reputational benefits resulting in increased demand for goods/ services
Products and services	• Development and/or expansion of low-emissions goods and services • Development of new products or services to monitor and optimise energy consumptions of manufacturing equipments • Ability to diversify business activities • Shift in consumer preferences	• Increased revenue through demand for lower-emissions products and services • Reputational benefits resulting in increased demand for goods/ services • Better competitive position to reflect shifting consumer preferences, resulting in increased revenues
Markets	• Access to new markets • Use of public-sector incentives • Access to new assets and locations needing insurance coverage	• Increased revenues through access to new and emerging markets (e.g., partnerships with governments, development banks) • Increased diversification of financial assets (e.g., green bonds and infrastructure)
Resilience	• Participation in renewable energy programmes and adoption of energy efficiency measures • Resource substitutes/diversification	• Increased market valuation through resilience planning (e.g., infrastructure, land, buildings) • Increased reliability of supply chain and ability to operate under various conditions • Increased revenue through new products and services related to ensuring resilience

Scenario Analysis

As recommended by TCFD, disclosure regarding strategy and scenarios is important. Scenario analysis serves as a method to explore a range of possible futures that may significantly alter the basis of “business as usual” assumptions. These scenarios may include comparisons of different pathways leading to diverse temperature outcomes (such as scenarios for 2°C and 4°C futures), varying emissions trajectories, or other climate-related results. They outline plausible routes toward different potential futures, constructed on internally consistent, logical and credible assumptions, and can be analysed through modelling to quantify their outcomes. This allows businesses to tailor company-specific scenario processes and test climate change strategies against the set of scenarios.

Scenario analysis also informs management in a structured, systematic and analytical manner, providing new perspectives and unique insights, while clarifying the predictable and uncertain elements in different futures. Through scenario analysis, businesses continuously explore alternative strategies, even when existing strategies seem to be working. This ultimately broadens the strategic thinking of management, thus contributing to increased resilience of the business to climate change.

We have made reference to the scenarios used in the AR6 of IPCC in the understanding of possible climate outcomes, impacts and risks, and mitigation futures, and we have adopted the SSP scenarios to predict how climate change will change in response to socio-economic indicators such as population, economy, land use, and energy change. The SSPs also offer frameworks in evaluating the repercussions of diverse socio-economic trajectories on climate change, adaptation strategies, and mitigation endeavors, aligning with the objectives set forth in the Paris Agreement.

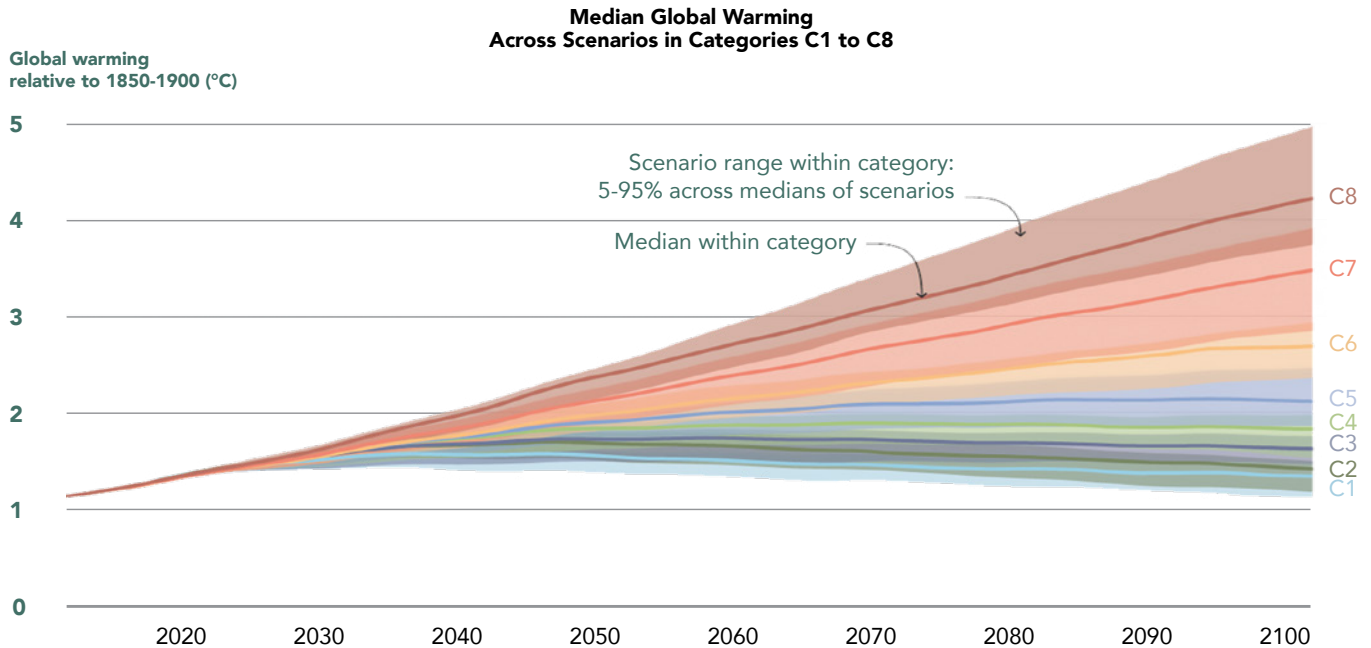
We have chosen 2 scenarios (SSP1-2.6 and SSP5-8.5) for our scenario analysis. The SSP1-2.6 scenario represents a scenario where global carbon emissions are reduced to net-negative and the global temperature only increases by 0.9 - 2.3°C by 2100. On the other hand, the high-emissions scenario is represented by the SSP5-8.5 scenario, where global warming reaches $\geq 4^{\circ}\text{C}$.

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CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Risk Management (Cont'd)

Scenario Analysis (Cont'd)



Source: Chapter 3, IPCC AR6 Working Group III, Assessment Report 6, 2022



Category	Description	SSP
C1: Limit warming to 1.5°C (> 50%) with no or limited overshoot	• Reach or exceed 1.5°C during the 21st century with a likelihood of ≤ 67%, and limit warming to 1.5°C in 2100 with a likelihood > 50% • Limited overshoot refers to exceeding 1.5°C by up to about 0.1°C and for up to several decades	SSP1-1.9
C2: Return warming to 1.5°C (> 50%) after a high overshoot	• Exceed warming of 1.5°C during the 21st century with a likelihood of > 67%, and limit warming to 1.5°C in 2100 with a likelihood of > 50% • High overshoot refers to temporarily exceeding 1.5°C global warming by 0.1°C-0.3°C for up to several decades	
C3: Limit warming to 2.0°C (> 67%)	• Limit peak warming to 2.0°C throughout the 21st century with a likelihood of > 67%	SSP1-2.6
C4: Limit warming to 2.0°C (> 50%)	• Limit peak warming to 2.0°C throughout the 21st century with a likelihood of > 50%	

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CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Risk Management (Cont'd)

Scenario Analysis (Cont'd)

Category	Description	SSP
C5: Limit warming to 2.5°C (> 50%)	• Limit peak warming to 2.5°C throughout the 21 st century with a likelihood of > 50%	
C6: Limit warming to 3°C (> 50%)	• Limit peak warming to 3.0°C throughout the 21 st century with a likelihood of > 50%	SSP2-4.5
C7: Limit warming to 4.0°C (> 50%)	• Limit peak warming to 4.0°C throughout the 21 st century with a likelihood of > 50%	SSP3-7.0
C8: Exceed warming of 4.0°C (≥ 50%)	• Exceed warming of 4.0°C during the 21 st century with a likelihood of ≥ 50%	SSP5-8.5

Source: Chapter 3, IPCC AR6 Working Group III, Assessment Report 6, 2022

Based on the assumptions above on conditions that enable or restrict climate change mitigation and respective possible outcomes, ViTrox has identified implications of physical and transition risks.

Risk	Implications	
	2°C Scenario (SSP1-2.6)	4°C Scenario (SSP5-8.5)
Transition risk		
Legal risk	• Low risk in view of there are mitigation controls such as strategies, plans and actions to comply the climate change regulatory requirements	• Low risk due to absence of comprehensive climate control, low compliance requirements and slow development of climate-related regulations
Policy risk	• High risk arising from strict expectations and commitments to comply the stringent policies and regulations – more investment in low-carbon technology, more monitoring and analysis of climate related risks	• Medium risk associated with climate change policy and legislation in view of a lenient approach by the regulators towards the climate related issues
Technology risk	• High risk associated from transition to lower-emissions technology in operations • High risk associated from additional R&D costs for products with lower-emissions technology/unsuccessful investments in green technologies	• Low risk arising from lower costs to transition to lower-emissions technology due to low motivation of implementation of greener technology in operations • Low risk associated with low demand of lower-emissions products in the market
Market risk	• High risk associated with changing customers' demands for low carbon products which requires the company to invest in low-carbon technology thus increased in capital expenditure and operating expenses	• Low risk associated with low demand of low carbon products in the market
Reputational risk	• Low risk in view of strict adherence to relevant laws and regulations, and engaging our stakeholders to update them on our climate-related strategies and progress	• Low risk due to low public awareness and less pressure from stakeholder to implement the climate-change strategy
Physical risk		
Extreme weather events (acute)	• Medium risk in view of disruption on operations, but there are internal climate mitigation plans to accommodate the arising risks from extreme weather events	• High risk due to the increased frequency and severity of extreme weather events that affect infrastructure, supply chain and operations of the factories • High risk associated with unavailability of insurance renewal
Changes in climate patterns (chronic)	• Medium risk in view of disruption on operations, but there are internal climate mitigation plans to accommodate the arising risks from changes in climate patterns	• High risk due to the potential relocation of factories thus the increase in capital expenditure and operating expenses

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CLIMATE CHANGE AND ENERGY MANAGEMENT (CONT'D)

Metrics and Targets

Tracking and disclosing carbon emissions originating from both direct and indirect origins allows us to control our carbon footprint effectively, propelling our progress towards attaining net-zero carbon emissions, Scope 2, by the end of 2030.

Climate-related Metric Relevancy with Climate-related Targets												
Metrics	2024 Target	Climate-related Risks						Climate-related Opportunities				
		Legal Risk	Policy Risk	Technology Risk	Market Risk	Reputational Risk	Physical Risk	Resource Efficiency	Energy Source	Products and Services	Markets	Resilience
Energy savings rate of previous year's purchased electricity	≥ 2.0%		✓	✓	✓	✓		✓	✓		✓	✓
Year-on-year reduction of Scope 2 carbon emissions per revenue on a 3-year rolling period basis	≥ 2.0%		✓	✓	✓	✓		✓	✓		✓	✓

By consistently monitoring and reporting climate-related metrics and objectives, we aim to pinpoint areas for enhancement in advancing its journey toward climate resilience. ViTrox follows guidance from the SEDA, GHG Protocol Corporate Standard and DEFRA to calculate our carbon emissions.

Future Plans

Recently, the International Financial Reporting Standards ("IFRS") Foundation, which oversees the International Sustainability Standards Board ("ISSB"), has taken over the monitoring of companies' progress on climate-related disclosures from TCFD as of October 2023. Our TCFD disclosures will be aligned with the ISSB standards going forward, as its principles remain embedded in global sustainability reporting through ISSB/IFRS standards.

We will enhance our climate-related disclosures by aligning with the ISSB standards, guided by National Sustainability Reporting Framework ("NSRF"), to ensure a seamless transition from the TCFD framework. We are actively strengthening our reporting, refining impact quantification and establishing and revising targets to ensure precision in our efforts. This commitment underscores our early-stage approach to climate-related disclosures as we aim to bolster resilience against climate change's adverse effects and strive towards our climate-related targets and objectives. This commitment to continuous improvement will help ViTrox identify key strategic areas and capitalise on business opportunities, fortifying resilience against climate change's adverse effects while striving to meet ViTrox's climate-related targets and objectives.

ENVIRONMENTAL CONSERVATION AND PRESERVATION

Management Purpose	ViTrox provides customers with green products to meet their needs and comply with regulations and through the control and improvement of design and production, fulfilling the Company's corporate social responsibility of protecting the environment.					
Management Approach	We apply clean technology principles in our design and manufacturing processes to avoid environmental damage at the source and ensure sustainable consumption to conserve the environment.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Compliance with Restriction of Hazardous Substances ("RoHS") Directive ¹	≥ 50.0%	Achieved	90.2%	≥ 92.0%	100%
	Employees' participation in V-Meal	≥ 80.0%	Not achieved	65.9%	≥ 80.0%	≥ 85.0%
	Year-on-year increase in number of earth-friendly meals served	≥ 5.0%	Achieved	29.3%	≥ 5.0%	≥ 15.0%

Note:-

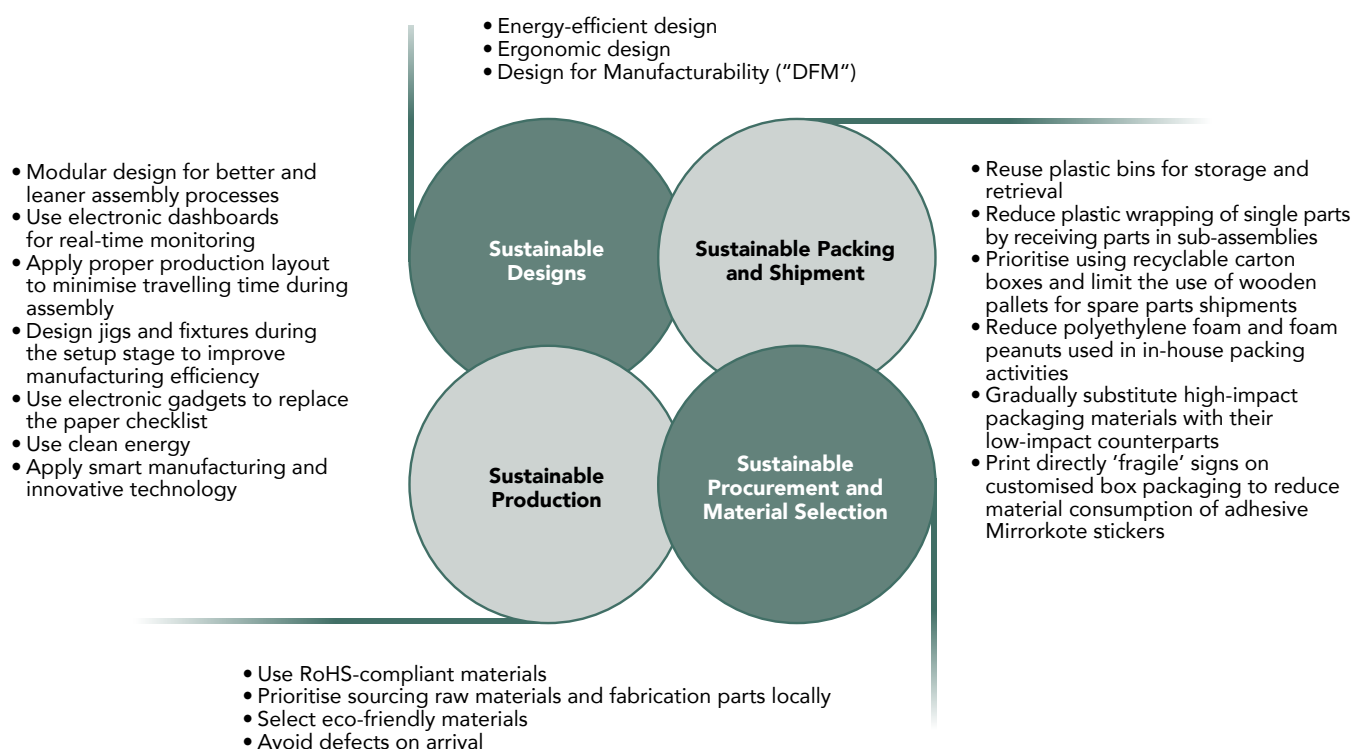
¹ In setting our target and goal for RoHS-compliant materials, ViTrox moves towards self-declaration and monitoring of RoHS-compliant materials starting in 2023. We target to achieve zero (0) use of hazardous materials and achieve 92% and 100% RoHS-compliant materials in all ranges of our products by 2025 and by 2030 respectively, with the exception of Advanced 3D X-ray Inspection ("AXI") machines.

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ENVIRONMENTAL CONSERVATION AND PRESERVATION (CONT'D)

Cleantech

ViTrox applies 4 major clean technology ("cleantech") principles in our design and manufacturing processes to avoid environmental damage at the source. These principles focus on significant energy efficiency improvements, the sustainable use of resources and practices to eliminate the creation of pollutants or wastes. Hazardous substance management is a crucial aspect of a sustainable manufacturing process. At ViTrox, we manage it by creating an internal system to monitor and control the purchase of non-hazardous parts and materials as well as complying with the EU RoHS Directive.



Embedded in our core and support business functions, cleantech is consistently applied throughout the design, manufacturing and application of our automated machine vision inspection solutions to minimise our operation's environmental footprint and help our customers minimise the impacts of their operations.

The following table illustrates the cleantech initiatives taken by our Group's core business units through our products offered.

Business Unit	Cleantech Initiatives
MVS-S	• We integrate Artificial Intelligence ("AI") Deep Learning into machine vision, which can reduce over-rejection during production, thus increasing production yield overall. • We integrate AI Deep Learning to increase machine overall equipment effectiveness ("OEE"). After implementation, the production output increased by 25% due to less human intervention and lower over-rejection. • We develop a generic equipment front-end module ("EFEM") platform for the wafer inspection machine. This creates flexibility for the Wafer Advanced 3D Optical Inspection ("AOI") to accept input from a metal frame or Front Opening Unified Pod ("FOUP"), which is particularly useful for customers with high-mixed-low-volume, as it eliminates the need for additional machines to cater for different input types. • In collaboration with our equipment maker customer, we develop dual-unit inspection systems and integrate into the customer's customised turret machines. The new solution can double the throughput compared to the existing solution. • Integrate Short Wave Infrared ("SWIR") technology into our post-seal vision inspection handler, significantly enhancing its detection capability. This upgrade enables the inspection of inner cracks in chips already sealed in carrier tape, effectively preventing defective chips from being used in final appliances.
MVS-T	• We deploy AI to improve production yield, reduce rework and enhance operational efficiency. • We utilise Automatic Nozzle Changer ("ANC") to automate processes, thus improving efficiency and reducing the number of operators involved. • Our TR1000S+ and TH1000SE vision handlers improve the machine's throughput, which reduces the environmental impact caused by technology. • Our TH1000SE vision handler allows upgrading old onsite machines to improve the machine's performance, prolonging the machine's lifetime. • We deploy the V-ONE system to monitor machine data and status, optimising machine performance and reducing machine breakdown frequency.

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ENVIRONMENTAL CONSERVATION AND PRESERVATION (CONT'D)

Cleantech (Cont'd)

Business Unit	Cleantech Initiatives
MVS-T (Cont'd)	- Our Autonomous Mobile Robot ("AMR") can automate tasks currently performed by operators, leading to improved machine utilisation and potentially reducing the need for dedicated machine operators. - Our AUX 4S PRO enhances the machine's performance and throughput while maintaining a compact physical footprint, thereby minimising environmental impact and promoting a safer, more efficient workspace.
ABI	- Our AOI and Advanced Solder Paste Inspection ("SPI") platforms are RoHS compliant (RoHS 3, Directive (EU) 2015/863). - Our R&D team practises the concept of interchangeability for AOI, SPI and V9 designs to minimise material diversity and reduce the consumption of new materials. In the recent AOI new product introduction ("NPI") releases, Micro AOI and Semicon AOI platforms shared similar machine base hardware as surface-mount technology ("SMT") AOI except for different cameras and lighting. Similarly, the V9i final inspection and V9i conformal coating inspection systems are designed with the same concepts. - We extend the repair station's AI coverage up to 95% for false call reduction, which lowers the over-rejection rate, reduces rework processes and enhances operational efficiency. - The latest release of our AI smart programming extends the AI coverage to include a connector, barcode and Optical Character Verification ("OCV") auto programming, bringing the programme automatic setup to achieve 95% or higher and significantly improving engineer productivity. - We introduce predictive maintenance capability and Artificial Intelligence of Things ("AIoT") module edge devices for machine condition monitoring to achieve the goals of asset lifetime extension, business or operation disruption due to unplanned downtime and resource management optimisation. - Our inaugural dual-lane platform of the AXI S3 enhances inspection throughput by approximately 50% or more over its predecessor platform AXI S2EX, resulting in improved productivity and an even better return on investment. - Our R&D team has enhanced the semiconductor AOI platform by incorporating additional angular cameras with 10 µm resolution. This augmentation aims to broaden the inspection coverage and capabilities, particularly for hidden views inaccessible from the top-down view. - Our V9i XL is designed to accommodate larger board sizes, further expanding the product's value proposition. The inspection data from V9i can also be analysed using our centralised ViTrox Statistical Process Control tool ("VDSPC 2.0") for data mining purposes. - We develop V-library 2.0 as an essential tool for recipes and databases management for AOI and SPI. In conjunction with the AI Auto Programming tool, it automates recipe creation and facilitates result analysis and cross-reference in later stages with the pin and pads mapping information. - We further expand the AOI product portfolio by having the new model, DST for double-sided top and bottom inspection. It is capable for both sided Printed Circuit Boards Assembly ("PCBA") inspection simultaneously, bringing significant cycle time improvement that contributes to higher throughput. It also reduces handling time and improves manufacturing efficiency compared to conventional AOI.
ECS	- ViE's industrial device products are fully compliant with the RoHS Directive (RoHS Directive 2011/65/EU and (EU) 2015/863 (amendment in Annex II)). - Industrial Camera – We integrate Internet of Things ("IoT") features to monitor X-ray camera operating parameters in real-time, such as sensor temperature, to enable early detection of potential failure. We also develop and integrate machine learning models into cameras to perform real-time inference on images acquired to detect camera sensor degradation at an early stage. Furthermore, a new generation of X-ray cameras is in development, utilising advanced charged-coupled device ("CCD") sensor technology for improved efficiency. - Industrial Illumination – We implement DFM practices based on our manufacturing capabilities and requirements in the PCBA process to optimise process time and reduce material wastage due to unwanted failure mode. Our V-LightSense technology enables industrial light source controllers to communicate with industrial light sources. This technology allows users to identify the vision module light source information and automate their system's operation recipe in our phase 1 implementation. We are also exploring alternative LED driving circuit technology with higher power efficiency and thermal performance, thus reducing the required product footprint for heat dissipation at more effective cost. - We expand our EtherCAT-based industrial input/output ("I/O") product offerings by launching this 16O model, which includes a digital output circuit protection feature. Unlike conventional digital I/O products, this feature prevents any damage that might occur when a short-circuit event happens at the connected devices. Recently, we are integrating machine learning capabilities into I/O products to monitor industrial actuators operating condition and prompt users on the potential device damage before it actually happens. - Our IoT features monitor stepper driver real-time performance, enabling users to optimise the motor driving parameters tuning for optimal machine performance. Currently, we are looking into Gallium Nitride ("GaN") components in our next industrial motion product technology roadmap to achieve higher levels of power density and efficiency, as compared to traditional silicon components. - We develop an Energy Manager plugin on the V-ONE platform for APM applications in energy monitoring, which covers carbon emissions, maximum demand analysis, energy consumption prediction, etc. We launch ViCAT Master Lite software for customer evaluation and adoption, compatible with our EtherCAT-based industrial devices. This software is free to use, enabling users to start adopting EtherCAT technology in industrial control applications that have lower communication cycle time requirements (> 1ms).
VAG	- Our Ranger1S and Ranger Module reduce reliance on traditional heavy machinery, lowering carbon emissions and minimising soil compaction. The Ranger series is also expected to reduce the need for at least 3 manpower in each small and medium enterprise farm. - The use of V-Seeder machine increases seeding efficiency by up to 500% in speed, significantly reducing the time required for manual seeding and lowering labour costs. - The use of precision sensors in farming beds and farm systems reduces water usage by determining the ideal water volume needed for specific crops. A past case showed a 14% increase in yield while reducing watering by 30% after analysis using data from the sensor systems. - Our Soil2Health tray system encourages sustainable farming by improving soil health, sequestering carbon within the farming system, reducing dependency on synthetic fertilisers and enhancing biodiversity. - Our farming decisions are data-driven. We manage farms using automated software and integrate cybersecurity measures to protect sensitive farm and operational data from breaches and cyber threats.

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ENVIRONMENTAL CONSERVATION AND PRESERVATION (CONT'D)

Cleantech (Cont'd)

Starting in 2023, ViTrox is moving into self-declaration and monitoring of RoHS-compliant materials. The design and selection of parts are internally controlled to ensure the parts fulfil RoHS requirements. We control from the source, in this case, from the R&D stage. From 2023's performance of 46.0% to current year's 90.2%, it shows that our teams have put in a lot of effort towards the directive. It all started from the R&D stage, where our products are designed with the objective to avoid the presence of hazardous substances. By 2030, we target to achieve zero (0) use of hazardous material and achieve 100% RoHS-compliant in all ranges of our products, excluding AXI machines.



Resource Efficiency Benefits of Products

Cleantech plays a crucial role in addressing environmental challenges, promoting sustainability and transitioning towards a more resource-efficient, low-carbon economy. Through our R&D efforts in the field of cleantech, we are able to create value for customers through the integration of cleantech in our products, demonstrating tangible resource efficiency benefits that align with customers' needs, preferences and values.

- Resource Efficiency Benefits of our Products**

 - Cost Savings/ Increased Productivity**
 - Decreased Energy Consumption**
 - GHG Emissions Reduction**
 - Decreased Waste Generation**
 - Increased Product Durability/ Longevity**
 - Decreased Raw Material Consumption**

Left Side Text:

 - We deploy AI in our products to improve production yield, reduce rework and enhance operational efficiency.
 - We utilise automation processes in our products, improving efficiency and cost savings by reducing the number of operators involved in a process.
 - ViTrox's DFM approach and the use of RoHS-compliant materials help minimise raw material consumption in product manufacturing.
 - Interchangeability concepts in product designs aim to reduce material diversity and consumption, contributing to decreased raw material usage.
 - ViTrox's sustainable design practices, including ergonomic design and DFM, enhance product durability and longevity.
 - Integration of AI and IoT features for predictive maintenance helps prolong the lifespan of ViTrox products, reducing the need for frequent replacements.

Right Side Text:

 - ViTrox integrates AI and IoT features into our products, facilitating energy-efficient operations and reducing overall energy consumption.
 - The implementation of clean technology principles in design and manufacturing processes helps minimise energy usage, contributing to decreased energy consumption.
 - By focusing on energy efficiency improvements and clean technology principles, our products indirectly contribute to the reduction of greenhouse gas emissions associated with energy consumption.
 - Local sourcing of raw materials and the use of modular design also help reduce transportation-related emissions, contributing to GHG emissions reduction.
 - ViTrox's products are constantly upgraded to prevent the premature retirement of field systems when new technology is rolled out to reduce the wastage of materials used when purchasing a new system.
 - Initiatives such as selection of eco-friendly materials in our products, reducing plastic wrapping and prioritising recyclable packaging materials contribute to decreased waste generation throughout the product life cycle.

A GO-GREEN PRACTITIONER

ENVIRONMENTAL CONSERVATION AND PRESERVATION (CONT'D)

Sustainable Consumption

Our core principle is to use resources wisely, and this commitment is evident in our daily activities. We strive to reduce GHG emissions, prevent pollution and waste, and minimise energy usage. At ViTrox, we produce pesticide-free agricultural products, prepare food ingredients at V-Veggie Salon, provide earth-friendly meals to our people, sell locally grown vegetables, convert food waste into enzymes and harvest rainwater with eco ponds.

Rainwater Harvesting and Eco Ponds

- Rainwater harvesting and self-sustainable eco ponds reduce our reliance on water consumption from the direct supply
- Water the landscape plants through a sustainable irrigation system and ensures the quality of vegetables and fruits in our V-Farm and the health of our employees

V-Farm Programme

- Grow pesticide-free vegetables, fruits and herbs on our on-site greenhouse, farm and herb garden facilities
- Use these fresh, local food ingredients for our V-Meal programme, cutting down on carbon emissions from transport, reducing the need for plastic packaging and helping to save on fossil fuels
- In 2024, we generated yield of 3,753.3kg; of which 3,109.2kg was used in V-Meal programme and 670.0kg was sold at V-Green Selling Corner

Zero Waste Agriculture

- Collect the organic food waste, including fruit waste and veggie scrap, from the kitchen, V-Veggie Salon, V-Green Selling Corner and V-Cafe, and turn the food waste into enzymes through the composting method
- Use eco enzyme produced from food waste as a replacement for chemical detergents for dish washing purposes
- In 2024, we turned 1,720.8kg of organic waste into compost

V-Veggie Salon

- A corner set up for food preparation
- Encourage our people to clean, cut, peel and process food ingredients

V-Green Selling Corner

- Sell homegrown and locally sourced vegetables and fruits to our people for their convenience
- Accommodate needs for grocery shopping

V-Meal Programme

- Offer earth-friendly meals to our people and all on-campus visitors
- Encourage our people to practise a meatless diet because it is not just about observing diet restrictions but instead making healthier substitutions



A GO-GREEN PRACTITIONER

ENVIRONMENTAL CONSERVATION AND PRESERVATION (CONT'D)

Sustainable Consumption (Cont'd)

Positive Impacts of V-Meal Programme



V-Meal Programme	Unit	2022	2023	2024
Employees' participation in V-Meal	%	74.9	70.2	65.9
Average number of earth-friendly meals served per day	meal	642	728	933
Number of earth-friendly meals served	meal	155,844	177,635	229,635
Year-on-year increase in number of earth-friendly meals served	%	33.5	14.0	29.3
CO ₂ emissions avoided	kg	479,279	546,255	704,329

In 2024, our V-Meal participation rate decreased to 65.9% from 70.2% in 2023. Despite this decline, we remain committed to promoting an earth-friendly diet plan as a key component of our sustainability efforts. We understand shifting dietary habits is a gradual process, especially given the diverse preferences and dietary restrictions of our people. Cultivating a new food culture requires patience and understanding, and we are dedicated to supporting our people through this transition with guidance and emphasis on gradual changes.

To improve participation and better address the diverse needs of our workforce, we have introduced several key initiatives. We have engaged a professional nutritionist to collaborate with our internal V-Chef team, providing guidance on cooking techniques to ensure our meals are not only sustainable but also nutritious and appealing. We have also implemented a rotating 20-day menu designed to offer a balanced diet while ensuring variety and satisfaction.

ViTrox has expanded the V-Meal initiative to include external participants, such as visitors and customers, broadening its impact and inspiring a wider community to adopt healthier and more sustainable food choices. We aim to increase the number of earth-friendly meals served by at least 5% year-on-year by 2025 and achieve a 15% increase by 2030. These goals underscore our dedication to environmental stewardship and highlight our efforts to expand the V-Meal programme's reach, ultimately fostering a more sustainable and inclusive dining culture at ViTrox.

Biodiversity

ViTrox recognises the vital importance of preserving biodiversity and maintaining a balanced ecosystem. As a responsible corporate citizen located in the ecologically diverse region of Penang, Malaysia, we aim to harmonise our economic goals with environmental stewardship. To minimise our impact on local ecosystems, we conduct diligent checks before and during site selection for our current operations in the industrial zone of Batu Kawan Industrial Park and future sites. ViTrox ensures that our operation sites are not located near any reserved forest or protected habitat or near the surroundings of biodiversity hotspots and ecotones to minimise the risk of causing biodiversity loss and disrupting the region's ecological balance. We will continue to avoid locating new manufacturing facilities adjacent to or neighbouring these areas. If operating near a sensitive environment is unavoidable, we take measures to mitigate ecological damage through minimisation strategies.

As of 31 December 2024, our Campus is home to a diverse array of 10,912 plants, consisting of 15 different species, which create a lush and vibrant atmosphere for our employees. Pollination is a crucial mechanism in maintaining biodiversity and sustaining life on the planet. The harmonious relationship between *Animalia* and *Plantae* is a fundamental aspect of the ecosystem that makes up our beautiful natural world. Some notable species include 175 variegated *Bucida* plants, 75 *Happiness trees*, and 46 *Podocarpus Macrophyllus* plants, all thoughtfully incorporated into our landscape design. Additionally, over 2,260 *Vernonia elliptica* plants and 7,310 *Murraya Paniculata* are planted around our buildings, further enhancing the ecological value of our workspace.

A GO-GREEN PRACTITIONER

ENVIRONMENTAL CONSERVATION AND PRESERVATION (CONT'D)

Biodiversity (Cont'd)

Integrating Biodiversity Within ViTrox's Operations

Within current facilities, ViTrox incorporates several nature-based features:-

Initiative	Description	Contribution to UN SDGs
Circular economy and waste management	The V-Farm cultivates pesticide-free and chemical-free produce, which is supplied directly to Vitrox kitchen. The kitchen uses these farm-fresh ingredients to prepare nutritious vegetarian meals for our people. Post-harvest, organic waste from the farm undergoes bio-composting to create natural fertiliser. This fertiliser nourishes the V-Farm soil, completing the loop. This circular system reduces waste by transforming it into regenerative agricultural inputs. By recycling nutrients on-site, the closed-loop system at the V-Farm promotes sustainable farming practices.	 
Sustainable farming and biodiversity	ViTrox employs chemical-free farming, fostering a thriving habitat for essential microorganisms like earthworms and ants, which are crucial for soil aeration and improved drainage. Additionally, decomposers such as bacteria and fungi play a crucial role in breaking down deceased organic matter, transforming it into essential nutrients that nourish the crops.	  
Biophilic design in infrastructure	ViTrox adopts biophilic landscape protocols, incorporating natural elements into our built environment. The V-Cafe, featuring real plants and green spaces, exemplifies this approach. Such design choices enhance employee well-being and contribute to local biodiversity.	 
Conservation and site selection	ViTrox carefully selects operation sites to minimise the impact on reserved forests and protected habitats. Our strategy includes avoiding areas that could potentially disrupt regional ecological balance, reflecting our commitment to biodiversity conservation.	

Advancing Conservation Through Partnerships and Engagement

Looking ahead, ViTrox aims to continue integrating biodiversity considerations across operations through sustainable agriculture, habitat restoration/conservation, environmental partnerships and community engagement.

In conjunction with Earth Day 2024, ViTrox participated in the One Million Tree Planting in One Day initiative in Penang, Malaysia. This project, initiated by the Penang Development Corporation, aligns with ViTrox's commitment to environmental sustainability and our ongoing efforts to create a positive environmental impact. By contributing to the initiative, we planted approximately 15 large trees and 335 small tree saplings along Persiaran Cassia Selatan 1, one of the busier main roads in this industrial park.

WATER MANAGEMENT

Management Purpose	ViTrox aims to maximise water utilisation efficiency and minimise consumption via water-efficient fittings. Our water stewardship efforts help build a sustainable future for our business operations and the communities in which we operate.					
Management Approach	ViTrox adopts water management initiatives to reduce water consumption and improve overall water usage efficiency.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Reduction of water consumption per 1,000 sq. ft. for cooling infrastructure	≥ 3.0%	Achieved	20.2%	≥ 6.0%	≥ 20.0%
	Reduction of water consumption per headcount for domestic usage	≥ 3.0%	Not achieved	-44.6%	≥ 6.0%	≥ 20.0%

Supporting our commitment to water stewardship, ViTrox set targets in 2024 to reduce water usage across cooling infrastructure and domestic operations. In 2023, our baseline consumption was recorded at 85.1m³ per 1,000 sq. ft. or 14.8m³ per headcount. To drive meaningful reductions, our water target-setting approach prioritises water-intensive areas within our operations, focusing on improving efficiency and management practices.

Through our monitoring and screening process, we identify our cooling infrastructure, including chilled water systems and cooling towers, along with washing towers such as consumer water tanks and washing bays, account for over 75.2% of the Company's total water consumption. Given their significant contribution to overall usage, these areas are the primary focus of our conservation efforts and water target setting.

To achieve our sustainability objectives, we have implemented equipment upgrades, enhanced leak prevention measures and optimised operating procedures. As a result, for the year 2025, we are targeting a reduction of at least 6% in water consumption related to cooling infrastructure and domestic usage compared to baseline year 2023. Additionally, we have set a long-term goal to reduce consumption in these areas by at least 20% by 2030, based on 2023 consumption levels. By consistently meeting our short and long-term targets, these efforts will play a crucial role in lowering our overall organisational water consumption over the next decade. To ensure accountability and effectiveness, we closely track and record monthly consumption levels from cooling and washing towers.

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WATER MANAGEMENT (CONT'D)

Our Commitment to Water Management

ViTrox strives to be a responsible and sustainable corporate entity that plays a part in water conservation and mitigating environmental and social impacts associated with corporate water use. While complying with all applicable regulations according to the Environmental Quality Act 1974, ViTrox supports the collective efforts to create a sustainable supply of clean water to ensure that the community will have access to clean water sources. Although water conservation is not one of the most critical sustainability matters and our manufacturing process does not consume water, we remain cautious about tracking our water consumption and envisage reducing water usage in our daily operations.

Our water management approach is outlined in our [Environmental Policy](#) which acts as guidance for all ViTroxians, employees of suppliers, contractors and customers. The [Supplier Code of Conduct](#) complements our water management system, by setting standards for suppliers – particularly compliance with regulations and emphasising environmental responsibilities and water stewardship. Our water reduction initiatives focus on installing water-efficient fittings, including sensor taps, newer water-efficient taps, and other equipment at our primary operations in Campus 2.0 and 3.0, Penang, Malaysia. Water is used at ViTrox in support areas such as washrooms, pantries and the kitchen. ViTrox is committed to:-

- Reviewing and addressing water-related risks and opportunities
- Complying with water-related legal requirements and regulations
- Optimising water consumption by installing water-efficient fittings

Water Withdrawal

In 2024, ViTrox's water withdrawal from Perbadanan Bekalan Air Pulau Pinang Sdn. Bhd. ("PBA"), the municipal potable water supplier in Penang, totalled 56.3 megaliters ("ML"). ViTrox owns 2 eco ponds in ViTrox Campus 2.0 and 3.0 to reduce our reliance on clean water sources. The increase in water withdrawal was due to the expansion of ViTrox Campus 3.0, leading to more daily operational activities, and also a higher volume of visitors. In 2024, we had more than 3,170 (2023: 2,076; 2022: 1,076) students visiting our Campus to take part in plant tours and learn about the programmes offered by VA.

Source of Water Withdrawal	Unit	2021	2022	2023	2024
External wastewater	ML	0.0	0.0	0.0	0.0
Groundwater from wells, boreholes	ML	0.0	0.0	0.0	0.0
Municipal potable water	ML	32.4	¹ 41.5	¹ 50.5	¹ 56.3
Sea water, water extracted from the sea or the ocean	ML	0.0	0.0	0.0	0.0
Surface water from rivers, lakes, natural ponds	ML	0.0	0.0	0.0	0.0
Used quarry water collected in the quarry	ML	0.0	0.0	0.0	0.0
Total water withdrawal	ML	32.4	41.5	50.5	56.3

Note:-

¹ Data provided after excluding the water withdrawal by an external party – Centralised Labour Quarter ("CLQ").

Water Consumption

Our water consumption for the year under review totalled 56.3ML, a 11.5% increase over the previous year. However, our overall water consumption intensity measured by total floor space has decreased by 13.4% compared to the previous year 2023. ViTrox uses water solely for domestic purposes, including cooking, drinking, cleaning, irrigation, and cooling at our facilities. To establish data-driven water conservation targets, we installed water flow meters in 2023 to track usage for cooling and domestic purposes.

For cooling infrastructure, we successfully achieved our 2024 target of reducing water consumption intensity by at least 3%. Through diligent monitoring and management, we exceeded this goal, achieving a 20.2% reduction compared to our 2023 baseline. However, we missed our target to reduce water consumption intensity for domestic usage by at least 3% due to water leakages in certain areas. As a result, domestic water consumption intensity increased by 44.6%. Rectification of these leakages have been made, and we have installed additional meters to ensure stricter monitoring of domestic water usage.

	Unit	2021	2022	2023	2024
Total water consumption	ML	32.4	41.5	50.5	56.3
Water consumption per 1,000 sq. ft.	m ³	88.0	99.1	120.6	104.4
Changes in water consumption per 1,000 sq. ft.	%	9.8	12.6	21.7	-13.4

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WATER MANAGEMENT (CONT'D)

Water Consumption (Cont'd)

	Unit	2021	2022	2023	2024
Water consumption per 1,000 sq. ft. for cooling infrastructure	m ³		²	85.1	67.9
Water consumption per headcount for domestic usage	m ³		²	14.8	21.4

Notes:-

¹ Water consumption = Water withdrawal

² We started to collect data in April 2023. As such, 9 months of data were collected and extrapolated to 12 months.

Water Discharge

Our manufacturing processes do not consume water and produce no wastewater. Besides, our manufacturing processes do not require the use of ultra-pure water. Grey water is directly discharged to the sewage drainage and flows with rainwater to our eco ponds and storm drain, in full compliance with local requirements outlined by the Department of Environment ("DOE"), without any water treatment as they are not contaminated with chemicals. There were no significant spills into water sources, and we maintained strict adherence to water quality standards and regulations, with no instances of non-compliance.

Destination of Water Discharge	Unit	2021	2022	2023	2024
Beneficial/Other use	ML	0.0	0.0	0.0	0.0
Ocean	ML	0.0	0.0	0.0	0.0
Off-site water treatment	ML	0.0	0.0	0.0	0.0
Subsurface/Well	ML	0.0	0.0	0.0	0.0
Surface water	ML	0.0	0.0	0.0	0.0
Total water discharge	ML	0.0	0.0	0.0	0.0

Water Conservation

In recognition of our water conservation initiatives and continuous improvement efforts at Campus 2.0 and 3.0, ViTrox was awarded the Aqua Save Certificate by PBA, our licensed water operator serving the State of Penang, Malaysia. The Aqua Save Programme, a collaboration between PBA and the Penang State Government, recognises industries and organisations committed to water conservation. This comprehensive programme promotes water efficiency through certification, evaluating organisations based on water-saving initiatives, innovation and sustainable policies. ViTrox is proud to be part of this initiative, reaffirming our commitment to responsible water management and sustainability.

Rainwater harvesting is one of the most efficient ways of reducing water consumption and improving our environmental footprints. ViTrox harvests rainwater for consumption as one of our initiatives to go green and reduce our usage of treated water supply that is drawn from the river. We take an innovative approach to reduce our reliance on clean water sources by installing 2 eco ponds at ViTrox Campus 2.0. The eco ponds are designed to be self-sustainable and self-renewable mini-ecosystems. The setup is a primary method of capturing and storing rainwater, which reduces water wastage and allows us to recycle water for non-essential usage at our Campus. The first eco pond is located near the R&D office block with a collection capacity of approximately 59m³. The second eco pond, situated close to the visitor hosting block, can hold approximately 62m³ of rainwater. With a combined capacity of more than 120m³, the rainwater from the eco ponds becomes a sustainable water supply source for the irrigation of our Campus landscape and the V-Farm.

ViTrox installed an additional 169 foot-operated, water-efficient taps in our new Campus 3.0 as part of a hands-free water conservation system in the washroom handwashing areas, along with 126 foot-operated taps in Campus 2.0, bringing the total number of foot-operated taps across our Campuses to 295. These taps have an estimated water-saving ratio of 65% compared to standard taps. By eliminating contact with handles and knobs, the hands-free system also helps reduce the spreading of germs and viruses. Additionally, ViTrox put in place scheduled plant watering systems in Campus 2.0 to further enhance water usage efficiency.

We believe informed employees are empowered to make a difference. Through our ESG awareness e-learning programme, we educate our people about water conservation best practices in their daily work routines. By raising employee awareness about using water sustainably, ViTrox aims to drive incremental water savings over time across our operations. Our goal is to educate all employees on small changes that lead to major progress in preserving this precious shared resource.

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WATER MANAGEMENT (CONT'D)

Water Stress Management

Presently, our operational site is not located in a water-stressed area. ViTrox's water source is from the PBA, which is a licensed water supply operator in Penang. The PBA water supply is mainly sourced from Sungai Muda through the Lahar Tiang intake situated in Kepala Batas, Penang. In the event of any water supply disruption from PBA, they will supply water via tanker trucks. To date, we have not experienced any major water disruption issues within our operations. However, ViTrox remains vigilant in monitoring the potential impact of water security on our operations as an integral part of our risk management strategy.

Recognising water's crucial role in our day-to-day consumption, we track its availability and potential disruptions by assessing our water storage capacity and how long supplies would last during a disruption. The priority for water tanker deployment is then determined based on each property's expected sustainability during a water cut. By doing so, we implement emergency response protocols during a water disruption to ensure business continuity, uphold environmental responsibility and contribute to the resilience of local water resources.

WASTE MANAGEMENT

Management Purpose	Proper waste management helps to conserve natural resources and prevent pollution by reducing the need to consume new materials, reducing waste generation and lessening the negative environmental impact of operations.					
Management Approach	We execute the 5R principles – Refuse, Reduce, Repair, Reuse and Recycle – in the waste management programme and adhere to environmental regulations in handling waste disposal.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Wood waste diversion ¹	≥ 40.0%	Achieved	100%	¹	¹
	Reduction of non-biodegradable materials used in packing activities:- • Polyethylene foam • Foam peanuts	≥ 40.0%	Achieved	68.8%	≥ 50.0%	100%
	Year-on-year increase in usage of honeycomb paper wrappers ²	≥ 10.0%	Achieved	15.0%	²	²
	Hazardous waste recycling rate ³	Not applicable; this is a newly added target in 2024.		96.1%	≥ 91.0%	100%
	Recyclable material usage rate for void-fill solutions in packing activities ⁴	Not applicable; this is a newly added target in 2024.		73.8%	≥ 79.0%	100%

Notes:-

¹ Wood waste diversion target has been discontinued to adopt a more holistic approach to waste management.

² Year-on-year increase in usage of honeycomb paper wrappers used in packing activities target is discontinued in our efforts to shift toward circular economy practices.

³ In 2024, we introduced a new target to achieve a high recycling rate of hazardous waste generated from operations to effectively manage our hazardous waste and reduce environmental pollution.

⁴ In 2024, we introduced a new target to promote a circular economy by encouraging the use of recyclable materials in our packing activities which were designed to be reintroduced into the supply chain rather than discarded, further minimising waste accumulation from packing activities.

Waste management has proven to have a vast and lasting impact on every business area, environment and community. As such, ViTrox strives to comply with all applicable environmental regulations according to the Environmental Quality Act 1974 or any other relevant legislation. We also refer to guidelines under ISO 14001:2015 for our environmental management systems to minimise negative environmental impact.

To drive effective waste management and efficient resource utilisation, we optimise waste management through proper disposal and frequent monitoring of our waste generation. At ViTrox, we practise the 5R principles – Refuse, Reduce, Repair, Reuse and Recycle – in managing the waste generated from our operations. Our waste typically comprises hazardous and non-hazardous wastes.

Hazardous and Non-hazardous Waste

We handle hazardous wastes according to the Environmental Quality (Scheduled Wastes) Regulations 2005. Our operating facilities are fully aligned with the strict local laws and regulations pertaining to hazardous waste management. We have implemented stringent procedures and policies for safe storage and handling, management and disposal of hazardous waste, including e-waste. We carefully assess and collaborate with selected licensed local waste recovery contractors who possess expertise in recycling electronics and scheduled waste.

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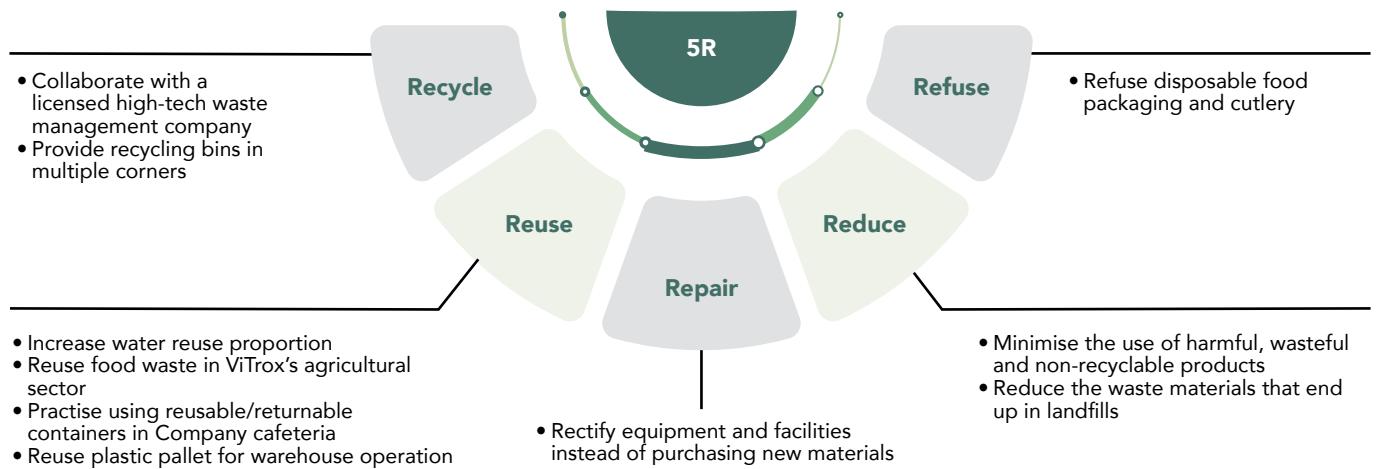
WASTE MANAGEMENT (CONT'D)

Hazardous and Non-hazardous Waste (Cont'd)

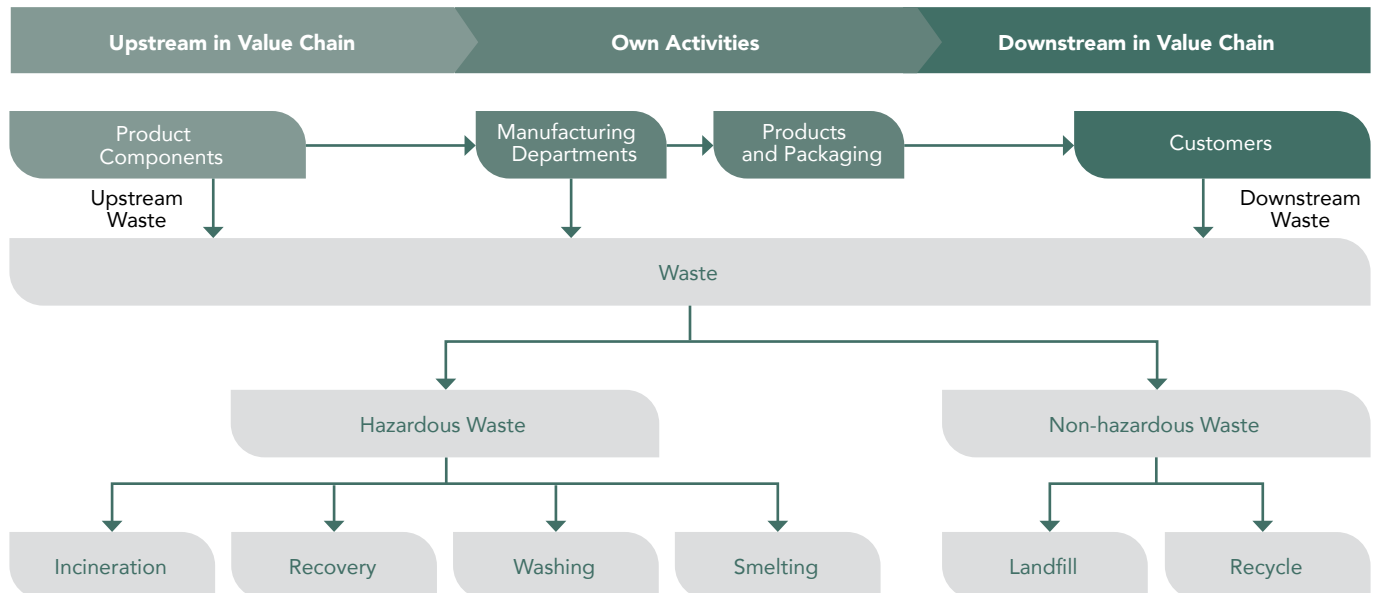
We handle non-hazardous waste through:-

- Efficient usage of raw materials, natural resources and energy
- Dedicated 5R principles
- Proper waste management practices
- Systematic promotion, education and training on environmental protection and responsibilities across all levels within ViTrox

Our 5R Principles



Waste Generation Process Flow



Waste Generation and Recycling

In 2024, we generated 149.5 tonnes of waste. We segregated hazardous waste, including clinical waste, from non-hazardous waste. All the waste that is not reusable or recyclable is disposed of according to local laws and regulations. Meanwhile, the hazardous waste is managed by appointed and licensed vendors. We diverted 100% of wood waste to the plywood manufacturer. This reflects the Group's commitment to reducing waste being sent to landfills.

A GO-GREEN PRACTITIONER

WASTE MANAGEMENT (CONT'D)

Waste Generation and Recycling (Cont'd)

Waste Generated			Unit	2021	2022	2023	2024
Hazardous waste	Diverted from disposal	Recycled/Reused	tonne	0.2	1.1	1.5	0.6
	Disposed	Landfilled	tonne	0.0	0.0	0.0	0.0
		Incinerated with energy recovery	tonne	0.0	0.0	0.0	0.0
		Incinerated without energy recovery	tonne	⁴ 0.1	0.1	¹	¹
		Otherwise disposed	tonne	⁴ 0.0	0.0	0.0	0.0
		Unknown disposal method	tonne	0.0	0.0	0.0	0.0
Total hazardous waste			tonne	0.3	1.2	1.5	0.6
Non-hazardous waste	Diverted from disposal ²	Recycled/Reused	tonne	⁴ 59.4	⁴ 59.8	⁴ 79.6	84.3
	Disposed ³	Landfilled	tonne	⁴ 45.0	⁴ 60.5	⁴ 58.8	64.6
		Incinerated with energy recovery	tonne	0.0	0.0	0.0	0.0
		Incinerated without energy recovery	tonne	0.0	0.0	0.0	0.0
		Otherwise disposed	tonne	0.0	0.0	0.0	0.0
		Unknown disposal method	tonne	0.0	0.0	0.0	0.0
Total non-hazardous waste			tonne	104.4	120.3	138.4	148.9
Total waste generated ⁵			tonne	104.7	121.5	139.9	149.5

Notes:-

¹ The amount is negligible.

² This consists of recycled waste.

³ We started to collect data in July 2021. As such, 6 months of data were collected for 2021.

⁴ Restatement of figure to account for wooden boxes/pallets.

⁵ All waste is only generated onsite.

Hazardous Waste

ViTrox recognises that the generation of hazardous waste poses significant environmental risks, contributing to pollution and negatively impacting ecosystems. As part of our ongoing commitment to environmental responsibility, we set a new goal to achieve 100% recycling rate of hazardous waste generated from operations by the year 2030. Currently, we have achieved a hazardous waste recycling rate of 91.0% for the year 2024. This goal reflects our dedication to reducing our environmental footprint and ensuring that hazardous materials are handled in an eco-friendly manner. By implementing efficient waste management processes and leveraging carefully chosen hazardous waste management companies, we aim to minimise pollution and contribute to a sustainable future for both our operations and the communities in which we operate.

ViTrox has 2 vendors appointed to manage hazardous waste (scheduled waste) generated. Our appointed hazardous waste management companies will collect and properly manage the hazardous waste through incineration, recovery, washing and smelting methods. In 2024, we recorded a decrease in hazardous waste generation, primarily due to a slowdown in business activity and more mindful resource usage.

Code	Waste Description	Unit	2021	2022	2023	2024
SW103	Waste of batteries containing cadmium and nickel or mercury or lithium	kg	0.0	286.2	39.2	53.6
SW104	Dust, slag, dross or ash containing arsenic, mercury, lead, cadmium, chromium, nickel, copper, vanadium, beryllium, antimony, tellurium, thallium or selenium excluding slag from iron and steel factory	kg	0.0	0.0	33.5	11.9
SW110	Waste from electrical and electronic assemblies containing components such as accumulators, mercury switches, glass from cathode-ray tubes and other activated glass polychlorinated biphenyl-capacitors or contaminated with cadmium, mercury, lead, nickel, chromium, copper, lithium, silver, manganese or polychlorinated biphenyl	kg	35.4	668.4	1,289.7	350.7
SW302	Flux waste containing a mixture of organic acids, solvents or compounds of ammonium chloride	kg	8.6	15.5	0.0	0.0

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WASTE MANAGEMENT (CONT'D)

Hazardous Waste (Cont'd)

Code	Waste Description	Unit	2021	2022	2023	2024
SW401	Spent alkalis containing heavy metals	kg	0.0	0.0	0.0	22.3
SW404	Pathogenic wastes, clinical wastes or quarantined materials	kg	94.7	118.3	6.8	1.4
SW409	Disposed of containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes	kg	36.7	44.9	36.6	48.0
SW410	Rags, plastics, papers or filters contaminated with scheduled wastes	kg	144.6	103.1	96.9	71.7
SW429	Chemicals that are discarded or off-specification	kg	0.0	0.0	0.0	40.9
Total		kg	320.0	1,236.4	1,502.7	600.5

Non-hazardous Waste

ViTrox recorded an increase in recycling efforts over the years. In 2024, we recycled 84.3 tonnes of waste. We are dedicated to providing continuous efforts to reduce the use of new materials by adopting our 5R principles. We strive to optimise the use of materials while maintaining a safe and healthy environment.

Non-hazardous Waste	Unit	2021	2022	2023	2024
Aluminium	tonne	0.2	¹	0.3	0.2
Carton box	tonne	37.3	37.6	22.4	30.5
Electrical item	tonne	0.9	1.4	1.9	7.3
Foam	tonne	¹	0.3	¹	¹
Metal scrap	tonne	1.3	7.7	5.7	17.4
Mix waste	tonne	¹	0.1	0.5	0.0
Plastic	tonne	8.8	5.9	4.8	5.3
Polyethylene	tonne	¹	0.0	0.0	0.0
PVC wire	tonne	1.1	0.0	0.1	0.5
Stainless steel	tonne	0.1	¹	0.3	0.1
Wastepaper	tonne	0.0	0.0	0.0	0.0
Wooden boxes/pallet	tonne	9.7	6.8	43.6	23.0
Total	tonne	² 59.4	² 59.8	² 79.6	84.3

Notes:-

¹ The amount is negligible.

² Restatement of figure to account for wooden boxes/pallets.

Individual bins offer a convenient disposal option, but they often lead to high disposal costs and low recycling rates. ViTrox takes a step further to encourage our people to segregate waste by centralising the recycle bins. The centralised recycling system achieves a higher recycling rate because it changes how materials are collected and segregated into their respective types. Centralised recycling stations with clearly marked containers make sorting easy and keep the process clean and organised, which retains the quality of valuable recyclables and helps educate our people to identify recyclable waste.

ViTrox has appointed a recycling management company that is ISO 9001:2015 and ISO 14001:2015 certified to collect waste for proper treatment and recovery. This action helps to prolong the life cycle of materials. This exercise also enables our people to understand how impactful responsible waste management is, not only to individuals but to the Company and society as a whole. Our appointed recycling management company disposes of non-hazardous waste to landfills according to the local enforcement authority's regulations. The recycling company is also responsible for collecting our recyclable waste for recycling purposes, which will exploit the economic value that the waste can bring.

Besides our efforts in recycling, we are looking into initiatives to minimise waste generated in our manufacturing floor and warehouse as well as non-production activities.

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WASTE MANAGEMENT (CONT'D)

Non-hazardous Waste (Cont'd)

Manufacturing
- Return suppliers' fabrication part packing materials and wooden pallets, saving up to 37 wooden pallets in 2024 (2023: 10) - Replace existing wooden pallets with plastic pallets to extend the life cycle of the pallets and reduce contaminated racking - Reduce individual packaging with modularisation programme; an initiative of combining multiple loosen unit fabricated parts to create a leaner process, reduce individual packaging, speed up the kitting process and reduce the number of part ID during purchase:- - Save up to 7,252 (2023: 1,960) individual fabricated part packaging - Replace plastic packaging with reusable bento boxes and crates - Adopt V-Eye, a real-time remote monitoring system for tracking the status of all job orders, enabling greater visibility and responsiveness to ensure on-time order delivery while reducing the likelihood of rework or delays, which minimises waste and optimises the efficiency of our manufacturing process - Use bento reusable containers for fabricated parts
Warehouse
- Use of 2 units of electric forklifts and reduce direct carbon emissions by 100% (2023: 59.3%; 2022: 35.1%) - Repurpose 1,081kg (2023: 940kg) of waste paper carton boxes into honeycomb paper wrappers for packing purposes - Reduce polyethylene ("PE") foam and foam peanuts used in in-house packing activities and replace with recycled paper packing materials:- - Reduced PE foam usage intensity by 60.5% to 160 pieces as compared to 550 pieces in base year 2022 - Reduced foam peanuts usage intensity by 99.1% to 1 bag as compared to 150 bags in base year 2022 - Reuse plastic pallets to extend the life cycle of the pallets and reduce contaminated racking compared to wooden pallets - Reuse packing materials to reduce waste generated and the need for new materials - Reduced material consumption of adhesive Mirrorkote stickers by directly printing 'fragile' signs on customised box packaging
Non-production
- Collect recyclables items from offices and employees' homes at V-Go Green Center and host quarterly drive-thru collection events - Segregate general and food waste at source, and repurpose coffee grounds from into fertiliser for V-Farm and landscape - Promote reusable containers in the cafeteria, provide recycling bins, eliminate personal trash bins, set up battery recycling and encourage digital tools to reduce printing - Leverage the Go Green Club for sustainability education, organise V-Green Journey to promote 5R awareness and established V-Sell Corner for pre-loved item sales supporting charities - Equip office printers with double-sided printing, encourage paper reuse and promote cloud storage and digital communication to minimise waste

In addition to this, we implemented other resource-saving initiatives such as digitalisation of ticket raising which can significantly streamline processes and reduce environmental impact. By transitioning from paper-based ticket-raising systems to digital platforms, we are able to minimise paper waste, lower printing costs and increase efficiency. From 2021 to 2024, we have saved a total of 56,380 sheets of paper, resulting in 2.3tCO₂e of emission reduction, or 103.6 trees saved.

Environmental Benefits of E-Ticketing ¹	Unit	2021	2022	2023	2024
Number of paper saved from e-ticketing (digitalisation)	pcs	12,167	2,858	15,594	25,761
The equivalent reduction of CO ₂ emissions	kg	491.7	115.5	630.2	1,041.1
The equivalent number of trees planted to absorb the annual CO ₂ emissions ²	tree	22.4	5.3	28.6	47.3

Notes:-

¹ Restatement of the 2021, 2022 and 2023 figure due to data update.

² Based on data from the European Environment Agency ("EEA"), a mature tree is estimated to absorb approximately 22kg of CO₂ from the atmosphere annually.

Environmental Fines and Penalties

ViTrox strives to comply with all relevant environmental and waste management regulations. All required environmental permits and relevant supporting documents are obtained, maintained and updated to ensure strict adherence to operational and reporting requirements. ViTrox has not imposed any fines or penalties for environmental or waste management-related issues from 2021 to 2024.

AN ACCOUNTABLE PURCHASER



ViTrox's suppliers are required to provide safe working conditions, treat their workers with respect, act fairly and ethically, and use environmentally conscious practices whenever they supply products or services to ViTrox. We work closely with our suppliers to eliminate the risk of non-compliance to ensure that the business operations are environmentally accountable and our suppliers fulfil the ethics requirements, including labour standards, health and safety.

Sustainability Highlights 2024

66% Procurement from local suppliers	93% Procurement of fabrication parts from local suppliers	100% Communication with suppliers on SCOC, ABCP and Conflict Minerals Policy	100% Communication with Tier-1 suppliers on SAQ	100% Tier-1 suppliers responded SAQ	43 Suppliers assessed via desk assessments	100% New and existing buyers trained	100% PAC industry lots occupied
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SUPPLY CHAIN MANAGEMENT

Management Purpose	Being an accountable procurement and supply chain team, we are committed to sourcing environmentally conscious, safe, legal and high-quality products and services from our responsible worldwide suppliers.					
Management Approach	ViTrox assesses supplier performance through a supplier evaluation mechanism mainly focusing on quality, cost, delivery, service, and sustainability to establish fair supplier sourcing and transparent procurement processes and manage inherent risks in the supply chain. We also prioritise local purchases, which promotes a greener supply chain and indirectly contributes to job opportunities and promotes socio-economic development.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Procurement from local suppliers	≥ 64.0%	Achieved	66.2%	≥ 64.0%	≥ 65.0%
	Communication with suppliers on Supplier Code of Conduct ("SCOC"), Anti-Bribery and Corruption Policy ("ABCP"), and Conflict Minerals Policy ¹	100%	Achieved	100%	100%	100%
	Communication with Tier-1 suppliers on Supplier Self-Assessment Questionnaire ("SAQ")	≥ 45.0%	Achieved	100%	100%	² 100%

Notes:-

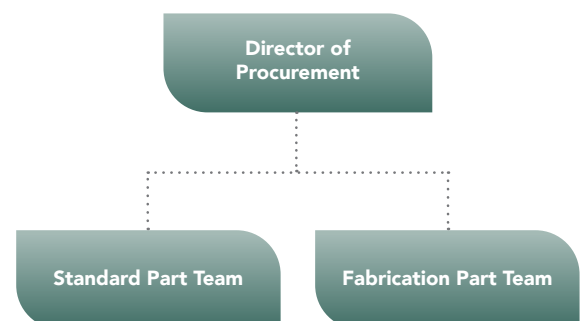
¹ In 2023, we set a target to communicate the SCOC and ABCP to active and new suppliers. In 2024, we launched the Conflict Minerals Policy and took an additional step to communicate it, alongside the SCOC and ABCP, to suppliers with business dealings in the past 5 years.

² We increased our 2030 goal for communication with Tier-1 suppliers on SAQ from 80% to 100% as part of our efforts to lift our supplier screening standards and promote greater transparency in supplier risk management.

Supply Chain Governance Structure

Our Board, as our highest decision-making body, plays a pivotal role in overseeing our supply chain management. They provide strategic guidance to ensure that our vision and execution align, which is crucial for the success of our strategies and programmes. Additionally, the ESC plays a vital role in advancing our sustainability goals. ESC is charged with advocating for sustainability strategies, policies and goals to the Board. ESC oversees the Company's sustainability management, reports progress and status to the Board, and coordinates the Group's sustainability policies and goals.

Our Procurement team is instrumental in shaping our supply chain's sustainability management strategies. They are responsible for setting short to long-term management objectives and action plans, assessing ESG issues and risks related to supply chain management, and offering the necessary support, advocacy and training in their daily operations. The Director of Procurement, who is also a part of the Master Mind Team, oversees the implementation of our supply chain management strategies and approves key plans and strategies. The Master Mind Team, an integral component of our executive management within our Management Governance Framework, is tasked with supervising operational functions. The presence of an executive management team and the establishment of a comprehensive supply chain response plan and strategy are key in ensuring effective mitigation of risks. Our supply chain management processes, documents, and procedures undergo regular review and approval by the Director of Procurement, ensuring robust oversight and governance.

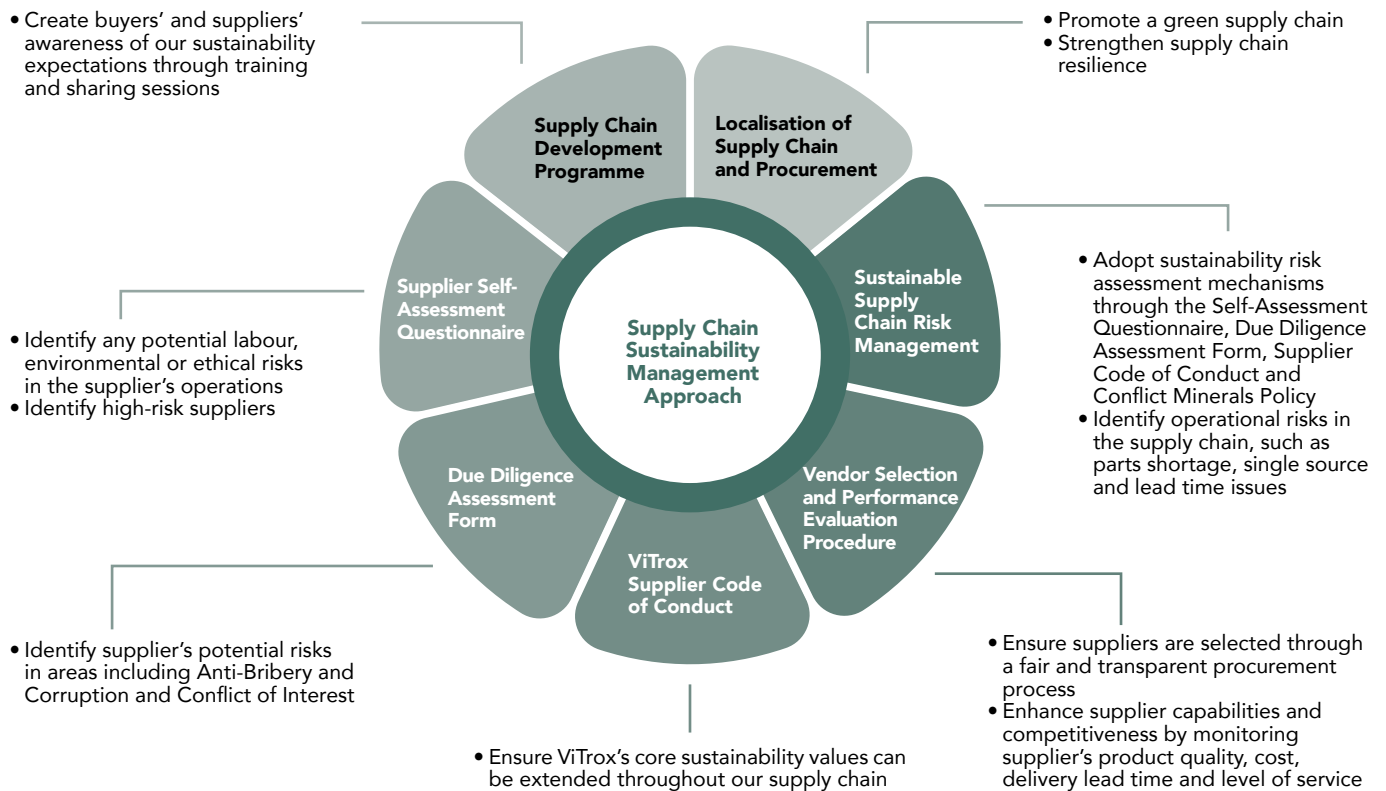


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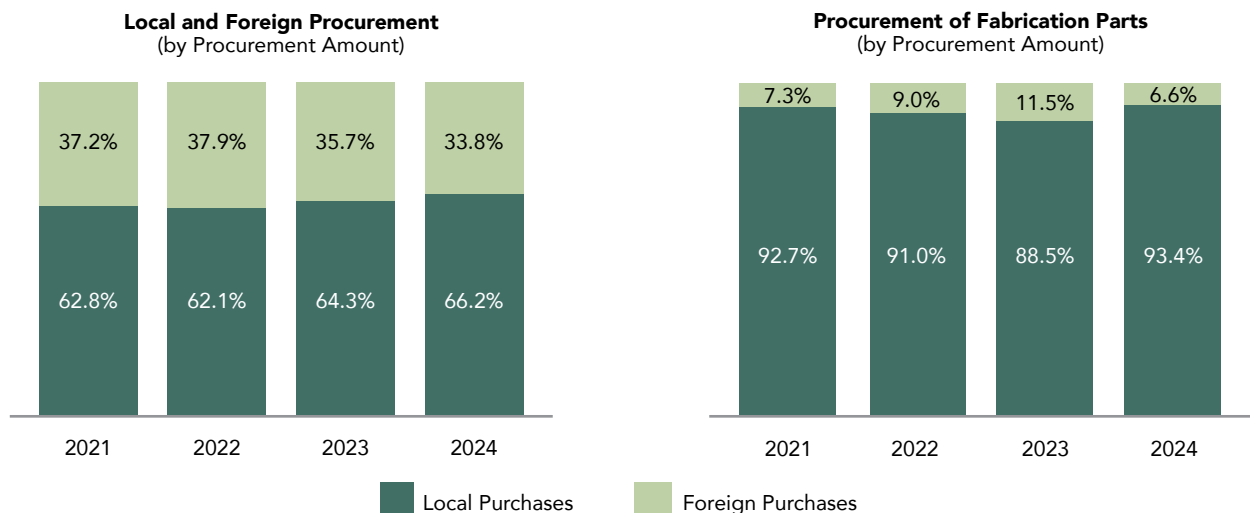
SUPPLY CHAIN MANAGEMENT (CONT'D)

Supply Chain Sustainability Management Approach

To expand the risk assessment and management of our suppliers, we develop the Supply Chain Sustainability Management Approach. We hope to drive suppliers to grow with us and exert more shared value and influence through our sustainability management processes, ultimately making a positive impact on the global electronics industry supply chain. Building a sustainable supply chain will lead us to understand risks, assess and monitor how our suppliers are managing those risks, and also diversify our supplier portfolio to reduce vulnerabilities. As sustainability risks in the supply chain evolve, to avoid potential impact arising from conflicts with ESG requirements, we constantly review and take measures in our management approach procedures to ensure suppliers comply with our Supplier Code of Conduct ("SCOC"). With that, we are able to develop and maintain a sustainable, efficient and ethical supply chain that enhances our long-term growth with suppliers while achieving supply chain competitiveness through strategic cooperation.



Localisation of Supply Chain and Procurement



AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Localisation of Supply Chain and Procurement (Cont'd)

ViTrox actively supports the growth of the local economy by prioritising sourcing from local suppliers, a strategy that aligns with our commitment to enhance sourcing efficiency and bolstering socio-economic development. This local focus not only reduces lead times but also plays a significant role in creating domestic employment, supporting local businesses and minimising the environmental impact and costs associated with overseas shipping. Our direct suppliers consist of those providing standard and fabrication parts.

ViTrox has consistently surpassed our local sourcing objectives. In the years under review, over 62% of our purchases were from local companies, with more than 88% of our fabrication parts coming from within the community. In 2024, our procurement spending on local suppliers increased to 66.2%, exceeding our target of 64%. This increase was largely driven by heightened purchases of camera equipment. Looking ahead, we remain steadfast in our commitment to achieving and surpassing our long-term goal of sourcing more than 65% from local suppliers, thereby nurturing a robust and eco-friendly local supply chain. This strategy not only benefits ViTrox but also contributes to the broader socio-economic development by enhancing efficiency, reducing carbon footprints and fostering local employment.

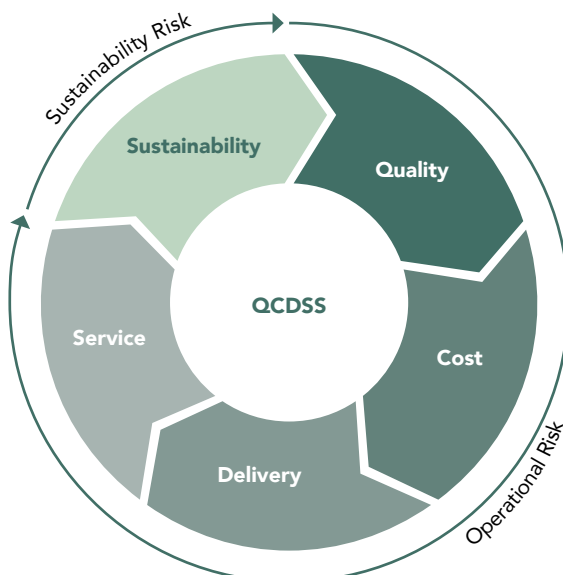
As part of our ongoing efforts to fortify Malaysia's supply chain ecosystem, ViTrox participates in the Advanced Technology Equipment Cluster ("ATEC"), a strategic supply chain related initiative aimed at strengthening local sourcing capabilities and enhancing the competitiveness of Malaysia's semiconductor industry. Through this collaboration, we actively recommend purchasing from local suppliers, ensuring that our procurement decisions directly support and empower homegrown businesses. By leveraging ATEC's collective expertise, we are not only enhancing supply chain resilience but also driving long-term sustainability in the industry. Please read our media news at www.vitrox.com/news for more details about ATEC.

Sustainable Supply Chain Risk Management

Our supply chain is the core of our business, and any business interruption can be devastating to our day-to-day operations. There are multitude of factors that can cause supply chain disruptions, such as natural disasters, labour shortages, labour disputes, environmental pollution and non-compliance with regulatory requirements.

The key to maintaining a strong supply chain is to create an effective, sustainable Supply Chain Risk Management ("SCRM") system to help mitigate the inherent risks at play. SCRM is the identification, assessment and monitoring of risk factors, plus the strategies that are deployed to reduce vulnerability and ensure continuity of service and profitability of the business. Risk management in our supply chain prevents disruptions to our business, avoiding profit erosion and unnecessary losses while protecting the business's reputation.

ViTrox has a comprehensive and proactive approach to managing supplier and supply chain risks, which helps us ensure business continuity and meet customer needs. ViTrox adopts and implements the concept of quality, cost, delivery, service, and sustainability ("QCDSS") from the initial stage of supplier selection and screening procedures to manage day-to-day risks.



ViTrox's operational risks are focused on material quality, product cost, delivery lead time and service rendered by suppliers. We work closely with suppliers to identify potential issues such as parts shortage, single-source risks and lead time issues. ViTrox also engages in regular supplier assessments and evaluations to ensure that the suppliers meet quality standards and delivery requirements.

In addition to managing operational risks, ViTrox also addresses sustainability risks. These include macro risks such as geopolitical tensions, diseases and changes in major global events, which may give rise to continuity issues in supplies. To mitigate these risks, ViTrox maintains close relationships with its suppliers and diversifies its supplier base to ensure that it can quickly respond to any disruptions in the supply chain.

To have an in-depth understanding of the current status of supply chain development and potential risks, we use survey forms and questionnaires and review supplier performance evaluations. We also conduct on-site audits to investigate potential risks of the supplier in labour, health and safety, environment, ethical conduct and management systems and evaluate the risk and capability ratings.

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SUPPLY CHAIN MANAGEMENT (CONT'D)

Sustainable Supply Chain Risk Management (Cont'd)

Risk Assessment	Risk Control Mechanisms
- Suppliers Self-Assessment Questionnaire - Due Diligence Assessment Form - Vendor selection and performance evaluation - Quality process audits - On-site evaluations and inspections of suppliers' facilities	- Implement standard operating procedure ("SOP") for Vendor Selection and Evaluation Procedure - Adhere to our SCOC - Prioritise local procurement to improve production efficiency, reduce carbon emissions and create local economic growth - Establish Business Continuity Planning ("BCP") and an Emergency Response Plan to mitigate risks and ensure operational continuity

Operational Risks

We continuously monitor suppliers' performance and perform quality process audits, on-site evaluations and inspections of suppliers' facilities to lower risks of supply chain disruptions. In addition to continuous requirements on the aspects of cost, quality, delivery and service, ViTrox also established related risk management mechanisms such as BCP. When external factors, such as geopolitical tensions, diseases and changes in major global events, result in the risk of material shortage, ViTrox immediately initiates an emergency response. Related departments, including procurement, material planning, manufacturing, quality assurance and R&D, jointly and swiftly formulate response plans and review aspects of checking on material inventory, asking backup suppliers for materials, increasing material stock levels and reviewing material consumption in the process to monitor the risk.

Sustainability Risks

We perform several risk assessments of our suppliers that enable us to identify, manage, mitigate or avoid sustainability risks within our supply chain. In our attempt to control and lower sustainability risks, we encourage local procurement to support green and low-carbon supply chains. We also impose a stringent vendor selection and evaluation process and require our suppliers to adhere to our SCOC. We also require suppliers to comply with EU RoHS directive and provide supporting documents.

Vendor Selection and Performance Evaluation Procedure

ViTrox established a fair supplier sourcing process based on our SOP for Vendor Selection and Performance Evaluation Procedure. The SOP ensures that all suppliers are selected through a fair and transparent procurement process. Our supplier selection and evaluation procedure includes detailed risk assessments which cover environmental, social and governance factors. This comprehensive risk assessment screens suppliers based on both operational and sustainability aspects, such as purchase amount, product category, country-specific risk, sector-specific risk and commodity-specific risk. Through the evaluation, ViTrox can assess suppliers' ethical values, level of integrity and compliance with ViTrox's ESG commitments.



Below are the risk assessments across areas such as:-

Category	Assessment Aspects
Environment	- Check record of major incidents or governmental, environmental or social violation - Evaluate potential negative impacts related to:- - Environment: energy consumption, water consumption, resource efficiency, pollution and waste - Social: human and labour rights such as child labour, forced labour, discrimination, freedom of association, right to collective bargaining, working hours, occupational health and safety - Governance: corruption, bribery, conflicts of interest and anti-competitive practices
Social	
Governance	
Business relevance	Screen suppliers by reviewing purchase amount and category of supplier (standard and fabrication parts)
Country-specific risks	- Identify risks according to geopolitics, regional conflicts and high-risk country factors - Encourage alternative sources from different countries
Sector-specific risks	Consider long lead time, critical parts and single source
Commodity-specific risks	Screen key materials containing hazardous substances

AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Vendor Selection and Performance Evaluation Procedure (Cont'd)

Our fair and transparent procurement process guarantees the excellent quality of products and services to customers and improves the supply chain ecosystem by working together with our suppliers. We equip our buyers with the necessary knowledge, empowering them to make informed decisions for a sustainable supply chain and ESG risk reduction through regular training on our vendor selection and performance evaluation procedures.

At ViTrox, we conduct regular performance assessments, including due diligence assessments and supplier performance evaluations on quality, cost and delivery lead time. We also conduct quality process audits for direct material suppliers and service provider performance evaluations for service providers to ensure that they act in accordance with our requirements. ViTrox may conduct on-site evaluations and inspections of suppliers' facilities and subcontractors to review their progress towards these principles.

We improve on material lead time and optimise our onhand inventory through business process automation, ViTrox Just-in-Time ("VJIT") and Vendor Managed Inventory ("VMI") programmes. We also work closely with our associate, Penang Automation Cluster Sdn. Bhd. ("PAC"), as our key strategic partner to aggressively enhance the end-to-end lead time to deliver our products and services to customers in a timely manner within a 4-week lead time.

VJIT, e-Kanban and various e-commerce initiatives under the V-ONE platform are rolled out to our key supply chain to ensure on-time material supplies amidst the global shortage of critical components for the automation industry. The process innovation aims to promote a leaner operation, implement a standardisation process for everyone, reduce e-waste, reduce human-dependent processes, develop more automation in detecting defects and save time. The VJIT and VMI programmes improve the alignment of business objectives between ViTrox and suppliers and optimise operations for all participants.

Supplier Code of Conduct

ViTrox adheres to the relevant local laws and regulations in the countries we operate. To ensure that all suppliers align with ViTrox's ESG responsibilities, we include the SCOC, Anti-Bribery and Corruption Policy ("ABCP") and Conflict Minerals Policy as part of our standard procurement terms and conditions. We liaise with our global suppliers to ensure they are well aware of the SCOC, ABCP and relevant policies. These initiatives improve the sustainability among the suppliers and enhance the quality of the supply chain ecosystem and its sustainability. We require our suppliers to conduct business transactions under transparent, fair and non-discriminative conditions.

The SCOC and relevant policies provide a clear statement of ViTrox's expectations for the suppliers in all procurement dealings. These policies are translated into relevant languages and made available on our Company website and may be revised from time to time. The SCOC establishes the standards required for conducting business with ViTrox and complies with GRI Standards, while also referencing the Responsible Business Alliance Code of Conduct ("RBA") and UN Global Compact ("UNGC") Initiative. ViTrox recognises that reaching the standards established in this SCOC is a dynamic rather than a static process where we encourage suppliers to continually improve their workplace conditions and strive to exceed the industry's best practices. We consider these principles in our selection of suppliers and actively monitor each supplier's compliance.

ViTrox expects that suppliers, at a minimum, have established clear goals toward meeting the standards outlined in this SCOC. Suppliers should develop appropriate management systems, have proper documentation to demonstrate compliance with their code of conduct and validate their employees and subcontractor's adherence to the process. Suppliers must perform self-evaluations regularly and with action plans in place. If any supplier fails to do so, it may impact their future ability to do business with ViTrox.

On top of this, ViTrox will continuously review suppliers' procurement practices to ensure that suppliers comply with the SCOC and avoid potential conflicts with the Company's ESG target requirements. The following table summarises the approaches of each ESG pillar contained in the SCOC.

AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Supplier Code of Conduct (Cont'd)

Environmental	Social	Governance
• Comply with applicable local laws, regulations and rules regarding the protection of the environment and workers' health and safety matters • Comply with all international, national and local biodiversity laws to minimise the impact on biodiversity and endangered species • Identify and manage chemical and hazardous materials under safe conditions to reduce the negative impacts on the environment • Monitor and treat wastewater, solid waste and gas emissions before discharge or disposal to minimise the negative impact on climate change, air pollution and water security • Utilise resources efficiently by adopting power and energy management approaches to minimise waste and gas emissions • Carry out a policy statement covering relevant environmental and sustainability matters, which is responsible by a company representative (ideally director level) and supported by management • Implement a written policy and procedure to avoid knowingly acquiring conflict minerals or unsustainable mined minerals produced at high environmental and social costs • Encourage environmentally responsible practices, emphasise transparency and invite suppliers to cooperate and actively report on their environmental performance • Provide regular and transparent reporting on environmental impact, including disclosures on energy consumption, waste management, and emissions	• Embrace employment practices consistent with the local labour and employment laws • Uphold the protection of human rights and prohibit any child labour and forced labour • Comply with local minimum wage and working hour laws and regulations to ensure that the employees are fairly compensated • Protect the privacy, personal dignity and rights of each individual • Ensure a workplace free of harassment, harsh, inhumane treatment and discrimination of any kind • Support the freedom of association, expression, opinions and the right to collective bargaining • Identify and evaluate the potential safety and health issues and minimise the impacts by implementing occupational health and safety ("OHS") procedures, including emergency reporting, employee notification and evacuation procedures, workers training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans • Identify and evaluate the risk of workers' exposure to hazardous, physically demanding work and working environments • Provide workers with reasonably accessible and clean facilities and safe living spaces • Monitor and track training records to confirm the employees have gone through appropriate training to ensure their safety and product quality are meeting the applicable standards • Ensure all work, including overtime, will be voluntary and compensated at the prevailing overtime rates, and employees are free to leave with reasonable notice	• Conduct business with uncompromising integrity • Adhere to local and international laws, rules and regulations • Prohibit all types of bribery, corruption, gifts and hospitality • Disclose any perceived, potential or actual conflict of interest to ViTrox • Comply with all the applicable laws governing intellectual property rights and assertions, including protection against disclosure • Protect sensitive, confidential and proprietary information of others, including protection of misused personal data/information • Prohibit anti-competitiveness, promoting fair practices and transparency in our supplier network

Due Diligence Assessment Form

Our Due Diligence Assessment Form is a process to assess bribery and corruption risks, conflict of interest risks and supplier background screening which covers financial health and civil or criminal violations. This assessment is not entirely focused on sustainability supply chain risks. Still, it is related to a supplier's overall ability to be a reliable supplier that fits with a company's strategic priorities.

Our Due Diligence Assessment Form covers:-

- Anti-Bribery Management System Policy Statement
- Declaration of substantial company ownership and key senior management of the company
- Financial standing of the company
- Code of conduct and ABCP prevention
- Past civil or criminal violations

ViTrox shall take immediate actions to mitigate or remediate risks, potential impacts or violations discovered during the due diligence process. ViTrox will maintain information collected through this Due Diligence Assessment Form as necessary and in accordance with ViTrox's policies and procedures and Personal Data Protection Act 2010.

We communicate with our suppliers regarding ViTrox's ABCP, which sets out the Group's zero-tolerance approach against all forms of bribery and corruption, comprehensively covering bribery, anti-corruption, sanctions on non-compliance and other sub-policies. We expect our business partners to follow ViTrox's ABCP in connection with their work for us.

AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Conflict Minerals

Conflict minerals – tantalum, tin, tungsten, and gold (collectively referred to as “3TG”) – are derived from the minerals cassiterite, columbite-tantalite (coltan), and wolframite. These minerals are critical for manufacturing a wide range of electronic devices, automotive components, and industrial products. However, sourcing these minerals from conflict-affected and high-risk areas such as the Democratic Republic of Congo (“DRC”) and its surrounding regions can contribute to severe ethical issues which include funding armed groups, perpetuating human rights abuses, and exacerbating poverty and corruption.

To address these concerns, we launched the [Conflict Minerals Policy](#) in 2024. This policy ensures that our suppliers adhere to responsible sourcing practices, avoiding procurement of 3TG from regions where mining activities directly or indirectly finance conflict or exploit local populations. By enforcing this policy, we aim to prevent unwitting support of corrupt regimes, prolonged wars, and the adverse social and economic impacts associated with irresponsible mineral sourcing. Through these efforts, we strive to promote transparency, accountability, and ethical sourcing across our supply chain, contributing to global efforts to reduce the negative impacts of conflict minerals.

Communication with Suppliers

Document	Year	Milestones
SCOC	2021	• 2021: Communicated with 530 suppliers, and received responses from 250 suppliers, representing 47.2% of the total. These suppliers included those we had business dealings with from 2019 to 2021, regardless of the procurement amount • 2022: Communicated with active suppliers – defined as those with annual purchases of direct materials and fabrication parts of RM300,000 and above • 2023: Communicated with all new and active suppliers • 2024: Communicated with all suppliers we had business dealings with in the past 5 years
ABCP	2021	• 2021: Communicated with the ABCP to all existing suppliers • 2022: Communicated the ABCP to all new suppliers • 2023: Communicated the ABCP to all new and active suppliers • 2024: Communicated the ABCP to all new suppliers and those with business dealings in the past 5 years
Due Diligence Assessment Form	2021	• 2021: Sent the form and received 172 completed forms • 2022 to present: Integrated into SOP to send forms to all new suppliers
Conflict Minerals Policy	2024	• 2024: Communicated with all suppliers we had business dealings with in the past 5 years

Supplier Self-Assessment Questionnaire

To effectively manage our sustainability impacts, including both economic and ESG factors, ViTrox ensures our suppliers are equally engaged. Our approach is to work closely with them, promoting the integration of ESG sustainability into their core decision-making and encouraging the adoption of leading practices to improve sustainability performance in the supply chain.

In the initial step of our risk assessment, we conduct preliminary evaluations of procurement spending, the type of business relationship, industry type, and the ESG performance of all suppliers to identify potential high-risk suppliers. This procedure includes detailed risk assessments covering ESG factors. Our risk assessment screens suppliers based on both operational and sustainability aspects, such as purchase amount, product category, country-specific risk, sector-specific risk, and commodity-specific risk. Through this evaluation, ViTrox assesses suppliers’ ethical values, integrity, and compliance with our ESG commitments.

In the second step of risk assessment, we perform an in-depth risk assessment of these high-risk suppliers, focusing on specific risk factors such as environmental impact, labour practices, ethical conduct and governance structures. This is achieved through our Supplier SAQ desk assessment, which is a critical tool for evaluating specific ESG risks within the supply chain. By encouraging our suppliers to provide supporting documentation alongside their SAQ responses, we gain a clearer understanding of their sustainability practices, helping to identify potential issues in our supply chains. Analysing these responses allows us to assess deficiencies in the ESG compliance of our high-risk suppliers, enabling us to take necessary actions to verify and mitigate these risks. This strategy enables us to accurately pinpoint high-risk suppliers, prioritise our risk management measures effectively and proactively address issues related to suppliers’ ESG performance.

AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Supplier Self-Assessment Questionnaire (Cont'd)

As we continue to develop our Supply Chain Sustainability Management Approach, our focus is on recognising and understanding supply chain risks and dependencies from a broader economic perspective. We concentrate our monitoring and risk management efforts, particularly on key suppliers who we highly depend on. For efficient allocation of resources and effective management of materials, we identify these key suppliers based on their annual procurement value. This comprehensive approach ensures a more sustainable, responsible and economically sound supply chain.

The following table summarises the elements of each ESG pillar assessed by the SAQ:-

	• Energy and resource management - Track energy consumption, reduce energy, water, and resource usage • Waste and hazardous substance management - Manage hazardous substances properly, ensure efficient waste management • Regulatory compliance - Adhere to RoHS and other environmental standards • Environmental participation - Engage in environmental initiatives, training and discussion
	• Human rights and labour practices - Prevent human rights infringements, ensure fair treatment of employees • Equal opportunity and non-discrimination - Ensure inclusive and equitable hiring, promotion, and training practices that are free from bias based on race, gender, age, disability or other factors • Occupational health and safety - Implement policies and practices to ensure employee well-being, including safety training, safety precaution policy, emergency response protocols and clear hazard signage for hazardous site • Employee development and training - Provide adequate training and upskilling opportunities • Employee engagement and workplace conditions - Provide platforms for employees to voice concerns and participate in workplace improvements • Community and social impact - Involve in corporate social responsibility initiatives such as donations, volunteer programmes and social welfare partnerships
	• Anti-corruption and ethical conduct - Measure performance in complying with anti-corruption, anti-bribery and unethical business practices • Data security and confidentiality - Implement policies to protect sensitive data and prevent unauthorised disclosure • Supply chain integrity - Implement policies to prevent counterfeit materials and ensure ethical sourcing • Compliance with labour standards - Adhere to local labour laws regarding wages, working hours, and employment rights • Transparency and accountability - Ensure responsible decision-making and compliance with industry standards through governance structures

In 2024, we reached out to our Tier-1 suppliers – those who have business dealings directly with us for at least 2 consecutive years and account for at least 80% of our total procurement value – to participate in our Supplier SAQ. We approached a total of 43 suppliers, covering 83.5% of our total procurement amount, and received a 100% response rate. This went beyond our initial target of 45% set for 2024.

Supplier Assessment	FY 2024
Number of Tier-1 suppliers communicated on Supplier SAQ	43
Percentage of Tier-1 suppliers communicated on Supplier SAQ	100%
Response rate	100%
Total number of suppliers assessed via desk assessments/on-site assessments	43

After analysing the SAQ responses from our Tier-1 suppliers, we have categorised the major findings into four main areas based on specific risk factors: Ethics, Environment, Labour, and OHS. Among these, environmental-related findings account for the highest percentage at 33.5% of all findings. Labour and OHS findings follow at 26.5% and 25.7%, respectively, while Ethics has the lowest percentage at 14.3%. Overall, this indicates that our suppliers operate with a high level of ethical standards; however, greater attention is needed to address environmental concerns in their business operations.

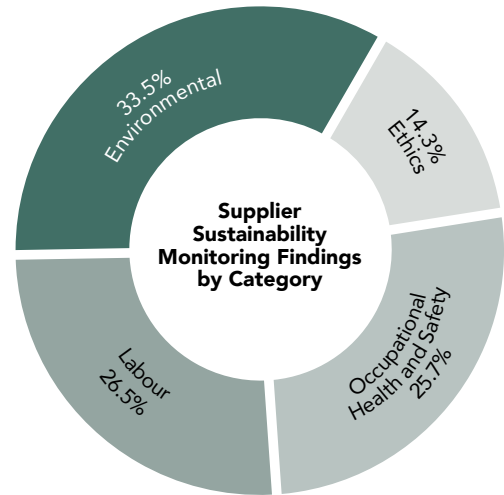
AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Supplier Self-Assessment Questionnaire (Cont'd)

We will always monitor and provide guidance to facilitate improvement at all Tier-1 suppliers as part of our supplier capacity-building efforts. As we emphasise an open and transparent approach, we encourage suppliers to actively engage in the improvement process. ViTrox will continue to expand the scope of sustainability risk management to a wider selection of suppliers.

ViTrox is committed to improving supply chain management performance and promoting continuous improvement, and we have proposed improvement measures to address the major assessment findings. As we are in the initial stages of adopting new frameworks to manage supply chain risks, we strongly encourage our suppliers to sign and adhere to corrective actions and improvement plans, nor do we terminate high-risk suppliers. Subsequently, suppliers will have access to our SAQ benchmark scores to understand how other suppliers are performing in specific areas and to understand areas of shortfall our suppliers can improve on.



Supplier Assessment Findings and Proposed Improvement Measures in 2024

Category	Major Assessment Findings	Proposed Improvement Measures
Ethics	Inadequate data security policy to protect sensitive information	Encourage suppliers to review and align their data security policy with industry best practices
	Inadequate measures to address anti-bribery and anti-corruption concerns	Share our ABCP and encourage suppliers to develop their own ABCP
	Inadequate measures to prevent the use or distribution of counterfeit parts	Share our preventive measures and best practices with suppliers
Environmental	Lack of procedures to track and monitor energy consumption	Encourage suppliers to begin monitoring and reporting their energy consumption
	Inadequate proper measures to manage chemical substances	Encourage suppliers to adhere to chemical management regulations
	Inadequate commitment in environmental-related initiatives	Encourage suppliers to undertake and participate in environmental-related initiatives
OHS	Lack of emergency protocols and procedures	Encourage suppliers to undertake emergency response plans
	Inadequate health and safety policy to ensure employee's health and safety	Encourage suppliers to develop OHS policy with clear objectives, roles and responsibilities
Labour	Lack of commitment in avoiding discrimination	Encourage suppliers to establish Anti-Discrimination Policy clearly stating the company's commitment to diversity, equity, and inclusion
	Inadequate process for employees to address concerns and issues	Encourage suppliers to establish anonymous grievance mechanisms

Building strong, trusted relationships with our suppliers is fundamental to how we conduct business. As we look ahead, we aim to extend our engagement to all Tier-1 suppliers by 2025 and 2030. This is not just about meeting targets – it's about growing together with our partners and making meaningful progress in embedding ESG principles into our supply chain. We believe that by working closely with our suppliers, we can collectively drive positive change and create a more responsible, sustainable future.

Supply Chain Development Programme

To strengthen the sustainability of ViTrox's supply chain, we have allocated resources to enhance our buyers' and suppliers' sustainability knowledge and standards through training and sharing sessions.

Buyer Training

At the heart of ViTrox's supply chain lies our dedicated Procurement team. The team plays a pivotal role in selecting our suppliers and sources, building strategic partnerships and leveraging the supply chain to extract value and create a competitive advantage for the Company. As the supply chain begins with a company's procurement activities, it is vital to strengthen the internal awareness of our Procurement team on sustainability risks as an initial step in our systematic approach to lowering the sustainability risks in our supply chain.

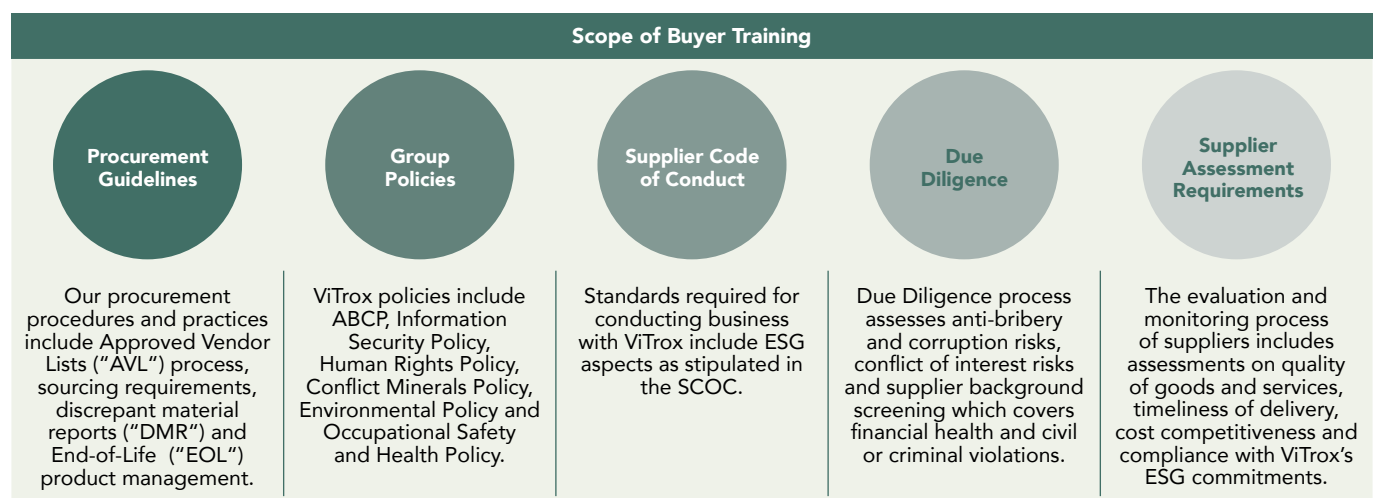
AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Supply Chain Development Programme (Cont'd)

Buyer Training (Cont'd)

At ViTrox, we provide regular on-the-job training ("OJT") to all our new and existing buyers to understand the Company's procurement guidelines, policies, SCOC, due diligence and supplier assessment requirements to strengthen the engagement process with suppliers on sustainability and improve the supply chain ecosystem. Our buyers are updated on our latest purchasing practices towards suppliers, which are continuously reviewed to ensure alignment with the SCOC and avoid potential conflicts with ESG requirements. During these training sessions, we also shared with our buyers the overview of the Company's ESG core themes, ESG performance of the past year and target for next year. The training enables our procurement personnel to develop a comprehensive understanding of sustainability management and apply it in daily procurement management tasks.



We have also participated in the Sustainability in Global Supply Chain workshop, hosted by Deloitte in collaboration with the Malaysia External Trade Development Corporation as part of the Mid-tier Companies Development Programme. The workshop provided valuable insights into the Carbon Border Adjustment Mechanism ("CBAM"), a strategic initiative aimed at addressing global carbon leakage and reducing greenhouse gas emissions by at least 55% by 2030. Additionally, we attended an advanced training course titled Empowering Global Distribution with Supply Chain Strategy, where we acquired in-depth knowledge and practical skills to develop and implement efficient and sustainable supply chain strategies. Our participation in these programmes reflects our commitment to adopting cutting-edge practices that promote sustainability, operational excellence, and long-term competitiveness in the global marketplace.

Supplier Training and Development

ViTrox views our suppliers as long-term and critical partners in our promotion of sustainable development. ViTrox has taken several initiatives as part of our efforts in supplier capacity-building to systematically improve supplier practices and performance on specific ESG topics by fostering a shared environment of knowledge exchange and sustainability, creating a win-win situation for both our Company and our valued partners. Through these capacity-building engagements, we aim to develop and strengthen our suppliers' knowledge, skills, instincts, abilities, processes and resources that suppliers need to survive, adapt and thrive in a fast-changing world, while also emphasising the importance of managing and minimising potential risks of ESG issues for a sustainable supply chain.

Our R&D engineering team frequently visits suppliers to discuss in-depth insights into the design, materials, and performance requirements of products developed and needed. By fostering close partnerships, our engineers and suppliers co-develop innovative solutions that address both technical challenges and sustainability goals. These visits also provide an opportunity to align suppliers with our ESG priorities. By integrating sustainable practices and resource-efficient technologies into the production process, suppliers can improve their ESG performance while contributing to shared goals. This hands-on collaboration not only deepens the suppliers' understanding of project intricacies but also enables them to adapt their processes with precision. As a result, these efforts consistently drive enhanced product quality, shorter lead times, improved cost efficiency, and a positive ESG impact.

AN ACCOUNTABLE PURCHASER

SUPPLY CHAIN MANAGEMENT (CONT'D)

Supply Chain Development Programme (Cont'd)

Supplier Training and Development (Cont'd)

We believe in engaging with suppliers on a deeper level, beyond contracts and logistics. Where we organise sharing sessions to promote our Supply Chain Sustainability Management Approach, VJIT and VMI programmes and more. The following table summarises the ESG scope of supplier's training and sharing sessions:-

Environmental	Social	Governance
• Environmental Policy • Energy use • Climate change • Air emissions • Waste reduction and recycling • Biodiversity • Pollution prevention • Conflict minerals and unsustainable mined materials	• Human rights • Labour standards • Working hours • Safety and health standards • Freedom of association and collective bargaining • Minimum wages	• Prohibit bribery and corruption • Conflict of interest • Information protection

We also invited our valued suppliers for Campus tours, which provides a prime opportunity to engage with suppliers directly on our core values and strengthen supplier engagement. As they experience our green infrastructure and plant-based meals firsthand, open communication flourishes, solidifying supplier engagement and aligning our shared ESG goals. Additionally, we also shared with suppliers ViTrox's volunteerism culture and contribution to society practices to encourage them to give back to the communities where they operate. The information exchange with suppliers during sharing sessions allows us to jointly move forward on the path to sustainability together.



Besides, we regularly conduct informal site visits to understand suppliers' environmental policies and waste management strategies. Occasionally, our Procurement team joins the Quality Assurance team during annual supplier assessments to strengthen quality control processes and provide valuable learning opportunities for both teams. By combining expertise and perspectives, we achieve higher quality standards throughout the supply chain and work together towards responsible environmental practices.

These supplier development initiatives are long-term and sustained over time with the aim of improving supplier ESG performance. We will continue to monitor and develop our supplier ESG performance and implement additional supplier capacity-building programmes where necessary.

Penang Automation Cluster Sdn. Bhd.

Penang Automation Cluster Sdn. Bhd. ("PAC") plays a pivotal role in bolstering the local semiconductor, electrical and electronics ecosystem through its comprehensive support for local large companies and multinational companies. Established in January 2017 and operational since October 2019, PAC operates within a gated facility with 17 industry lots, of which 100% are fully occupied as of 31 December 2024. With a workforce of 311, poised to expand to over 350, PAC specialises in high-precision metal fabrication, offering services such as precision tooling, computer numerical control ("CNC") machining, sheet metal fabrication, and more. This ecosystem not only enhances ViTrox's operations but also facilitates collaborative efforts to attract foreign direct investment, fostering economic growth across various technology sectors in Penang and Malaysia.

PAC's establishment revolves around 3 pivotal objectives: constructing a local supply chain ecosystem, supporting cluster development, and elevating small and medium-sized enterprise ("SME") capabilities to world-class standards. By fulfilling these goals, PAC fosters a dynamic ecosystem benefiting both established players and emerging SMEs, ensuring sustainable growth and competitiveness in the semiconductor and electronics sectors. Additionally, PAC actively addresses sustainability challenges, setting stringent standards for waste management and pollution reduction, showcasing its commitment to environmental stewardship alongside economic prosperity.

Note:-

Read our V-SHARE on www.vitrox.com/esg for more details about PAC.

A CARING EMPLOYER



ViTrox strives to cultivate a work culture and environment that fosters harmony, trust and care for our ViTroxians, acknowledging their immeasurable efforts and contributions. We strongly believe that creating an engaging workplace, ensuring fairness and providing ample learning avenues will fuel their creativity and foster ongoing career development. ViTrox is dedicated to upholding and safeguarding the human rights of all individuals while treating everyone with the utmost dignity and respect.

Sustainability Highlights 2024

95% Local workforce	28% Female composition in managerial positions	76% Engaged employee	3,170 Students engaged in STEM-related activities	74% Employee completing 20 training hours	40 Training hours per employee	938 Sharing sessions conducted	0 Incidents on human rights violations
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TALENT ATTRACTION AND RETENTION

Management Purpose	ViTrox aims to strengthen talent attraction and retention through diversified employee benefits and attractive compensation. In addition, the Company actively listens to employees' suggestions, maintains good labour relations and conducts surveys to seek areas for improvement.					
Management Approach	ViTrox periodically adjusts compensation and benefits packages based on industry standards to maintain our competitiveness. Additionally, we establish share grant schemes to recognise employees for their contributions.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Year-on-year employee growth rate	≥ 15.0%	Not achieved	-5.1%	≥ 15.0%	≥ 15.0%
	Intern conversion rate to new hire	≥ 20.0%	Not achieved	13.8%	≥ 20.0%	≥ 20.0%
	Number of school students engaged in STEM-related activities	≥ 1,500 students	Achieved	3,170 students	≥ 2,000 students	≥ 3,000 students
	Employee Net Promoter Score	≥ +45.0	Not achieved	+40.2	≥ +45.0	≥ +55.0
	Employee engagement rate	≥ 80.0%	Not achieved	75.6%	≥ 80.0%	≥ 85.0%
	Employee turnover rate	≤ 10.0%	Not achieved	14.6%	≤ 9.0%	≤ 8.0%

ViTrox is dedicated to broadening our talent base to secure sustained business expansion and the enduring triumph of the organisation. ViTroxians are our paramount asset and the cornerstone driving our Company's accomplishments. We implement diverse initiatives to draw in fresh talents and retain our current pool of skilled individuals.

2024 has been a year of challenges and adaptation for ViTrox. While we anticipated a strong recovery, external market conditions made workforce expansion more difficult than expected. As a result, our total workforce decreased by 5.1%, from 989 to 939 employees, falling short of our targeted 15% annual growth. This was partly due to our strategic workforce planning to align with evolving business needs, and a higher employee turnover in a competitive job market. Despite these adjustments, we remain committed to building a strong and capable team to drive ViTrox's long-term success. To strengthen our talent pipeline, we have extended our recruitment efforts through initiatives like leveraging new hiring platforms, collaborating with talent agencies, and participating in national initiatives like Kerjaya Madani and the Northern Corridor Economic Region ("NCER"). Additionally, our education arm, ViTrox Academy Sdn. Bhd. continues to proactively nurture future talent, introducing 2 new diploma programmes – Diploma in Computer Science and Diploma in Business Studies as well as expanding its TVET offerings with Certificate in Electrical and Electronics and Certificate in Semiconductor to support Malaysia's growing semiconductor industry.

Although we faced headwinds, these challenges have strengthened our resilience and sharpened our long-term sustainability. Moving forward, we remain optimistic about the opportunities to grow and strengthen our people, ensuring that ViTrox continues to thrive with innovation, excellence and a united team.

Compensation and Benefits

ViTrox offers competitive compensation packages and benefits to attract and retain top-tier talent. We abide by pertinent local and national laws regarding wages and benefits, adhering to the national minimum wage in Malaysia or the respective country of employment. Our commitment extends to ensuring equal pay for equal work, guaranteeing fair compensation for individuals – regardless of gender – performing comparable tasks with equal proficiency and effectiveness. Embracing pay equity (including fixed and variable pay) as a pivotal component of our workforce strategy has emerged as a strategic advantage, significantly contributing to talent retention and attracting prospective employees.

A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

Compensation and Benefits (Cont'd)

ViTrox provides 3 different types of bonuses, including contractual, corporate and performance bonuses. The corporate bonus, performance bonus and the bonus for the top 20% of performers are part of the variable pay. Our variable compensation can potentially be up to 26% of the total annual remuneration. The eligibility of increment and variable compensation is based on ViTroxians' performance and work attitudes that align with ViTrox's I.A.C.T.G. core values and business performance. When the Company achieves a stretched goal, we will organise overseas incentive trips to motivate the entire workforce.

Performance-oriented Compensation System

At ViTrox, we implement meritocratic principles fostering an environment that recognises and rewards exceptional performers. Through various initiatives, we establish an equitable system based on merit to incentivise employees and retain promising talents. Acknowledging the dedication of our top 20% performers, we provide bonuses as an extra token of appreciation for their outstanding contributions.

We adopt a multi-dimensional performance management system to assess both employee job performance and career progression. Our evaluation process delves into individual achievements, personal goals and team objectives. These assessments form the foundation for promotions and adjustments in compensation. Our evaluation methodology encompasses diverse approaches such as management by objectives, multi-dimensional performance appraisal, team-based performance appraisal and agile conversations. It involves reviewing past performance and setting future objectives. In 2024, ViTrox achieved a 100% completion rate for the annual performance evaluation, ensuring equality across gender and job categories for all employees.

Managers collaborate with employees to determine priority areas and craft personalised developmental strategies that align with their present work style, capabilities, career goals and project evaluation. Development plans are formulated accordingly after the employees and their supervisors identify areas for improvement in their current roles or future career plans. Individuals encountering performance gaps will receive prompt feedback and targeted coaching from their people managers. We will also supplement employees with poor performance with key improvement plans to improve work efficiency. People managers will concentrate on aiding these individuals to optimise their effectiveness in their respective job roles and responsibilities.

Evaluation	Type	Object	Frequency	Approach
Management by objectives	Hoshin meeting	Management	Annually and quarterly	- Every year-end, our management team will set the goals for the following year in the Hoshin meeting. - Every quarter, the progress of the goals will be updated during the quarterly Hoshin meeting.
Multi-dimensional performance appraisal	Annual 180-degree evaluation	All employees	Annually and quarterly	- Every quarter, employees will set individual and team goals using the OKR approach referring to the goals set in Hoshin. - The 180-degree evaluation comprises 4 key sections: Learning & Growth, Key Behaviours, Strategic Objectives and Business Fundamentals. - During the assessment period, employees self-assess their accomplishments, and managers evaluate the level of goal achievement.
Team-based performance appraisal	SSV rating	Shared services departments	Annually	The evaluation employs a survey method distributed company-wide. This questionnaire aims to assess the internal service quality delivered by shared services departments, serving as a foundational tool for their continuous improvement initiatives.
Agile conversations	Standing meeting	All employees	Weekly or monthly	- Regular progress discussions and indicator reviews are conducted between managers and employees to provide timely feedback and updates. - This practice fosters dialogues and learning opportunities during standing meetings or between managers and employees.
Constant engagement	One-on-one meeting	All employees	Quarterly	- Evaluation conducted during one-on-one meetings is a more personal and focused setting. Managers assess employees' progress, highlight achievements, discuss areas needing improvement and suggest a development plan for the upcoming months. This plan could include additional training, new goals or strategies for improvement. - At the same time, managers can provide constructive feedback on specific tasks, projects or behaviours. Employees are also encouraged to share their thoughts on their own performance. During the session, both parties will discuss and align on the current quarter focus in their OKRs.

A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

Compensation and Benefits (Cont'd)

Gender Pay Gap

ViTrox upholds principles of equal opportunity and non-discrimination in employee compensation. Compensation is based on job roles and responsibilities, irrespective of gender, age, race, religion, nationality or job position. In 2024, the ratio of average male to female base salary at ViTrox was 1.0 : 0.9 (2023: 1.0 : 0.9) for both management and non-management levels. It is notable that no female holds a senior management position throughout 2024.



Employees' Share Scheme

Our Share Grant Scheme ("SGS") aims to foster employee loyalty and recognise outstanding ViTroxians who contribute to the Company's medium- to long-term success. The grant decisions were based on several factors, including job performance, seniority, tenure, potential for future growth and contribution to the Company's progress and development. It is noteworthy that no monetary consideration was required of the grantee to accept the grant or vest the SGS shares. This programme demonstrates our commitment to rewarding and retaining exceptional employees and promoting long-term growth and success. In 2024, we granted a total of 521,600 shares in accordance with the SGS by-laws. Out of the shares granted until year-end, 27.9% of the shares were granted to the managerial level and above. This allocation shows our commitment to recognising leaders within the talent pipeline, linking rewards to succession planning for key roles critical to ensuring continued growth and sustainability of the Company in the future.

Flexible Work Arrangements

Taking care of employees' health and well-being is critical to ensure high job satisfaction, productivity and retention rate. A flexible work scheme that allows employees to adjust their work schedules according to personal needs and commitments can improve morale and productivity and lower absenteeism. It can also augment our human resource programmes to attract and retain top talents and reduce employee turnover rate.

Work from Home	Flexible Working Hours
Our Work From Home programme provides flexibility to our people whose jobs can be performed from home and, at the same time, achieve better work-life harmony while sustaining excellent services to our customers.	We grant flexible working hours by giving our people an option to apply for time off and replace the hours on an earlier or a later date. The extended flexibility of working hours is based on the nature of work and personal needs, including family care, to meet the requirements of different work hours or time zones.

Benefits Extended to ViTroxians' Family Members

As part of our commitment to a caring approach, ViTrox offers specialist claims to cover medical expenses for the parents, spouses and children of our employees. We also extend insurance coverage to our employees' families. ViTrox further provides a 90% subsidy on the premium package for employees who opt to include their spouses or family members in our Group's Hospitalisation & Surgical Insurance Plan.

Recognising that difficult times extend beyond health concerns, we provide compassionate support during times of loss. We support our people through the V-Condolence initiative, including condolence payments and wreath arrangements for the passing of both direct and indirect family members.

A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

New Employees

New employees	2021		2022		2023		2024	
By gender:-								
• Male	116	70.7%	125	66.1%	136	63.0%	62	53.9%
• Female	48	29.3%	64	33.9%	80	37.0%	53	46.1%
Total	164	100.0%	189	100.0%	216	100.0%	115	100.0%
By age group:-								
• < 30 years old	128	78.0%	157	83.1%	178	82.4%	99	86.1%
• 30-50 years old	31	18.9%	30	15.9%	33	15.3%	13	11.3%
• > 50 years old	5	3.1%	2	1.0%	5	2.3%	3	2.6%
Total	164	100.0%	189	100.0%	216	100.0%	115	100.0%
By nationality:-								
• Malaysia	164	100.0%	189	100.0%	205	94.9%	110	95.7%
• Foreign	0	0.0%	0	0.0%	11	5.1%	5	4.3%
Total	164	100.0%	189	100.0%	216	100.0%	115	100.0%
By employee category:-								
• Non-executive	Not applicable; data collection only started in 2023.				42	19.4%	11	9.6%
• Executive					168	77.8%	101	87.8%
• Middle management					4	1.9%	1	0.9%
• Senior management					2	0.9%	2	1.7%
Total					216	100.0%	115	100.0%
Open positions filled by internal candidates	3.7%		4.2%		1.5%		1.4%	

Parental Benefits

ViTrox provides employees parental leaves in accordance with local laws and regulations. Aside from parental leaves, we also extend our warm congratulations to employees welcoming newborns into their families by offering a thoughtful set of baby gifts as an expression of wishes for joy and happiness.

In 2024, a total of 45 ViTroxians took parental leave and were scheduled to return after parental leave ended, of which 41 ViTroxians returned, resulting in a return rate of 91.1%. The retention rate was 86.0%, as only 37 ViTroxians who resumed duty in 2024 were still in service 12 months after their return to work.

Parental Benefit	Unit	2021	2022	2023	2024
Number of employees entitled to parental leave:-					
• Female	pax	238	276	313	303
• Male	pax	175	188	233	244
Total	pax	413	464	546	547
Number of employees undertook parental leave:-					
• Female	pax	9	14	16	18
• Male	pax	22	21	27	27
Total	pax	31	35	43	45

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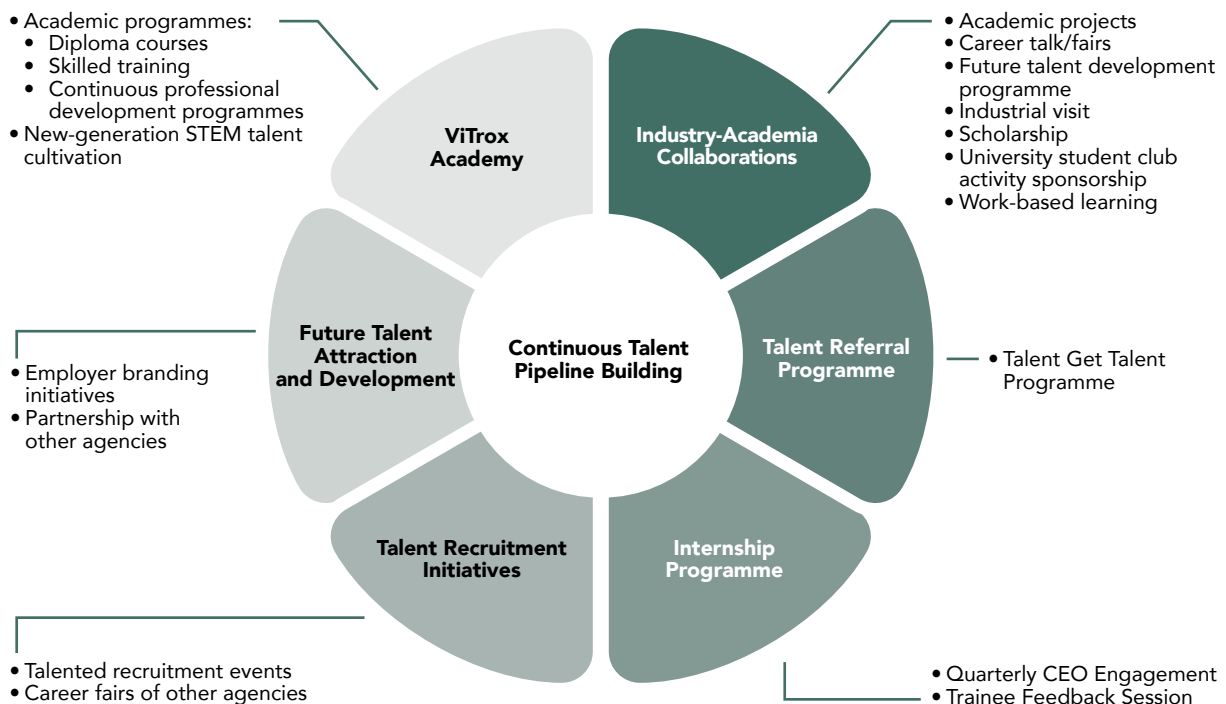
TALENT ATTRACTION AND RETENTION (CONT'D)

Parental Benefits (Cont'd)

Parental Benefit	Unit	2021	2022	2023	2024
Number of employees returned from parental leave:-					
• Female	pax	9	14	9	14
• Male	pax	22	21	27	27
Total	pax	31	35	36	41
Number of employees employed 12 months returning to work after parental leave ended:-					
• Female	pax	4	9	12	16
• Male	pax	23	20	20	21
Total	pax	27	29	32	37
Rate of return to work of employees who took parental leave:-					
• Female	%	100.0	100.0	56.3	77.8
• Male	%	100.0	100.0	100.0	100.0
Retention rate of employees employed 12 months returning to work after parental leave ended:-					
• Female	%	100.0	100.0	85.7	100.0
• Male	%	100.0	90.9	95.2	77.8

Continuous Talent Pipeline Building

ViTrox recognises that a robust talent pipeline forms the solid foundation of technological and industrial progress. We persistently seek out platforms to both attract and cultivate future talents in these fields.



A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

Continuous Talent Pipeline Building (Cont'd)

Industry-academia Collaborations

To bolster ViTrox's global competitiveness and advance research in Science, Technology, Engineering and Mathematics ("STEM"), we are dedicated to fostering forward-looking partnerships with academic institutions while prioritising the nurturing of young talent. Over the years, ViTrox has established enduring partnerships between industry and academia with esteemed universities. We have provided diverse industrial learning opportunities aimed at merging theoretical learning with practical on-the-job experience, such as ViTrox Padawan Programme, work-based learning programme, ViTrox Prestigious Award, academic projects and machine vision classes at universities, university club programmes and ViTrox Scholarships. These collaborative programmes are designed to equip students for their forthcoming careers. Please read our V-SHARE on www.vitrox.com/esg for more details about our industry-academia collaboration programmes.

Talent Referral Programme

The Talent Get Talent programme is part of our referral initiatives, which aims to tap into ViTroxians' network to identify individuals who share our values and match them with career opportunities at ViTrox. We strongly encourage ViTroxians to refer to talented individuals as we believe each ViTroxian serves as an ambassador for our Company.

We can form an engaged workforce when ViTroxians recruit their friends and family members, fostering a sense of value among our current employees for their contribution to the Company's future and growth. Referred employees also experience a heightened sense of engagement from day one, having friends or family already within the Company, thereby enhancing overall employee cohesion. Moreover, referred employees have a tendency to remain with the Company for longer durations compared to those recruited through other channels, which positively impacts our employee retention rate.

Internship Programme

ViTrox develops a well-rounded internship programme, including the ViTrox Tech X Programme and the ViTrox Padawan Programme, to effectively align students with the professional requirements of the industry. This initiative not only enhances students' employability but also instils the right values and strengthens their workplace abilities. Throughout their internship, the interns acquire cross-departmental communication and collaboration skills; simultaneously, they are given the opportunity to contribute their professional talents.

We pair each intern with buddies who assist in their adaptation to the industry and guide them toward future career advancement. To enrich the internship experience and foster stronger connections among our interns, we conducted various engagement programmes in 2024. These activities include the CEO Engagement Session, the Trainee Feedback Session and involvement in corporate events like the 1013 Charity Event. These initiatives offer diverse learning prospects and practical project involvement, enabling interns to enhance their skills and interact with our Company leaders.

To sustain our diversified talent pool, we hired 193 interns in 2024 from local and overseas universities and colleges. We identify and nurture outstanding interns, offering them job opportunities upon graduation. However, as the business landscape has yet to fully recover, we continue to navigate its lingering impact with a measured approach to hiring in 2024, resulting in a conversion rate of 13.8%, falling short of our 20% target.

	Unit	2021	2022	2023	2024
Number of interns intake	pax	183	239	234	193
Number of interns converted	pax	79	88	86	59
Intern conversion rate to new hire based on a 2-year rolling period	%	26.7	20.9	18.8	13.8

Talent Recruitment Initiatives

To reach as many right talents as possible, we partnered with various agencies, such as TalentCorp, MIDA and Semicon Southeast Asia, to join their career events. At the same time, we also took the initiative to create targeted recruitment events like Tech Me Along to engage with talents who are interested in our Company.

A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

Continuous Talent Pipeline Building (Cont'd)

Future Talent Attraction and Development

ViTrox supports the cultivation of STEM education by sponsoring various programmes. The Company approaches renowned local colleges and universities each year to recruit engineering talents with various skill levels and matches them to open positions on-site.

ViTrox Academy Sdn. Bhd.

Talents with the right skill set, mindset, and heartset are essential to building a local high-technology ecosystem. Through ViTrox Academy Sdn. Bhd., an educational arm of the Group, we aim to enrich society's well-being by giving the new generation a turning point and, perhaps, a second chance in life. VA offers tertiary educational programmes, skilled training, and lifelong learning programmes that contribute to economic growth and social development. In 2024, we enrolled 75 students, bringing our diploma programme total to 109 since 2023 – a strong start in shaping future-ready talent.

Diploma programmes

- Diploma in Electrical and Electronic Engineering
- Diploma in Mechatronics Engineering
- Diploma in Computer Science
- Diploma in Business Studies

VA Programmes

Technical and Vocational Education and Training ("TVET") programmes

- Certificate in Industrial Automation
- Certificate in Electrical and Electronics
- Certificate in Semiconductor

At VA, education extends beyond textbooks and classrooms – we nurture the heart as much as the mind. Rooted in the spirit of humanistic education, we cultivate compassion, gratitude and self-discipline by encouraging students to actively serve others and contribute to society. We inspire our students to embrace kindness in action through meaningful initiatives, including Society for the Prevention of Cruelty to Animals ("SPCA") voluntary service, supporting orphanages, and organising the Zero Burden Bazaar. We believe these experiences are opportunities for students to develop empathy, cultivate mindfulness and awaken a deep sense of social and environmental responsibility. Collectively, more than 183 students have dedicated over 1,137 hours to these selfless efforts, reflecting their commitment to creating a positive and lasting impact.

ViTrox College

ViTrox College is uniquely positioned to bridge the education and industry systems by applying classroom practices relevant to the actual day-to-day work in the industry. The College's mission is to provide industry-centric, inspiring and inclusive education with a strong emphasis on an engaging and practical learning environment. We empower our students to be competent, compassionate, visionary and entrepreneurial.



"ViTrox College isn't just about producing engineering talents; it is about nurturing individuals with the right attitude, mindset, and heartset. One who cares for others uplifts communities and leaves a lasting impact."

DATO' CHU JENN WENG

Managing Director/President/Group CEO
ESG Steering Committee Chairman

A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

ViTrox Academy Sdn. Bhd. (Cont'd)

ViTrox College (Cont'd)

ViTrox College is proud to be the first institution in Malaysia to implement work-based learning (“WBL”) at the diploma level. Inspired by the philosophy of “teaching swimming in the swimming pool” rather than in a classroom, this model emphasises hands-on learning in a real-world industrial setting, ensuring students develop practical skills that are both relevant and future-ready. With 60% of the curriculum dedicated to real-world engineering projects, students gain immersive, on-the-job experience, preparing them to step confidently into industry.

Beyond technical expertise, ViTrox College prioritises leadership and soft skills. We encourage participation in competitions and support 6 student organisations, including Student Representative Council, Sports and Games Club, and TechnoVation Club. These organisations provide leadership opportunities through event organisation and team management. In 2024, they organised 27 events, from technical workshops to community service projects, developing crucial skills like communication and teamwork. ViTrox College is also committed to holistic student development. Our Self-Discovery Programme helps students identify their strengths and interests, while English enhancement sessions improve language proficiency and professional communication. Study techniques and self-management workshops further support academic success and well-being.

The table below shows diploma programmes that successfully enrolled students in 2024.

Programme	Course Description	Contribution to UN SDGs
Diploma in Electrical and Electronic Engineering	Focus on the practical applications of electricity in various forms, covering electrical transmission, machine control, and high-power systems through hands-on lab work and industry-relevant projects	7 Affordable and Clean Energy, 9 Industry, Innovation and Infrastructure
Diploma in Mechatronics Engineering	Integrate mechanics, electronics and computing to develop intelligent systems. Students learn to design and enhance technologies like autonomous vehicles, auto-braking systems and even autofocus cameras	9 Industry, Innovation and Infrastructure, 11 Sustainable Cities and Communities, 12 Responsible Consumption and Production
Diploma in Computer Science	Provide a strong foundation in computing, covering database management, system analysis and design, operating systems and web client-side scripting, along with industry-relevant electives	8 Decent Work and Economic Growth, 9 Industry, Innovation and Infrastructure
Diploma in Business Studies	Provide a holistic understanding of business fundamentals, covering finance, marketing, management, economics and entrepreneurship	8 Decent Work and Economic Growth

Technical and Vocational Education and Training

The National Dual Training System (Sistem Latihan Dual Nasional – SLDN) is a work-and-study initiative combining 70% - 80% practical industrial training with 20% - 30% theoretical instruction at training institutions. This TVET education pathway is tailored for students who may not qualify for conventional post-secondary programmes like A-Levels, Matriculation, Foundation, or Form 6, and for those who face financial constraints in pursuing higher education. Students commit to an 8-month to 1-year contract, receiving allowances from 11 partnering SLDN companies. Practical training takes place Monday to Friday, with theoretical learning sessions on Saturdays. This approach equips students with practical skills while integrating theoretical knowledge with real-world applications.

Aligned with UN SDG 8: Decent Work and Economic Growth, the TVET programme aims to develop a skilled workforce to enhance local industry competitiveness in global markets. Upon completion, students receive the Malaysia Skills Certificate; also known as Sijil Kemahiran Malaysia – Level 2, Level 3 and a Certificate in Academy in Factory (“AiF”) awarded by the Malaysia Productivity Corporation. These industry-recognised credentials enable graduates to secure technical roles or pursue further studies. Since 2023, TVET has enrolled 77 students, with 36 successfully graduating across 3 TVET programmes. 2 students secured full-time employment at ViTrox, while others pursued further studies in related fields.

Cultivate New-Generation STEM Talent

Other than tertiary education, VA also provides students in primary and secondary educational stages with development opportunities within and outside the scope of formal education. We strive to empower children in the primary and secondary education systems with STEM capabilities and achieve equal access to education.



A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

ViTrox Academy Sdn. Bhd. (Cont'd)

Cultivate New-Generation STEM Talent (Cont'd)

Engaging young children in creative and fun STEM activities lays a solid foundation for their future development. These valuable skills develop their critical thinking, collaboration and problem-solving skills, enhance creativity and engage them in an investigative process through learning. In 2024, VA welcomed more than 3,170 students from over 87 schools across Malaysia to get exposure to the real technology industry. By 2030, we aim to inspire and impact 3,000 students, encouraging them to embrace STEM. Our commitment to this mission is further demonstrated in our sponsorship of 14 buses worth RM6,825 and the contribution of 884.5 volunteer hours.

STEM Initiatives and School Visitations

- Organised 47 STEM events
- Hosted 7 sessions of school visitation sessions
- Engaged over 3,170 students from 87 schools

Our initiatives include workshops like STEM Exploration Day, Post SPM Camp and Mega Open Day workshops such as "Aha! I'm a whitehat hacker" workshop and "Loopy the loopman" workshop to learn basic coding.

VA hosted primary and secondary school student visitations to expose them to the real technology industry. Students will be involved in a STEM-related workshop and a Campus tour.

STEM Coaching

- 132 volunteer coaches
- Contributed 884.5 hours of coaching
- Organised 8 coaching events

FIRST® Tech Challenge 2023/2024

5 ViTrox engineers volunteered as coaches, guiding students in the robotics competition FIRST® Tech Challenge 2023/2024.

Tech4Good Challenge

2 teams of diploma students from ViTrox College emerged as champions in the Agriculture track with their project Durian Monitoring System and the Most Favorable Project award for their innovative project Emergency Drone, developed under the mentorship of VA lecturers. 22 ViTroxians volunteered to coach 22 the teams of Secondary school participants.

Girls in Engineering and Technology ("GET") 2024

We proudly sponsored the GET 2024 programme, empowering young women in STEM. 12 female engineers conducted interactive sessions across 16 schools, inspiring 122 students in related fields.

Campus Open Days

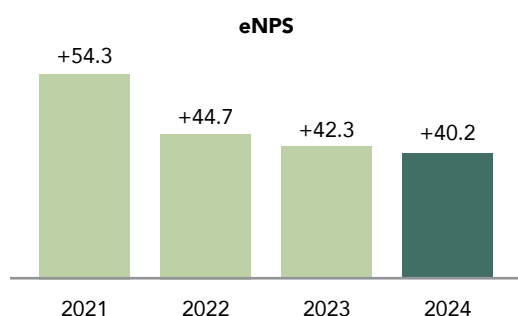
- Organised 7 sessions
- Hosted 257 visitors

ViTrox College welcomed students and parents to the Campus, offering them sessions featuring technology showcases, industry talks, plant tours, and academic counselling.

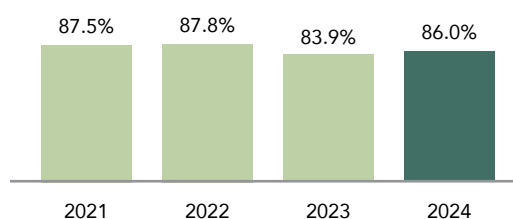
ViTroxians Engagement Programme

ViTrox actively listens to all ViTroxians by collecting their feedback through various communication channels. The results serve as an indicator of our people's motivation, engagement level and retention factors. Based on the engagement feedback, our people managers and the People Operation team take meaningful actions to support continuous organisational improvements.

Employee Net Promoter Score ("eNPS")



Participation Rate



A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

ViTroxians Engagement Programme (Cont'd)

Employee Net Promoter Score ("eNPS") (Cont'd)

We prioritise employee satisfaction and engagement, using quarterly eNPS surveys to gather ViTroxians' feedback and drive improvements. These feedbacks help us identify areas for improvement and implement targeted initiatives, contributing to long-term talent retention.

In 2024, we achieved an average eNPS score of +40.2, accompanied with 1,019 employee comments and suggestions, against our target of 45%. One contributing factor was the business slowdown, which necessitated a cost optimisation programme and resource constraints. While these measures were essential for maintaining operational efficiency, we recognise their impact on employee experience.

To improve employee satisfaction and engagement, we are committed to fostering open communication and enhancing well-being initiatives. We recognise the importance of transparent and consistent communication, particularly during business downturns. To strengthen trust and alignment, we will provide more frequent updates on business performance, challenges, and future outlook. We also actively promote the V-Team Building programme and V-Engagement Journey reward programme, which facilitate one-on-one meetings between managers and employees. These initiatives help strengthen relationships and encourage open dialogue, ensuring that employees feel heard and supported. By fostering open communication between leaders and employees, we aim to navigate challenges together while keeping our people informed and engaged.

Additionally, we are enhancing our employee well-being initiatives to promote a healthier, more resilient workforce. This includes expanding wellness programmes, introducing greater mental health support, and offering stress management workshops to raise physical and mental health awareness. To further encourage a healthy lifestyle, our in-house nutritionist collaborates with the internal chef team to redesign the V-Meal menu, ensuring balanced and nutritious meal options for ViTroxians. By prioritising both physical and mental well-being, we strive to create a supportive workplace where employees feel valued and motivated.

Through these efforts, we remain dedicated to building an engaging and empowering work environment, driving both individual and organisational success. With these initiatives in place, we aim to achieve an eNPS score of +45 by 2025 and +55 by 2030.

Annual Employee Engagement Survey

In 2023, we introduced a new approach for measuring employee engagement across our organisation. Before 2023, our annual satisfaction survey provided feedback on aspects like corporate culture, work environment, job satisfaction, and recognition. After careful consideration, we revamped our survey questions to evaluate multiple factors related to job satisfaction, purpose, recognition, and appreciation, allowing us to better understand what motivates and shapes our employees' sense of engagement.

Building on the foundation established in 2023 for measuring employee engagement, we have further refined our survey questions in 2024 to align with the latest trends and evolving workplace dynamics. This updated survey focuses on key aspects, including employee well-being, purpose and fulfillment, career growth, coaching and training, and alignment with organisational values. These refinements help us better understand our people's needs and priorities, allowing us to proactively foster a positive and engaging work environment.

We recorded an overall engagement score of 75.6% in 2024 (2023: 78.9%), with a participation rate of 79.5% (2023: 76.1%), compared to our target of 80%. This indicates that close to 8 in 10 employees feel highly committed to and motivated by their work. However, missing our engagement target aligns with the decline in our eNPS score, reflecting areas where we need to strengthen employee experience and workplace satisfaction.

Regularly listening to employees through engagement surveys and acting on their feedback is crucial for talent retention, performance enhancement, and cultivating an inspired, high-achieving workforce. We remain committed to enhancing engagement through continuous improvements and initiatives that foster a supportive and inspiring workplace environment. To drive this progress, we have set an ambitious target of at least 80% by 2025 and 85% by 2030, reinforcing our dedication to creating a highly engaged and motivated workforce.

Annual 180-Degree Evaluation

This evaluation gives ViTroxians the opportunity to provide feedback on their immediate supervisors, helping the supervisors identify areas of improvement.

A CARING EMPLOYER

TALENT ATTRACTION AND RETENTION (CONT'D)

ViTroXians Engagement Programme (Cont'd)

V-Voice Platform

V-Voice platform is a grievance channel for our people to voice their concerns and provide feedback at any time. All complaints or grievances received are dealt with fairly and resolved expediently. In 2024, we received a total of 60 feedback submissions in the system.

Employee Turnover

To ensure talent mobility and long-term growth, ViTroX believes that a healthy employee turnover rate should be between 5% and 10%. In 2024, a total of 140 employees left the Company, representing 14.6% turnover rate, which was influenced by ongoing challenges in the job market and economic uncertainties. The competitive job market has provided employees with more career opportunities, while the semiconductor industry continues to navigate a slow recovery from challenging market conditions. These external factors have contributed to increased mobility among talents, impacting our turnover rate. While we have maintained a prudent hiring approach to ensure long-term sustainability, we acknowledge the need to further enhance retention efforts in response to these conditions.

In our efforts to attract and retain talents, we will continue to enhance employee engagement to better understand their needs and how we can create mutually beneficial long-term relationships. We set our 2025 target to control our employee turnover rate below 9% and below 8% by 2030. We take note of genuine and valuable inputs from our resignees during the exit interviews, including resignees' issues and concerns, for possible improvements we could work on. Through fair treatment and continuous motivation, we hope employees can grow and create value together with the Company.

Our employee turnover details are tabulated below.

Employee Turnover	2021		2022		2023		2024	
Employee turnover rate	54	7.5%	119	15.1%	95	10.9%	140	14.6%
Voluntary employee turnover	54	7.5%	119	15.1%	95	10.9%	140	14.6%
By gender:-								
• Male	39	72.2%	95	79.8%	59	62.1%	89	63.6%
• Female	15	27.8%	24	20.2%	36	37.9%	51	36.4%
Total	54	100.0%	119	100.0%	95	100.0%	140	100.0%
By age group:-								
• < 30 years old	39	72.2%	73	61.3%	69	72.6%	109	77.9%
• 30-50 Years old	13	24.1%	45	37.8%	25	26.3%	30	21.4%
• > 50 years old	2	3.7%	1	0.9%	1	1.1%	1	0.7%
Total	54	100.0%	119	100.0%	95	100.0%	140	100.0%
By employee category:-								
• Non-executive	6	11.1%	9	7.6%	13	13.7%	14	10.0%
• Executive	44	81.5%	107	89.9%	78	82.1%	120	85.7%
• Middle management	4	7.4%	3	2.5%	4	4.2%	6	4.3%
• Senior management	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	54	100.0%	119	100.0%	95	100.0%	140	100.0%
By nationality:-								
• Malaysia	54	100.0%	119	100.0%	94	98.9%	138	98.6%
• Foreign	0	0.0%	0	0.0%	1	1.1%	2	1.4%
Total	54	100.0%	119	100.0%	95	100.0%	140	100.0%

A CARING EMPLOYER

TALENT DEVELOPMENT

Management Purpose	ViTrox is committed to providing fair opportunities to our employees through diverse learning experiences to achieve high performance and unleash their fullest potential.					
Management Approach	ViTrox adopts an effective learning model as a guideline to offer an all-around learning experience for our employees. We conduct education and training to strengthen employees' abilities and workplace adaptation.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Employee completing 20 training hours	≥ 80.0%	Not achieved	74.2%	≥ 80.0%	≥ 90.0%

ViTrox provides fair opportunities to our people through diverse learning experiences to achieve high performance and unleash their fullest potential. The key focus of our talent development process is to grow a multi-skilled workforce capable of operating flexibly and responding proactively to the changes in work nature and business environment. In 2024, our employee training initiatives emphasise efficiency and time saving by prioritising internal training, e-learning and self-paced learning over instructor-led sessions. Despite falling short of our target, we remain dedicated to delivering high-quality training that supports continuous employee development. Moving forward, we are committed to achieving at least 80% by 2025 and 90% by 2030.

Training and Development

	Unit	2021	2022	2023	2024
Employees completing 20 training hours	%	78.1	80.2	81.7	74.2
Training expenditure	RM'000	628	728	715	442
Training expenditure per employee	RM	786	818	723	471
Human capital return on investment ("HC ROI") ¹	RM	3.2	3.6	² 3.4	3.0
Average training hours per employee					
	hour	41	46	42	40
Average training days per employee ³					
	day	5	6	5	5
Total training hours					
	hour	32,762	40,600	41,698	37,747
Average training hours by gender:-					
• Male	hour	40	44	41	39
• Female	hour	42	49	46	43
Average training hours by age group:-					
• < 30 years old	hour	43	44	41	39
• 30-50 years old	hour	39	48	44	43
• > 50 years old	hour	33	38	36	28
Average training hours by employee category:-					
• Non-executive	hour	19	25	30	30
• Executive	hour	45	48	43	41
• Middle Management	hour	47	66	56	53
• Senior Management	hour	29	34	38	31
Average training hours by nationality:-					
• Local	hour	41	46	43	41
• Foreign	hour	59	31	17	16

Notes:-

¹ HC ROI = (Revenue - (Operating Expenses - Employee-related expenses)) / Employee-related expenses

² Restatement of figure.

³ The unit day refers to an 8-hour work day.

A CARING EMPLOYER

TALENT DEVELOPMENT (CONT'D)

Training and Development (Cont'd)

ViTrox is dedicated to nurturing our employees to achieve excellence, which in turn fulfills the current and future needs of the Company. We offer a well-around learning experience and adopt a structured approach to designing our learning and development programmes. To formulate the annual training plan for the upcoming year, we conduct a company-wide Training Needs Analysis ("TNA") in the fourth quarter. The TNA is rolled out in 3 levels.

TNA Level	Description
Organisational level	This level analyses the company-wide objectives, goals and performances to determine the knowledge, skills and behaviours that support our Company in building its strengths and addressing weaknesses. The Learning Advisory Board is established to oversee overall learning and development initiatives.
Departmental level	This level analyses the training needs at the operational level. This process involves stakeholder engagement with all department heads to review the team's skill matrix and inputs for training intervention.
Individual level	This level analyses the skills, knowledge and training programmes required by employees to carry out tasks and projects effectively. Employees perform this analysis in the Learning Management System.

70:20:10 Learning Model

At ViTrox, we embrace the 70:20:10 learning model as a foundational principle to enhance the impact of our learning and development initiatives. By offering a diverse array of opportunities and channels, our employees have the flexibility to customise their learning experiences according to their preferences and needs.

70%	Learn Through Experience On-the-Job Training ("OJT"): Every new ViTroxian undergoes OJT in the first 2 months and is guided by the OJT trainer, buddy and manager. It involves providing new employees with hands-on experiences and practical tasks related to their job responsibilities. Task Assignments: Employees learn through performing specific tasks and responsibilities associated with their roles. This practical experience allows for the development of both technical and soft skills. Project Work: Employees gain valuable experience by working on projects that require them to apply and expand their skills. Real-world projects provide opportunities for problem-solving, collaboration and innovation.
20%	Learn Through Others Buddy System: New ViTroxians are paired with experienced colleagues for guidance and support on ViTrox's culture, values and best practices, helping them to navigate the challenges and acclimating to the new environment. Feedback Sessions: ViTroxians receive feedback from their managers through quarterly one-to-one discussions on work performance, challenges, achievements and career aspirations, fostering open communication and constructive dialogue.
10%	Learn Through Formal/Informal Learning Instructor-led Training: In-house training and external training sessions for ViTroxians to enhance specific skills or knowledge areas with 172 training sessions delivered to 690 employees in 2024. Online Courses: Internal and external e-learning platforms for employees to develop themselves at their own pace, with 1,030 employees completing 100 courses in 2024. Conferences and Seminars: Equip employees with the latest professional and industrial knowledge to keep abreast of new technologies, legislation, issues and developments, with 102 employees attending 98 conferences and seminars in 2024. Knowledge Sharing Sessions: Cultivate a learning culture through shared knowledge and experiences. In 2024, a total of 938 sessions were conducted, benefiting 1,041 employees.

Knowledge Sharing Sessions

ViTrox establishes accessible avenues where every ViTroxian can freely exchange their ideas, insights and skills. By fostering a culture of knowledge sharing, we aim to facilitate interaction and collaboration among our workforce, thereby contributing to the ongoing advancement and development of the Company.

A CARING EMPLOYER

TALENT DEVELOPMENT (CONT'D)

Knowledge Sharing Sessions (Cont'd)

The number of sharing sessions conducted is listed as follows:-

	2021	2022	2023	2024
Intradepartmental sharing	444	587	733	553
Interdepartmental sharing	151	178	208	168
Offsite sharing	122	150	216	156
Corporate sharing	52	31	31	46
Pit Stop session	1	15	17	9
Technical sharing	25	30	14	6
Total	795	991	1,219	938

V-Technical Symposium	Pit Stop Session	Learning from Our Top V-Leaders
This symposium is an interactive platform for internal subject experts to share technological advancements, best approaches and ideas, as well as to encourage the transmission and retention of technical knowledge of our technical talents. We organised 6 sessions and engaged 115 ViTroxians in 2024.	Pit Stop is a series of collaborative learning sessions for our leaders to connect, learn, share and have in-depth discussions on renowned business case studies. Through learning about the successes and failures of various businesses, our leaders discuss and develop ways to foster a high-performance team culture, driving business and operational growth. In 2024, we organised 9 sessions and engaged 146 ViTrox leaders.	This workshop is designed to provide new ViTroxians with guidance and inspiration from our top leaders to foster a successful learning journey for their personal and professional growth. In 2024, we organised 4 sessions and engaged 27 ViTroxians.

Employee Development Programme

At ViTrox, we believe that all leaders are teachers who prioritise the team's professional development and personal growth. Great teachers make great leaders because they can inspire, educate, influence and empower our people. Leaders build trust by actively teaching and mentoring their subordinates and all ViTroxians, which strengthens relationships among them and inspires others through their own positive examples.

Programme Objectives	Targeted Participants	Business Benefits	Assessment Outcome
Integrated Product Development ("IPD") Workshop			
- Understand key components of ViTrox's IPD approach - Describe the concepts and framework for IPD - Apply IPD principle to improve product performance, time-to-market and product quality - Apply IPD tools to guide investment decision - Understand IPD milestone deliverables and approval process	- R&D engineers - Business development engineers - Manufacturing engineers	- Streamline product development processes - Enhance project charter writing - Optimise product launches in terms of time, cost and quality - Strengthen cross-functional collaboration	Course feedback Overall course satisfaction: 89.5% - Trainer: 92.1% - Content: 89.0% - Personal gain: 87.3% Material topic: Innovation and Product Excellence - Number of IPD project adoption: 46 - Participation rate: 7.2%
ViTrox Leadership Development Programme ("VLDP")			
- Empower new and emerging leaders with the skills to navigate management challenges and drive ViTrox's future growth - Ensure continuity of key positions	- New leaders - Emerging leaders	- Foster alignment with organisational vision and culture - Strengthen recruitment and talent acquisition strategies - Enhance team collaboration and cohesion - Elevate goal setting and strategic execution - Strengthen leadership readiness for the next level	Course feedback Overall course satisfaction: 82.5% - Trainer: 84.6% - Content: 82.3% - Personal gain: 80.6% Material topic: Talent Development - Participation rate: 4.6%

A CARING EMPLOYER

OCCUPATIONAL HEALTH AND SAFETY

Management Purpose	ViTrox is committed to maintaining the stable growth of the Company by promoting a positive safety culture that improves occupational health and safety and organisational performance.					
Management Approach	ViTrox adopts all reasonable efforts to safeguard the health and safety of ViTroxians, prevent accidents and promote the physical and mental health of employees by shaping a corporate culture where the safety and health of all employees are prioritised. At ViTrox, our approach towards managing occupational health and safety risk is driven by the Hazard Identification, Risk Assessment and Risk Control ("HIRARC") review by identifying, evaluating and controlling existing and potential hazards.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Incident rate ¹	< 2.0	Not achieved	3.2	< 2.0	< 1.0
	Lost time injury frequency rate ²	< 1.0	Not achieved	1.2	< 1.0	< 0.5

Notes:-

¹ Incident rate refers to the number of occupational incidents occurring in a workplace in every 1 million hours worked.

² Lost time injury frequency rate refers to the number of lost time injuries occurring in a workplace in every 1 million hours worked.

In line with our purpose to safeguard and enhance ViTrox's performance in Environment, Health and Safety ("EHS"), our Occupational Safety and Health ("OSH") management unit is dedicated to ensuring the execution of the OSH Policy. Guided by the Occupational Safety and Health Act ("OSHA") 1994, the OSH Policy is established to foster a secure, healthy and positive work environment, aiming for zero (0) injuries or casualties in our production plants while promoting a culture of safety awareness. The OSH Policy acts as a guide for all ViTroxians, employees of suppliers, contractors and customers, including those engaged in work within all ViTrox premises.

We are committed to:-

- Adhering to the relevant Malaysian laws and regulations as well as the Company's own requirements
- Raising awareness of workplace safety and health among employees through continuous training, dissemination of information and proper standard operating instructions
- Carrying out workplace safety and health inspection, monitoring and auditing
- Ensuring all accidents, occupational illnesses or near misses are reported, investigated and corrected to prevent a recurrence
- Continuously improving the Company's occupational safety and health performance

Employees are taught to:-

- Care for themselves and others' safety and health at all times
- Follow the standard work instructions at all times
- Maintain good housekeeping practices
- Use personal protective equipment ("PPE") whenever required and maintain it
- Report hazardous conditions, accidents and occupational illnesses immediately
- Participate in and support safety and health programmes

EHS Leadership and Performance Management

The Board serves as the authority overseeing the management of OSH matters at ViTrox. Yeoh Shih Hoong, our Senior Executive Vice President, chairs the EHS committee. He also chairs the Risk Management Committee and sits on the Group's Board, overseeing occupational health and safety matters.

In conjunction with this oversight, our EHS committee takes charge of safeguarding, managing, discussing and reporting on all aspects related to ViTrox's EHS performance. The committee is composed of a Chairman, an assistant chairman, a safety and health officer (secretary), employer representatives (44%) and employee representatives (56%) from various departments. The EHS committee ensures a comprehensive and collaborative approach to addressing ViTrox's EHS responsibilities and plays a crucial role in setting the Company's objectives, targets and goals concerning employee health and safety.

The committee members conduct quarterly EHS inspections to identify potential hazards, assess the effectiveness of safety measures, and recommend ways to prevent or minimise workplace accidents. They meet at least once every 3 months to review OSH programmes, workplace inspections and injury and illness statistics. To ensure transparency and accountability, the committee provides quarterly updates on health and safety performance against targets to the Board, allowing for continuous evaluation and improvement of safety strategies. Meeting minutes are accessible on our internal safety and health portal, keeping all employees informed about the Company's occupational health and safety matters.

A CARING EMPLOYER

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

EHS Leadership and Performance Management (Cont'd)

In 2024, ViTrox maintained a Grade "A" certification in the workplace audit conducted by the Department of Occupational Safety and Health ("DOSH"), reaffirming the Company's commitment to employees' safety and health. There are no regulatory violations by the DOSH during the reporting period.

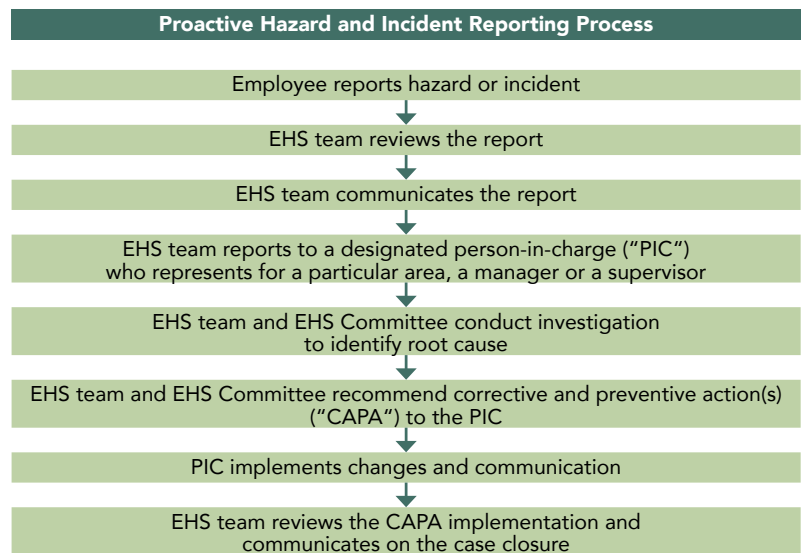
ViTrox strives to continually improve its EHS performance and prevent workplace injuries and illnesses by:-

- Designing EHS programmes and documentation aligned with ISO 45001:2018 and ISO 14001:2015 standards
- Referring to these ISO standards to improve hazard identification and risk assessment and EHS management system
- Carrying out Plan-Do-Check-Act ("PDCA") cycle to improve EHS programme effectiveness

Incident and Hazard Reporting Process

The online Hazard and Incident Reporting System ("HIRS") allows all employees to report any injury, ill-health, unsafe conditions, unsafe acts, nearmisses, fire and property damage to the EHS team. Any work-related injuries, illnesses or events shall follow the Hazard and Incident Reporting Matrix process. All reported incidents and hazards are investigated to determine the root causes and implement appropriate corrective and preventive actions ("CAPA").

Our EHS management system incorporates HIRARC to continuously improve and achieve zero (0) lost-time accidents. We conduct HIRARC and quarterly EHS workplace inspections to identify work-related hazards, assess risks and implement the hierarchy of controls. Trained personnel review the HIRARC annually with the responsible person for the work areas.



Work-Related Incident Management

To continuously improve ViTrox's OSH performance and reduce incidents, ViTrox sets annual targets and goals and monitors the progress on an annual basis. The monitoring of Incident Rate ("IR") and Lost Time Incident Frequency Rate ("LTIFR") includes ViTroxians, interns and contractors. IR refers to the number of work-related incidents occurring in a workplace per 1 million hours worked; LTIFR refers to the number of lost time injuries occurring in a workplace per 1 million hours worked.

	2021	2022	2023	2024
Total headcount (inclusive of our ViTroxians, interns and contractors)	1,098	1,246	1,298	1,287
Number of lost time injuries (inclusive of our ViTroxians, interns and contractors)	3	5	4	3
Total lost days	4	104	9	10
Employee absenteeism rate ¹ (%)	1.0	1.7	2.1	2.5

Note:-

¹ The absentee rate is equal to the number of absentee days divided by the total days scheduled to be worked.

In 2024, ViTrox recorded an IR of 3.2, which is lower than the manufacturing industry's 3-year average of 3.98, calculated based on the industry rates from 2021 to 2023, as reported by DOSH. The Company achieved zero (0) fatalities and no high-consequence work-related injuries. The LTIFR also improved from 1.6 in 2023 to 1.2 in 2024, and the IR decreased from 6.3 to 3.2 over the same period. While the targeted IR was not fully achieved, these improvements reflect significant progress in enhancing workplace safety and operational practices, including proactive hazards reporting through the HIRS, enabling early identification and mitigation of unsafe acts and conditions. The implementation of the EHS Alert system in 2024, further strengthened safety awareness and a culture of prevention.

A CARING EMPLOYER

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Work-Related Incident Management (Cont'd)

The primary workplace hazards identified in 2024 as slips, trips and falls; being struck by or hitting against objects; burned from hot water; and cut injuries, root cause analyses were undertaken for each incident. Necessary preventative and mitigating measures included immediate equipment repairs, EHS briefings on the Safe Work Procedures ("SWP"), and utilising the EHS Alert system for effective safety communication, ensuring proper risk identification and precautionary measures.

ViTrox recorded 3 cases of work-related lost time injuries, resulting in 10 lost days in 2024. Importantly, no work-related ill-health incidents were reported from 2021 to 2024, and we maintained a record of zero (0) work-related injuries among contractors in 2024. Although we reported zero (0) reports of close calls or near misses in 2024, the Company remains committed to enhancing safety awareness and encourages all employees to report near-misses to facilitate effective mitigation measures and prevent potential workplace accidents.

Below we summarised the lost time injuries reported with the root causes and actions taken by ViTrox.

Type of Injury	Root Cause	Corrective Action	Preventive Action
Soft tissue injury	Protruding interlocking paver	Repaired damaged and uneven interlocking pavements	Inspected and verified the conditions of all interlocking pavements to prevent recurrence
Laceration on forehead	Walking while carrying laptop	Installed a frosted sticker on the door to increase visibility	Issued a safety reminder through EHS Alert system to raise awareness among employees
Left finger injury	Lack of awareness of SWP for the job task	Conducted safety briefings to educate employees on SWP	Communicated the incident through EHS Alert system to reinforce adherence to safety protocols

Number of hours worked

ViTroxians:
1.80 million

Interns:
0.24 million

Subcontractors:
0.46 million

OSH Awareness and Training Programmes

ViTrox elevates occupational health and safety awareness through comprehensive training initiatives, covering both general and specialised programmes. Our training includes occupational and non-occupational health and safety issues, regular health monitoring through free healthcare campaigns, and specialised training for our Emergency Response Team ("ERT") to ensure effective emergency preparedness.

To enhance accessibility of our people to safety resources, we maintain an internal safety and health portal, providing employees with a readily accessible platform for pertinent OSH information. Additionally, all employees undergo EHS induction, which outlines their rights to withdraw from potentially dangerous circumstances and includes a compulsory assessment following the induction to reinforce understanding.

In 2024, we conducted over 70 general safety programmes, reaching 1,051 employees. Average training hours per employee increased from 2.9 in 2023 to 3.5 in 2024. These programmes were conducted in a mix of National and English languages to ensure local employees could understand the content easily. Additionally, ViTrox organised the Safety, Health, Sustainability & 5S week¹ to reinforce EHS awareness among all ViTroxians and underscores our dedication to maintaining a safe and sustainable workplace.

The OSH awareness and training programmes include:-

• Safety Leadership: Workplace Incident Prevention • Cardio-Pulmonary Resuscitation ("CPR") and Automated External Defibrillator ("AED") Training • Accident and Emergency and Ergonomics Talk • Sharing on Fire Extinguisher and Emergency Exit Routes • Sharing on PPE and Safety Gear • Hazardous Materials, Chemical Safety and Spillage Control • Occupational and Workplace Safety Awareness	• Forklift and Heavy Equipment Safety • Lifting and Material Handling • Radiation Safety • Mental Health and Employee Well-being Workshop • Women's Health Awareness • Workplace Violence and Sexual Harassment Awareness • Practical Energy Efficiency Optimisation
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Note:-

¹ Read our V-SHARE on www.vitrox.com/esg for more details about Occupational Health & Safety Week.

- "ViTrox Hosts Week-Long Campaign on Safety, Health & Sustainability"

A CARING EMPLOYER

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Risk Assessment and Monitoring

ViTrox conducts regular risk assessments for the existing and potential routine and non-routine operations and projects. These assessments include:-

- Chemical Health Risk Assessment ("CHRA")
- Area and personal chemical exposure monitoring
- Examination and testing of local exhaust ventilation and fume extraction systems
- Noise risk assessment ("NRA")
- Ergonomic Risk Assessment ("ERA")

Below are the routine assessments conducted in ViTrox.

Hazard Identification, Risk Assessment and Risk Control

The HIRARC approach is used to assess the safety and health risks of routine and non-routine activities that potentially cause human injury and ill-health. The relevant personnel and EHS team, trained and qualified in Safety & Health identification, identify ways to eliminate or control risks and take mitigation measures per the hierarchy of control. The assessment is performed annually or whenever there are changes in our process or activities.

Ergonomics Risk Assessment

To create a safer, healthier and less injury-prone workplace, ERA is conducted for work areas with potential ergonomic risks. Initial and Advanced ERA methods are used by a competent Ergonomics Trained Person ("ETP") to evaluate the ergonomic risk factors of the work activities and provide recommendations to avoid and reduce ergonomics-related injuries and musculoskeletal disorders ("MSDs").

Throughout the expansion project of ViTrox Campus 4.0, the EHS team actively monitors safety risks, including weekly on-site inspections, participation in monthly main contractor' Safety and Health Committee Meeting and weekly monitoring of OHS documents submissions through the V-Project. These proactive measures are designed to reduce the risk of workplace accidents and enhance safety performance.

Participation, Consultation and Communication with Worker

ViTrox values the participation and consultation of employees, contractors and external stakeholders, recognising their insights and perspectives as essential in fostering a safe and healthy work environment. To empower employees, we authorise our people to serve as representatives in the EHS committee, ensuring their concerns are addressed. Open communication is facilitated through multiple channels, including Safety Meetings, OHS Improvement Ideas Forms, EHS Alert and the V-Voice platform.

Apart from that, we extend our commitment to non-employee workers, particularly those involved in construction or expansion projects. All contractors are subject to the health and safety requirements stipulated in our SCOC. Employees and contractors performing potentially hazardous work activities on ViTrox premises must apply for a Permit-to-work ("PTW") through our internal e-PTW system created using the V-ONE e-ticket form. Specifying the safety measures and necessary PPE is mandatory to effectively mitigate and control risks. The e-PTW functions as an ongoing communication channel between the site/management, supervisors, subcontractors and anyone involved in the hazardous work. This ensures the safe start and finish of the work.

Emergency Response

ViTrox's ERT remains committed to ensuring a swift and effective response to emergencies. In 2024, the ERT comprised 83 members (2023: 84; 2022: 68; 2021: 51) and was structured into 9 teams. Each member is trained and equipped to handle emergencies and provide assistance such as first aid, firefighting, chemical spillage handling and building evacuation.



A CARING EMPLOYER

OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

Emergency Response (Cont'd)

To promote fire prevention and emergency preparedness, we conducted a fire drill in December 2024, which evacuated about 862 people including ViTroxians, interns, subcontractors and visitors from the buildings. In 2024, we stabilised our fire drill roll-call system, allowing managers to mark attendance more quickly and accurately at the assembly point while reducing paper waste. The system also allows the ERT to monitor real-time attendance, differentiating between accounted individuals and those pending verification. As a result, we reduced our evacuation time by approximately 43% compared to 2023.

ViTrox ensures that emergency response equipment, including fire protection, PPE and emergency communication tools, is well-maintained and readily available for immediate use by ERT when needed.

In addition to providing the first-aid room on-site, we have further enhanced emergency medical preparedness by installing a new AED at ViTrox Campus 3.0. This ensures a prompt and effective response to any medical emergencies. Our ERT and the industrial nurse are always prepared to render immediate on-site first aid and treatment to injured or ill employees.

EMPLOYEE WELL-BEING

Management Purpose	At ViTrox, we recognise the unique needs and value the personal well-being of individuals. A positive workplace encourages employees to stay healthy, happy and motivated. We want to create a culture of holistic well-being and a second home for our people.
Management Approach	ViTrox offers various resources to support the well-being of the body, mind and soul of our employees and the harmony between work and life.

Body, Mind and Soul

Wellness Facilities and Programmes

ViTrox believes in nurturing the whole person, not just the employee. We created a vibrant company culture that promotes work-life harmony and holistic well-being. To achieve this, our Campus is equipped with wellness facilities, such as a gym room and sports courts for basketball, volleyball and sepak takraw as well as indoor recreational options such as pool table, tabletop football, darts, chess, board games and table tennis. In addition to these facilities, our people also have access to a diverse range of fitness programmes, recreational sports and leisure activities tailored to help them destress, stay active, forge connections and explore their passions.

The table below illustrates the highlights of wellness activities held in 2024.

Category	Objective	Activity	Employee Involvement
Sport tournament	To foster teamwork, and a sense of community through competitive and engaging sport activities	Badminton tournament	54 (Men's Doubles), 28 (Mixed Doubles)
		Basketball tournament	36 participants
		Futsal tournament	53 participants
		Ping Pong tournament	24 (Men's Single), 24 (Mixed Doubles)
		V-Step Challenge	124 participants
Wellness session	To enhance employees' well-being through fitness, mental resilience and stress management	Badminton sessions	49 sessions
		Breathing technique classes	3 monthly classes
		Yoga classes	20 bi-weekly classes



A CARING EMPLOYER

EMPLOYEE WELL-BEING (CONT'D)

Body, Mind and Soul (Cont'd)

Special Interest Clubs

At ViTrox, we believe in fostering a positive and engaging environment where our people can pursue recreational interests, develop skills and build connections. We have a total of 10 special interest clubs catering to diverse interests, including charity service, cooking, gardening, music, performing arts, photography, sports, public speaking, innovation and eco-friendly activities. Each club organises unique activities that encourage employee participation and personal growth. In 2024, our clubs carried out 45 activities, providing our people with opportunities to explore their passions, enhance their well-being and strengthen workplace engagement.

On Earth Day, we came together for the V-Tree Planting initiative, driven by our care for the planet. With 14 dedicated volunteers, we planted 15 large trees and 335 small tree saplings across industrial parks, taking meaningful steps toward a greener future.

Meals and Drinks

At ViTrox, we promote sustainable eating habits through our V-Chef team, which prepares earth-friendly meals, known as V-Meals for our people and visitors. Serving meatless meals not only encourages employees to adopt a healthy lifestyle, but also save and protect animal lives. Additionally, our in-house V-Cafe, serves healthy beverages such as fruit juice, enzyme drinks and multi-grain beverages at affordable prices.

Health Promotion

We care about the well-being of our employees and support their health year-round. Through comprehensive health programmes, including screenings, mental health workshops, and wellness initiatives – we ensure our people have the resources they need to stay healthy and thrive. Beyond these programmes, our medical and wellness bay serves as a dedicated space for employees to receive care whenever needed. Our in-house industrial nurse provides essential healthcare services, including emergency wound care, vital signs monitoring, and general consultations, ensuring that help is always close at hand.

The table below highlights the key health programme held in 2024.

Theme	Objective	Employee Participation and Benefits
Mental health programme	To promote mental well-being, personal development and workplace support	Conducted 8 mental health programmes, benefiting 377 employees, covered topics such as self-discovery, overcoming fear and interpersonal skill development
Health screening (blood test)	To provide insights into employee health through biomarker analysis	673 employees received a fully subsidised 62-test blood screening package, with consultations from health practitioners
V-Blood donation	To support the community through blood donation	160 employees participated
V-Wellness day	To promote holistic well-being through health screenings, education and engaging activities	412 employees attended, exploring 12 booths with screenings including bone density, body analysis, eye and hearing tests, spine assessments and antioxidant testing. Featured interactive activities along with educational sessions on health and wellness
PERKESO health screening programme	To encourage early detection of non-communicable diseases	39 employees participated in screenings which included Full Blood Count, HBA1c, lipid profile, urine FEME, Pap smear and mammograms for disease prevention
Health talks	To educate and empower employees on essential health topics	Hosted 3 health talks on eye health, cancer risks for women and spinal health, reached out to 366 participants

Other Welfare Activities and In-house Facilities

Beyond the facilities and programme, we also strive to create a workplace that feels like a second home. Our people enjoy overseas or domestic company trips, celebration lunches or dinners, and thoughtful ViTrox birthday gifts that make each milestone special. To add to everyday convenience, we provide an in-house cash redemption terminal and dedicated prayer rooms for quiet reflection.

We also take pride in our green Campus, where carefully chosen plants blend with the landscape to create a natural canopy and noise buffer. More than just aesthetics, this thoughtful design helps make our workplace a peaceful and refreshing space for everyone, please refer to [Biodiversity](#) for further details.

A CARING EMPLOYER

HUMAN RIGHTS

Management Purpose	ViTrox provides an open-minded, accepting, respectful, caring and compassionate working environment where there is no threat of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse.					
Management Approach	ViTrox raises awareness of human rights in employees and enforces the ViTrox Human Rights Policy.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Human rights related training	≥ 85.0%	Achieved	87.3%	≥ 85.0%	100%

In pursuit of our purpose, we strive to achieve sustainability by upholding human rights principles. We are committed to respecting and supporting the protection of local laws and regulations and internationally proclaimed human rights by aligning our Human Rights Policy ("Policy") and SCOC with the United Nations' International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights ("UNGPs"). We acknowledge and align with the International Labour Organisation's ("ILO") 8 fundamental conventions, including those that recognise freedom of association, the right to organise and engage in collective bargaining, and those that prohibit child labour, forced labour, and discrimination in the workplace. Our human rights expectations are clearly communicated to all stakeholders, including employees, suppliers and business partners, through our Policy and SCOC to protect the human rights and the interests of our people and value chain partners.

The Board has the oversight responsibility to ensure respect for human rights. In addition, the day-to-day responsibilities and resources to ensure respect for human rights have been clearly assigned to the People Management Department, led by Yeoh Siew Eng. Our People Management Department oversees all issues regarding human rights, forced and child labour and ensures the protection of our employees' rights. They are responsible for implementing and making sure that our operations comply with regulations mandated by the Department of Labour.

Human Rights Policy

Our Policy sets out our commitments and adherence to human rights and labour standards, hoping that all employees uphold these principles in their daily work and business activities. The Policy is translated into relevant languages such as *Bahasa Malaysia* to promote better understanding.

It is applied across our operations and relationships, protecting the rights of employees, customers, suppliers and subcontractors. We mirror our commitment to ethical practices by incorporating human rights elements in our SCOC which requires our suppliers to support the protection of human rights and prohibit any forced labour and child labour to ensure responsible supply chain management.

Our Policy underlines our commitments as shown below.

Prohibit Forced Labour, Child Labour and Human Trafficking

ViTrox complies with all applicable local and national labour laws and regulations in the countries we operate. Child labour, forced labour and human trafficking are prohibited, as stated in the Policy and SCOC. We do not hire children below the age set by the current laws and regulations. All young persons shall be protected from performing any work that is likely to be hazardous or harmful to the individual's health, physical, mental, social, spiritual or moral development. In addition, we do not engage or hire people against their own free will.

All Working Hours Do Not Exceed the Maximum Set by Local Laws and Regulations

In our efforts to reduce excessive working hours, ViTrox complies with the Employment Act 1955 and other local and national laws and regulations related to working hours and overtime. All work, including overtime work, will be voluntary and compensated at the prevailing overtime rates; and ViTroxians are free to leave upon reasonable notice. The use of misleading or fraudulent practices during the recruitment of ViTroxians is not tolerated, and charging recruitment fees to the ViTroxians is prohibited, especially to foreign workers.

Zero Tolerance to Misconduct, Bullying and Harassment

ViTrox has zero tolerance for misconduct, bullying and harassment. We conduct periodic risk assessments to monitor and identify the existing and potential new opportunities and risks related to human rights matters. We do not mandate ViTroxians to hand over government-issued identification, passports or work permits as a condition of employment. For 2024, ViTrox recorded zero (0) cases of disputes regarding labour standards and human rights.

A CARING EMPLOYER

HUMAN RIGHTS (CONT'D)

Human Rights Policy (Cont'd)

Freedom of Association and Collective Bargaining

ViTrox complies with all applicable local laws and regulations which grant all employees the right to freedom of association, expression and opinion as well as collective bargaining. ViTrox supports the rights of employees to freely and voluntarily form or join occupational associations and unions as well as take part in collective bargaining.

Equal Pay for Equal Work

ViTrox practises equal remuneration for work of equal value, which means paying men and women equally for work that is of equal skill and responsibility and is performed under comparable conditions.

Non-discrimination and Equal Opportunity

We take initiatives to continuously improve workforce diversity, provide equal opportunities and reduce discrimination. Everyone gets an equal opportunity to be hired, developed and promoted regardless of his/her race, religion, gender, age, social or ethnic origin, sexual orientation, marital status, pregnancy, disabilities and nationality. The basis for recruitment, hiring, placement, development, training, compensation and advancement are justified through qualifications, performance, skills and experience. We reported zero (0) incidents of violations involving the rights of indigenous people in the years under review.

Human Rights and Labour Standards	2021	2022	2023	2024
Number of discrimination incident	0	0	0	0
Number of child labour incident	0	0	0	0
Number of grievances about human rights issue	0	0	0	0
Number of forced or compulsory labour incident	0	0	0	0

Human Rights Risk Assessment

In 2023, ViTrox conducted the first survey to identify salient human rights issues by assessing the probability and scope of risks across our operations and the value chain. Following that, we plan for a systematic review of the annual human rights risk assessment every 3 years. The survey was structured around the Organisation for Economic Cooperation and Development ("OECD") Due Diligence Guidance and referenced the United Nations Development Programme's 99 indicators across 6 human rights dimensions. We involved managers and employees across multiple departments, including EWG members and departmental representatives in the process. Through this collaborative effort, we identified 10 priority human rights risks across our value chains and their potential impacts on stakeholders including our employees, suppliers' employees, contractors' employees, customers and the community. The survey results are enabling targeted human rights education and training programmes as well as mitigation and remediation measures tailored to our salient issues.

Salient Issue	Indicator	Impacted Target					Likelihood
		ViTrox Employee	Suppliers' Employee	Contractors' Employee	Customer	Community	
Working hours	Work-overtime, payment for extended hours	✓	✓				Medium
Wages and benefits	Fair wages	✓					Low
Human trafficking	Hiring people against their own free will	✓	✓				Low
Child labour	Heavy use of child labour	✓	✓				Low
No discrimination	Employee discrimination, diverse-gender working environment, recruitment criteria for foreign worker	✓	✓				Low
Occupational safety	Workers' safety	✓	✓	✓			Medium
Occupational health	Workers' health	✓	✓	✓			Medium
Emergency preparedness	Recovery plans	✓	✓	✓	✓		Low
Data protection	Improper use of personal data, privacy rights of employees/workers	✓	✓		✓		Medium
Sexual harassment	Sexual harassment in working environment	✓	✓	✓			Medium

A CARING EMPLOYER

HUMAN RIGHTS (CONT'D)

Mitigation and Remediation Measures

Party of Concern	Employee	
Human Rights Issue	Labour • Forced Labour • Human Trafficking • Child Labour • No Discrimination • Wages and Benefits	Health and Safety • Occupational Safety • Occupational Health
Mitigation Measure	Working Hours • Comply with relevant laws and regulations including Employment Act 1955 (and subsequent amendments) to prevent excessive working hours • Conduct ongoing human rights education and training • Utilise attendance systems to monitor working hours Wages and Benefits • Adjust salary and benefits packages based on industry standards and relevant laws and regulations • Ensure timely payment of wages and benefits Forced Labour • Explicitly prohibit the use of forced labour in our operations Human Trafficking • Refrain from engaging or hiring people against their own free will and explicitly prohibit the use of forced labour • Comply with all the relevant laws and regulations and follow legal recruiting process flows • Verify interviewees' identity documents • Ensure proper organisation and filing of signed employment contracts Child Labour • Refrain from hiring children below the age set by the current laws and regulations, and explicitly prohibit the use of child labour • Adhere to relevant labour laws and regulations in recruitment processes No Discrimination • Ensure equal employment rights and fair employment opportunities • Organise DEI forum to promote awareness of equal rights and prevent discrimination on all bases • Maintain complaint mechanisms to report discrimination Sexual Harassment • Uphold prohibitions on sexual harassment as outlined in Sections 81A to 81H of the Employment Act 1955 • Direct sexual harassment complaints to People Management Department	Occupational Safety • Conduct a periodic risk assessment to identify potentially hazardous work activities and work areas and to eliminate high-risk hazards • Provide an online platform to report injuries, illnesses and near-misses • Ensure access to quality PPE and regularly conduct targeted OSH training
Remediation Measure	Working Hours • Address violations by ensuring employees have the freedom to resign or terminate the employment relationship without coercion • Provide overtime pay and rest time according to applicable laws and regulations Wages and Benefits • Ensure employee compensation comply with the relevant local laws, including minimum wage requirements, overtime hours and legally mandated benefits • Revisit employee handbook periodically to align with regulatory requirements Forced Labour and Human Trafficking • Immediately release affected individuals from forced labour conditions • Provide necessary support, including legal assistance	Occupational Health • Provide immediate medical assistance, first aid and facilitate insurance claims • Support affected employees with doctor appointments, medical leave and rehabilitation • Provide medical leave and hospitalisation leave for recuperation • Ensure compensation for work-related health issues in accordance with the relevant laws and regulations • Provide counselling, wellness programmes and rehabilitation support through the V-Revival Programme

A CARING EMPLOYER

HUMAN RIGHTS (CONT'D)

Mitigation and Remediation Measures (Cont'd)

Party of Concern	Employee	
Remediation Measure (Cont'd)	Child Labour • Immediately remove child workers from employment and notify parents or legal guardians No Discrimination • Investigate and take corrective disciplinary action, including dismissal, demotion or deferment of annual increment. • Offer mediation and conflict resolution in line with internal procedures Sexual Harassment • Conduct thorough investigations and ensure accountability for offenders • Implement disciplinary actions to ensure corrective action are enforced, preventing recurrence or retaliation • Provide support for victims and ensure protection from any form of retaliation	
Reporting Channel	• V-Voice Platform • Whistleblowing Channel	• V-Voice Platform • Whistleblowing Channel • Hazard & Incident Reporting System ("HIRS")

Party of Concern	Supplier/Contractor	
Human Rights Issue	Labour • Forced Labour • Child Labour • Human Trafficking • Wages and Benefits	Health and Safety • Occupational Safety • Emergency Preparedness • Occupational Injury and Illness
Mitigation Measure	• Communicate human rights expectations to our suppliers through the SCOC • Implement risk assessment mechanisms, including SAQ and Due Diligence Assessment Forms, to identify potential human rights risks • Conduct ESG Awareness training and sharing sessions to reinforce the importance of human rights protection among suppliers	
Remediation Measure	• Halt business dealings with suppliers that fail to adhere to human rights expectations included in the SCOC • Require vendors to investigate and take disciplinary actions against workers involved in human rights violations following customer complaints	
Reporting Channel	Whistleblowing Channel	

Party of Concern	Customer	
Human Rights Issue	Privacy • Data Protection	
Mitigation Measure	Data Protection • Comply with the Personal Data Protection Act 2010 to safeguard all personal information gathered	
Remediation Measure	Data Protection • Consider the unauthorised disclosure of confidential information or customers as a major misconduct, subject to final warning or termination of employment • Immediately notify affected parties and execute appropriate actions to mitigate further risks	
Reporting Channel	Whistleblowing Channel	

Measures of ViTrox for Preventing Sexual Harassment

ViTrox upholds a zero-tolerance policy on sexual harassment and has formulated the Code of Practice on the Prevention and Eradication of Sexual Harassment in the Workplace ("Code"), published in the Employee Handbook. The Code defines sexual harassment as any unwanted and unwelcome sexual conduct, which may manifest in various forms, including verbal harassment, non-verbal/gesture harassment, visual harassment, psychological harassment and physical harassment.

A CARING EMPLOYER

HUMAN RIGHTS (CONT'D)

Measures of ViTrox for Preventing Sexual Harassment (Cont'd)

The Code also outlines the procedures for handling sexual harassment complaints. The manager shall conduct an investigation immediately upon receiving a complaint of sexual harassment with the strictest confidentiality, ensuring the victim's identity remains protected during and after the inquiry, except when it is deemed absolutely necessary for the investigation and the domestic inquiry proceedings. Each case will be reviewed to determine its cause, and offenders will be monitored to ensure the disciplinary or counselling measures are effective and to prevent recurrence. The results of such processes will then be used as a reference for making adjustments to the workplace environment and regulations.

Communications and Engagements with Stakeholders

At ViTrox, we practise an "open-door" policy whereby our people have access to all levels of management to seek clarification from the immediate supervisor and managers or the People Management Department at any time.

We actively communicate our policies to our new and existing ViTroxians through various platforms. These communication channels not only enable employees to express opinions about health, safety, benefits and basic work conditions, but also allow the Company to understand employees' thoughts and address problems in a timely manner.

We make sure diverse, open and transparent communication channels are in place:-

- To attain the highest standard of employment practice in compliance with the enacted laws
- To uphold the culture and principles of equal opportunities in employment
- To create a working environment where every team member is treated fairly and without fear of reprisal, intimidation or harassment

Employees are also entitled to communicate openly and thoroughly with the management about work-related or personal affairs, terms of employment, salary, benefits and personal opinions through the following channels.

Meetings	Announcements	Two-way Communication Platforms	Online Survey
• Regular convention of employee meetings • Quarterly meetings	• Company-wide email notifications • Posters or banners in common areas • Intranet announcement posts	• Quarterly one-on-one meetings • Communication space with open-door policy	• Employee engagement survey • V-Voice platform

Human Rights Programmes

In 2024, our e-learning programme on human rights achieved a 87.3% participation rate, exceeding the goal of 85%. Moving forward, we are committed to maintaining at least 85% employee participation in 2025. By 2030, we aim for 100% participation in human rights-related training for all employees, demonstrating our ongoing commitment to continuous education and awareness in this critical area.

We promote occupational health and safety awareness through diverse programmes, ensuring employees understand their right to a safe and healthy work environment. In 2024, we launched our OHS week, aligning with the ILO's World Day for Safety and Health at Work, to underscore the safe and healthy working environment as a fundamental right. Our in-house nurse provides training on essential life-saving techniques, including CPR, the use of an AED and basic first aid. We also provide sessions on musculoskeletal health and workplace ergonomics, fostering a proactive approach to employee well-being.

Beyond internal initiatives, we actively engage in national discussions on employee welfare. As part of our commitment to a fair and sustainable workplace, we participated in the Town Hall on the Progressive Wage Policy Pilot Project organised by Pertubuhan Keselamatan Sosial ("PERKESO"), which reflects our dedication to fair compensation practices aligned with Malaysia's evolving labour policies.

Grievance and Complaint Channels

ViTrox has established formal mechanisms to protect and guarantee the confidentiality of identity for all stakeholders. If further action is required, ViTrox shall make every possible effort to mitigate such risks, complaints or grievances as equitably and as quickly as possible.

A CARING EMPLOYER

HUMAN RIGHTS (CONT'D)

Grievance and Complaint Channels (Cont'd)

ViTrox established a whistleblower policy and outlined procedures for internal and external stakeholders, including employee representatives, to facilitate alerts, disclosures of complaints and reports against any director, officer or employee of ViTrox Group on improper conduct to an independent member of the management. Improper conduct includes labour and human rights issues such as forced labour, bullying, harassment and discrimination. This policy assures the safety and confidentiality of the whistleblower and therefore undertakes to treat all allegations in a confidential and sensitive manner.

ViTrox has also created a grievance channel, the V-Voice platform, for all ViTroxians to voice their concerns and provide feedback anytime. The constructive feedback received will then be reviewed in the management meetings for further improvement.

ViTroxians have the responsibility to maintain and ensure that their working environment is free from unlawful workplace harassment. If a staff member witnesses or hears the occurrence of unlawful workplace harassment, he/she shall immediately use the internal complaint email address, which respects full confidentiality, to report such an event.

Remediate Adverse Impacts

ViTrox recognises that our business activities may potentially contribute to or be linked with human rights violations. We are committed to mitigating these potential human rights risks and violations by conducting the Salient Human Rights Assessment every 3 years. Additional measures will be established where necessary, to remediate and/or mitigate violations arising from our business activities.

In 2024, no human rights violations were reported. Thus, no remediation measures were required.

DIVERSITY AND INCLUSION

Management Purpose	ViTrox is committed to ensuring equal opportunity and eliminating discrimination regardless of gender, age, nationality, race, religion, social or ethnic origin, sexual orientation and disabilities.					
Management Approach	ViTrox promotes gender diversity and inclusiveness in employment, professional advancement and promotion.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Diversity, Equity and Inclusion ("DEI") programme participation rate for hiring managers	≥ 85.0%	Achieved	85.1%	≥ 85.0%	100%
	Female employee composition	≥ 30.0%	Achieved	32.3%	≥ 30.0%	≥ 30.0%
	Female composition in managerial positions	≥ 25.0%	Achieved	28.2%	≥ 25.0%	≥ 28.0%
	Female composition in technical positions	≥ 20.0%	Not achieved	15.3%	≥ 20.0%	≥ 25.0%

ViTrox believes that a diverse and inclusive work environment can maximise the unique and different traits of employees to create innovative ideas and build trusted relationships. We value the uniqueness, potential and perspectives of our people, acknowledging that diversity extends beyond cultural and religious differences to include varying perspectives, work and life experiences.

All ViTroxians are treated fairly and impartially for employment, professional advancement and promotion. Recruitment, employment, placement, development, training, remuneration and advancement are justified through qualifications, work performance, skills and experience. This is to ensure equal opportunity and eliminate discrimination regardless of gender, age, nationality, race, religion, social or ethnic origin, sexual orientation and disabilities.

In 2024, the disabled workforce of ViTrox comprised 4 employees; representing 0.4% of our total workforce. We believe in equal opportunity and are proud to have a visually impaired lecturer on our team, recognising their talent and dedication beyond physical limitations.¹

In line with our efforts to enhance diversity and inclusion among our workforce, our V-Care leaders engaged with human resource experts to learn the best practices in implementing diversity, equality and inclusion initiatives in our workplace. We launched an e-learning programme "Diversity, Equity and Inclusion ("DEI") for Hiring Managers" to empower hiring managers to understand and implement DEI principles in their hiring practices. We achieved an 85.1% participation rate, with a target of at least 85% in 2025 and 100% participation by 2030.

Note:-

¹ Read our V-SHARE on www.vitrox.com/esg for more details about our efforts to support employees with disabilities.

- "Breaking Barriers, Embracing Diversity: ViTrox's Journey Towards Inclusivity"

A CARING EMPLOYER

DIVERSITY AND INCLUSION (CONT'D)

Gender Diversity

ViTrox is dedicated to fostering gender equality in the workplace and actively supports the growth and advancement of female employees. Female representation in management roles increased from 26.7% in 2023 to 28.2% in 2024. We strive to create more opportunities for women to progress into leadership positions, aiming for at least 25.0% female representation in managerial roles by 2025 and 28% by 2030.

Given the special nature of the manufacturing industry and limitations in the talent pool, males still dominate the industry workforce. In 2024, women comprised 15.3% of our technical workforce, a slight decrease from 15.4% the previous year. Despite these challenges, ViTrox remains committed to bridging the gender gap by setting ambitious goals to increase female representation in technical positions to at least 20% by 2025 and 25% by 2030.

Promoting Gender Equality and Women Empowerment

ViTrox promotes gender equality and women empowerment. In 2024, 32.3% of our employees are female, an increase from 31.6% in 2023. We are dedicated to promote the well-being and professional development of our female employees through various programmes that encourage diversity and offer necessary infrastructure and support networks.

The table below highlights the initiatives and support provided for our female employees.

Initiatives	Details
Support and care for mothers	Expectant mothers receive V-Mum Parking, priority access to V-Meal lanes and lifts, special office chairs, and trip accommodations. Returning mothers enjoy newborn gifts and access to V-Mum Rooms for expressing milk.
Women leadership seminar	3 female employees participated in the "High-Tea Soiree with Industry Leaders" seminar, gaining valuable insights, networking opportunities, and mentorship from successful female leaders.
Women's wellness programme	We invited a medical specialist in obstetrics and gynaecology to conduct the "Empowering Women: Understanding PCOS and Cancer Risks" programme, equipping female employees with valuable health knowledge for a healthier and happier life.
Mentorship programme	One of our female leaders served as a mentor in the "I GOT YOU BACK, SISTER!" industry programme, promoting sisterhood through shared experiences, mutual support, and overcoming challenges. This initiative strengthens the Penang industry's women's network, fostering collaboration and empowerment.

Workforce Diversity

ViTrox supports local talent and is committed to local employment. In 2024, our headcount decreased to 939 pax, from 989 pax in 2023. Among all, 95.2% (2023: 95.6%) of our workforce are local talents in Malaysia, while the remaining are high-skilled foreign workers from 14 nationalities.

Our commitment to local employment is actively pursued through various initiatives, platforms, and collaborations with local authorities. In 2024, these initiatives included participation in the Kerjaya Madani and a collaboration with the Northern Corridor Economic Region ("NCER"), which extended job opportunities for fresh graduates and unemployed individuals.

ViTrox recognises the importance of a balanced workforce across all career stages. We actively recruit young professionals through campus hiring and university fairs, fostering innovation and injecting fresh perspectives into the Company. Simultaneously, we value the experience and expertise of senior professionals. We engage industry experts as consultants, offering them opportunities to transition into full-time roles, further strengthening ViTrox's expertise and driving continuous innovation.

Understanding the critical role of global talent in the semiconductor industry, ViTrox has established an international talent framework, covering recruitment, onboarding, and ongoing support for overseas hires. We also provide 30-day accommodation upon arrival, along with essential services like laundry and internet access. To maintain connection with their families, we also offer an annual round-trip ticket to their home country, supporting their personal well-being while they build their careers at ViTrox.



A CARING EMPLOYER

DIVERSITY AND INCLUSION (CONT'D)

Workforce Diversity (Cont'd)

The details of the employee profile are presented as follows:-

Employee Category by Gender	2021			2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Non-executive	18	90	108	20	114	134	21	110	131	21	98	119
Executive	202	403	605	231	430	661	264	489	753	251	459	710
Middle Management	17	53	70	23	53	76	22	58	80	24	59	83
Senior Management	3	13	16	5	14	19	6	19	25	7	20	27
Grand Total	240	559	799	279	611	890	313	676	989	303	636	939
Percentage	30.0	70.0	100.0	31.3	68.7	100.0	31.6	68.4	100.0	32.3	67.7	100.0

Employee Category by Age Group	2021					2022					2023					2024				
	< 30	30 - 50	> 50	Total	Total	< 30	30 - 50	> 50	Total	Total	< 30	30 - 50	> 50	Total	Total	< 30	30 - 50	> 50	Total	Total
Non-executive	60	45	3	108	108	86	44	4	134	134	71	54	6	131	131	59	53	7	119	119
Executive	386	215	4	605	605	389	268	4	661	661	427	317	9	753	753	371	328	11	710	710
Middle Management	1	59	10	70	70	0	67	9	76	76	0	70	10	80	80	0	71	12	83	83
Senior Management	0	5	11	16	16	0	4	15	19	19	0	8	17	25	25	0	8	19	27	27
Grand Total	447	324	28	799	799	475	383	32	890	890	498	449	42	989	989	430	460	49	939	939
Percentage	55.9	40.6	3.5	100.0	100.0	53.4	43.0	3.6	100.0	100.0	50.4	45.4	4.2	100.0	100.0	45.8	49.0	5.2	100.0	100.0

Employee Category by Nationality	2021			2022			2023			2024		
	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	Total	Local	Foreign	Total
Non-executive	108	0	108	134	0	134	123	8	131	112	7	119
Executive	595	10	605	653	8	661	719	34	753	674	36	710
Middle Management	70	0	70	76	0	76	79	1	80	82	1	83
Senior Management	16	0	16	19	0	19	24	1	25	26	1	27
Grand Total	789	10	799	882	8	890	945	44	989	894	45	939
Percentage	98.8	1.2	100.0	99.1	0.9	100.0	95.6	4.4	100.0	95.2	4.8	100.0

A CARING EMPLOYER

DIVERSITY AND INCLUSION (CONT'D)

Workforce Diversity (Cont'd)

Employee Category by Type	2021			2022			2023			2024		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
Contract:-												
• Local	14	26	40	14	42	56	14	19	33	20	22	42
• Foreign	0	9	9	0	8	8	0	15	15	0	14	14
Total	14	35	49	14	50	64	14	34	48	20	36	56
Permanent:-												
• Local	226	524	750	265	561	826	297	615	912	281	571	852
• Foreign	0	0	0	0	0	0	2	27	29	2	29	31
Total	226	524	750	265	561	826	299	642	941	283	600	883
Grand Total	240	559	799	279	611	890	313	676	989	303	636	939



A TRUSTED CORPORATION



ViTrox upholds the vision of being the world's most trusted technology company. We aim to earn the trust of our stakeholders, particularly customers and the community, by consistently delivering on our promises. At ViTrox, we strive to offer our customers innovative, advanced and cost-effective machine vision solutions of the highest quality. We continually expand our research and development ("R&D") efforts and utilise innovation to drive growth and deliver significant value to our customers.

Besides focusing on core businesses, we recognise that we are responsible for exerting our social influence and giving back to the community in the locations of our business operations. ViTrox allocates optimal resources to continuously make charitable contributions and support quality education.

Sustainability Highlights 2024

10 New products introduced	25% Revenue from New Product Introductions	+48 Customer Net Promoter Score	88% Customer trustworthiness level	44% Customer Experience Recovery Rate	RM55M Invested in R&D	29 Voluntary hours per employee	14 NGOs nurtured through meaningful giving
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INNOVATION AND PRODUCT EXCELLENCE

Management Purpose	Being a customer-focused technology Company, ViTrox offers advanced, innovative and reliable inspection solutions and integrated industrial embedded solutions that align with market trends and fulfil customer needs. Through persistent innovation, we strengthen competitiveness, increase revenue and enhance corporate image.					
Management Approach	We launch at least 2 new or enhanced products annually into the market by each business unit and continue our investment in R&D activities to stay at the forefront of technological innovations and development, producing market-fit goods and assuring long-term success.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Number of new product introduction ("NPI")	≥ 10	Achieved	10	≥ 10	≥ 10
	Revenue contribution from NPI	≥ 20.0%	Achieved	24.7%	≥ 20.0%	≥ 20.0%
	Customer Net Promoter Score ("NPS")	≥ +50.0	Not achieved	+48.1	≥ +50.0	≥ +55.0
	Customer trustworthiness level	≥ 88.0%	Not achieved	87.8%	≥ 88.0%	≥ 90.0%
	Customer Experience Recovery Rate ("CERA")	≥ 35.0%	Achieved	44.3%	≥ 40.0%	¹ ≥ 45.0%

Note:-

¹ In 2024, we reset the 2030 CERA goal to achieve at least 45% as compared to previously set at 40% in view of its steady growth for the past 2 years.

Beginning with the invention of a 2D inspection system, ViTrox has developed machine vision core products over the years, including 2D, 3D and 5-sided vision systems and diversified to a more advanced back-end semiconductor inspection series.

In general, a machine vision system ("MVS") identifies the potential flaws in the product's surface and classifies the defects based on similarity using statistical analysis to avoid electronic waste. With MVS and Artificial Intelligence ("AI") integration, the machine can automatically identify defects during the manufacturing process by giving alerts. Whenever a manufacturing abnormality happens, the personnel solve the problem before it harms or damages the other product or wastes more materials and resources.

In Industry 4.0, machines are connected to form an ecosystem called the Internet of Things ("IoT"). The integration of machine vision equipment with automation systems makes the smart factory a reality by automating quality control, increasing safety and throughput, and optimising manufacturing resources. In short, the MVS allows businesses to improve performances and reduce resource footprints while we also move forward on a sustainable path.

Product Excellence

Through technological innovation, we aim to achieve:-

- Excellent and world-class products and services
- Total customer satisfaction
- Continuous growth and profitability
- Long-term partnerships with our customers, alliances and employees

A TRUSTED CORPORATION

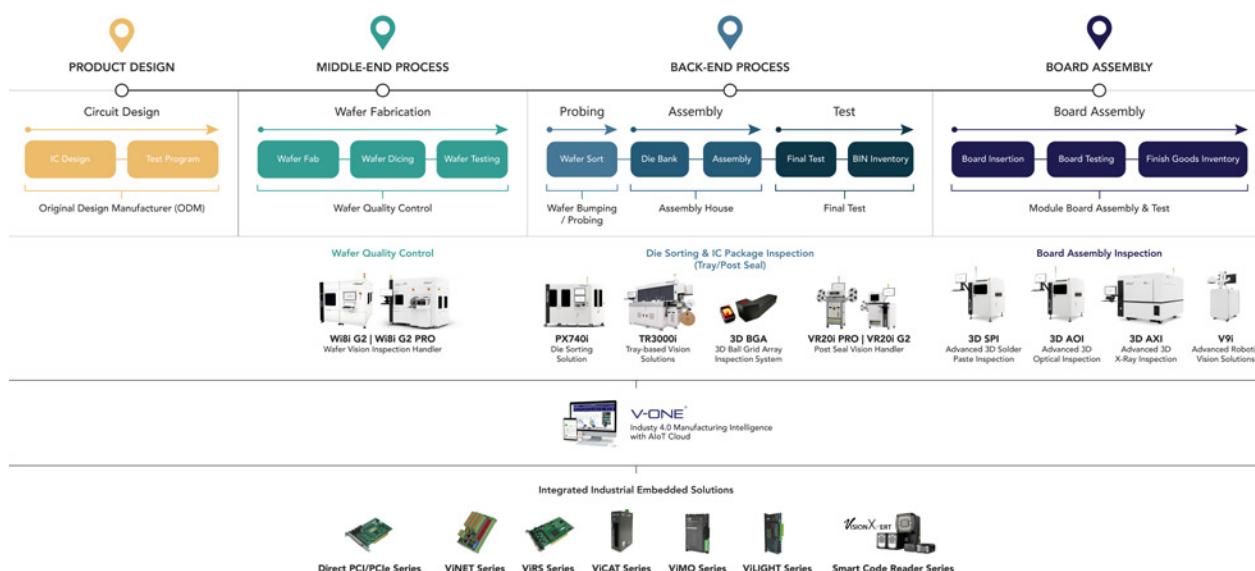
INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Product Excellence (Cont'd)

At ViTrox, we aim to lead in technological advancements, serving key sectors including 5G, computing, automotive, telecommunications, healthcare and aerospace. Given the swift evolution of technology and changing consumer demands, our R&D team is dedicated to enhancing our innovation pipeline. We focus on integrating machine learning, AI algorithms, agile connectivity for remote sensing and monitoring, and advanced inspection capabilities. This approach ensures our products meet the growing demand for higher throughput, precision, quality and ease of use.

To maintain our competitive edge, each of our business units is committed to launching at least 2 new or enhanced innovative products annually. In 2024, we met our own expectations by introducing 10 new products, hitting our target of 10 NPIs from 5 business units. Furthermore, there have been no product recalls issued by us for the past 4 years; hence, there were no financial implications caused by recalls.

ViTrox has consistently recognised the significance of NPIs in driving our revenue growth. In 2024, NPIs revenue contributed 24.7% of our group revenue, a significant increase from previous year's performance of 16.9%, surpassing our target of 20%. We remain committed to prioritising NPIs as a cornerstone of our future growth strategy.



Research and Development

ViTrox's R&D initiatives are closely aligned with our broader goals of positively impacting society and adhering to cleantech principles. Our focus on developing technologies aimed at reducing electronic waste in manufacturing processes underscores our commitment to sustainable innovation. This strategic approach addresses not only immediate market needs but also aligns with global trends in environmental and social governance. Consequently, this enhances our reputation and builds trust among our stakeholders.

Despite facing revenue challenges in 2024, ViTrox has remained steadfast in our focus on creating long-term value through our R&D efforts. Our investment in developing new systems, processes and products, especially in the realm of machine vision technologies, is not merely for immediate returns. Instead, it's part of a strategic effort to secure a competitive edge for the future. This long-term perspective is essential in the technology sector, where continuous innovation is key to staying ahead.

	Unit	2021	2022	2023	2024
R&D expenditure	RM million	58.5	67.5	44.6	54.8
R&D expenditure over Group's revenue	%	8.6	9.0	7.8	9.9

In 2024, ViTrox's R&D expenditure was RM54.8 million, underscoring our commitment to innovation despite lower revenue. We managed our finances carefully, including adjustments to variable compensation, to meet these economic conditions. Our strategy maintains essential R&D investment, safeguarding our Company's future stability and adaptability.

A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Research and Development (Cont'd)

The ongoing investment in R&D is pivotal for ViTrox to maintain its competitive edge and market position. By continuing to innovate and develop proprietary technologies, we reinforce the protection of our intellectual property and trade secrets. This is critical in an industry characterised by rapid technological advancements and intense competition. There were no product recalls (arising from health or safety concerns) issued by customers in 2024. For the NPI and our key R&D breakthroughs in 2024, please refer to the Management Discussion & Analysis section of our Annual Report 2024.

Open Innovation

ViTrox recognises innovation as a cornerstone of our technological advancement and competitiveness in today's dynamic and interconnected business landscape. This commitment to innovation is deeply ingrained in ViTrox's purpose, vision and mission, demonstrating our dedication to staying at the forefront of technological advancement and driving continuous improvement in our offerings.

Embracing the concept of open innovation, ViTrox adopts a collaborative approach to drive growth and success, which involves tapping into external sources of knowledge, ideas and expertise to fuel organisational progress. The benefits of open innovation are manifold. It provides access to diverse perspectives and expertise, facilitating accelerated innovation and enhanced production yield. We experienced firsthand the efficiency of open innovation in pursuit of innovation excellence. Many breakthroughs stem from the cross-pollination of ideas and collaborative problem-solving within the Company.

Open Innovation Platform	Description	Benefits
R&D collaboration with external businesses	We acquire the technology roadmaps from the semiconductor market and customers consistently to help us understand the technology demand and requirements 3 to 5 years in advance.	Accelerated innovation • R&D collaboration with external partners enables faster development cycles and quicker implementation of new ideas. Improved production yield • External partners bring in-depth expertise and knowledge in new technologies, innovative processes or specialised techniques that can enhance production yield. Cost reduction • By acquiring technology roadmaps, we improve R&D efficiency by aligning our efforts and resources with market demand, reducing the risk of technology mismatch.
Open source	We utilise open-source components and collaborate with open-source communities in our R&D efforts.	Efficiency gains • Open sources provide access to a wealth of existing knowledge and resources, leading to faster time-to-market for new products or innovations. Cost reduction • Collaboration with open-source communities significantly reduces the financial burden of R&D activities. Revenue generation • Leveraging open-source technologies can differentiate products and services in the market, attracting customers who value transparency, flexibility and community-driven innovation.
User corporate general meeting	We set up innovation workshops, inviting lead users from the market, customers and our employees across business units and functions to brainstorm on all possible solutions to solve extremely challenging problems and concepts or address technical challenges.	Diversification of perspectives • External partners bring diverse perspectives and experiences to the table, which can stimulate creativity and lead to novel solutions to production challenges. This diversity of thought can help identify blind spots or alternative approaches that may not have been considered internally. Revenue generation • Collaborating with external businesses can also provide access to new markets or customers. This expanded market reach can create opportunities to scale up production and increase yield to meet growing demand.
Incentives for Innovation	We have multiple R&D incentive programmes to promote team cohesiveness and sharing of knowledge while recognising and rewarding the best and most impactful NPI project teams.	Efficiency gain • Internal R&D incentive programmes can foster cross-functional collaboration and knowledge sharing, leading to productivity gains and efficiency improvements. Increased competitiveness • Employees are empowered to pursue new ideas and initiatives, leading to an accelerated pace of innovation through the development of new products, processes and technologies that drive business growth and competitiveness.

A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Open Innovation (Cont'd)

Open Innovation Platform	Description	Benefits
Academic collaboration and internal training sessions	We provide training sessions on the latest technologies and encourage academic collaboration in R&D.	Cost reduction - Academic collaboration and internal training sessions can provide a cost-effective way to develop employee skills and knowledge while reducing R&D costs by leveraging external resources and expertise. Revenue generation - Academic collaboration and internal training sessions stimulate innovation by facilitating the exchange of ideas, fostering creativity and promoting interdisciplinary collaboration. This provides access to new markets by improving product competitiveness and identifying emerging trends, market opportunities and customer needs.

Product Innovation Assessment

While improving the values of our products, ViTrox aims to minimise the environmental impacts throughout the product innovation process. We design and develop our products and solutions based on the 4 major cleantech principles: sustainable designs, sustainable procurement and material selection, sustainable packaging and shipment, and sustainable production.

For details about cleantech principles and our cleantech initiatives, please refer to the [Environmental Conservation and Preservation](#).

Product Innovation Management

Implementing an innovation management system enables our Company to introduce fresh products to customers, assess and enhance current business operations, and enhance critical thinking and problem-solving abilities to streamline and enhance the value of our supply chains.

We adopt Integrated Product Development ("IPD") solutions as our innovation management system. IPD focuses on market demand as the driving force for product development and manages product development as an investment. The solution helps us develop products that meet customer needs in target market segments, eliminate unnecessary R&D and product costs, and improve product time-to-market by adopting a cross-functional team capable of effective communication, coordination and decision-making.

Before developing a product or solution, the product development team will conduct a market analysis to identify the customers' needs. As IPD focuses on promoting cross-functional collaboration, team members from different business functions can identify project risks from various angles for a much more thorough risk assessment. In case any potential threats to the project or product are identified, the team can correspond with countermeasures to address and mitigate the impacts.

To build a corporate culture that is conducive to risk management and promotes risk awareness, we have formulated risk management frameworks in our product development or approval process. In IPD, the Executive Review Board ("ERB") and Technical Review ("TR") sessions serve to manage project risks on a project level.

The ERB, which consists of our senior management and business unit heads, is tasked with reviewing the investment feasibility of the product development. The ERB provides leadership and holds decision-making authority, ensuring that decisions made during the review process are final. It also guarantees that they have proper resource allocation, support and backing for effective implementation. As the ERB is equipped with a wealth of technical knowledge and experience in our industry, their strategic perspectives ensure that decisions align with the organisation's overall goals, objectives and strategic direction, and help prioritise projects and initiatives that contribute to long-term growth and competitiveness.

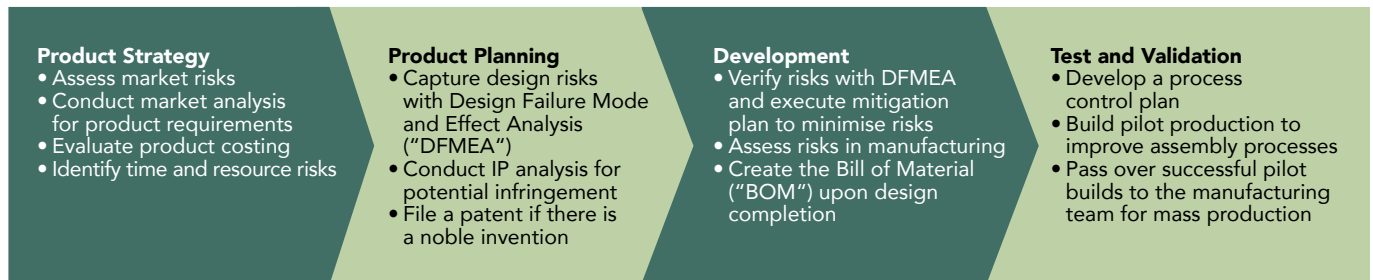
A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Product Innovation Management (Cont'd)

TR sessions are conducted primarily to assess product design maturity and technical readiness and to mitigate potential risks and vulnerabilities in a project or product. TR sessions typically involve project leaders who are experts from a wide range of professional disciplines to achieve horizontal integration and effective technology development through the integration of technology and knowledge sharing, in-depth analysis and discussions.

Throughout the product development stages, the project development team will assess the product level as below.



Intellectual Property Management

Intellectual property ("IP") plays a vital role in ViTrox's journey towards innovation and product excellence. ViTrox's IP portfolio includes patents, trademarks, copyrights, and trade secrets that safeguard our technological advancements. As of year 2024, we have 52 active patents. With the number of patents steadily increasing over the years, we ensure the Company's innovative products remain competitive in the global market, enhancing its reputation and customer trust.

Innovation Incentives and Rewards

Innovation is at the core of ViTrox's competitiveness and technological growth. To further nurture and inspire creativity among our R&D employees, we introduce the R&D Challenge 2024. This challenge is designed to recognise and reward outstanding R&D project teams that successfully develop and deliver the best and most impactful NPIs to the market within the year 2024. A key criterion for winning this challenge is the innovation of products that not only push technological boundaries but also contribute to reducing environmental impact, aligning with ViTrox's commitment to sustainability. By encouraging forward-thinking solutions, we aim to drive impactful change while addressing global environmental challenges. Winners of the challenge will be honoured with attractive cash prizes, serving as both recognition and motivation for their exceptional efforts. We believe this challenge will inspire our R&D teams to push the limits of innovation, foster collaboration, and deliver groundbreaking solutions that shape the future of technology.

Product Awards

ViTrox was honoured with the esteemed 2024 New Product Introduction Award by Circuits Assembly on 6 March 2024. The award celebrated our groundbreaking innovations, showcased in our V510i Advanced 3D Optical Inspection Solution for advanced packaging, V810i Advanced 3D X-Ray Inspection Solution – V810i 3D AXI Series 3 Dual-Lane ("S3 DL"), and the V9i Advanced Robotic Vision ("ARV") Solution – V9i ARV XL.

Our V810i 3D AXI S3 DL was also honoured with 2 prestigious awards; 2024 Mexico Technology Award and 2024 Global Technology Award, both in the category of Inspection Equipment – X-Ray. These accolades celebrate the system's exceptional innovation and technological excellence, reinforcing ViTrox's leadership in advanced inspection solutions worldwide.



A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Life Cycle Assessment

At ViTrox, our purpose extends beyond business success; we strive to contribute to the advancement of society and well-being of humankind through compassionate innovation. We believe true progress is not solely measured by financial growth but by the positive impact we create. While striving for sustainable growth and profitability, we remain deeply mindful of our responsibility to the environment and the communities we serve.

We are dedicated to developing breakthrough technologies that not only push the boundaries of progress but also minimise environmental impact. Recognising the importance of preserving our planet, we integrate Life Cycle Assessments ("LCA") into our processes to evaluate the environmental footprint of our products from creation to disposal. This approach helps us understand the characteristics of various environmental impacts and identify opportunities to enhance environmental performance.

LCA is a systematic method used to evaluate the environmental impact of a product throughout its entire life cycle. It helps businesses and manufacturers identify areas for improvement in sustainability and resource efficiency. As an initial step, we are adopting conceptual LCA, the simplest form of LCA, as a fundamental approach that provides a qualitative assessment of environmental aspects based on a limited inventory.

In line with sustainable management and product stewardship, ViTrox implements measures across all stages of the product lifecycle, including product design, procurement, manufacturing and assembly, logistics and transportation, product usage, and waste disposal and recycling to reduce resource consumption, enhance energy efficiency, minimise waste, and lower carbon emissions, all while continuously driving innovation for a more sustainable future.

Environmental Considerations	Life Cycle Stage					
	Product Design	Procurement	Manufacturing and Assembly	Logistics and Transportation	Product Usage	Waste Disposal and Recycling
Reduction of carbon emissions	✓	✓	✓	✓	✓	
Energy efficiency	✓		✓		✓	
Waste reduction	✓	✓	✓	✓	✓	
Reduction of material use	✓	✓	✓	✓	✓	
Use of recycled and recyclable material				✓		✓
Hazardous substances	✓	✓	✓			✓

Life Cycle Stage	Improvement Strategies and Actions for Reducing Environmental Impact of Products	Related Link
Product design	- Implement energy-efficient design to optimise resource use and reduce environmental impact - Design for manufacturability to enhance production efficiency and cost-effectiveness - Optimise product design to reduce material waste and increase cost effectiveness - Integrate interchangeability concepts to reduce material diversity and consumption, contributing to decreased raw material usage - Design products in compliance with RoHS directive	Environmental Conservation and Preservation
Procurement	- Emphasise sourcing raw materials and fabrication parts locally to promote green supply chain - Work with suppliers to promote green supply chain - Prioritise procuring parts with RoHS certification	Supply Chain Management Environmental Conservation and Preservation
Manufacturing and assembly	- Build and maintain green building plants - Consume renewable electricity to reduce carbon footprint and support sustainable energy sources - Implement energy saving initiatives/waste reduction solutions - Reduce individual packaging with modularisation programme - Enhance production yield through meticulous planning to optimise resource utilisation and minimise material consumption - Manage and recycle hazardous substances properly to minimise environmental impact and promote sustainability	Climate Change and Energy Management Environmental Conservation and Preservation Waste Management

A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Life Cycle Assessment (Cont'd)

Life Cycle Stage	Improvement Strategies and Actions for Reducing Environmental Impact of Products	Related Link
Logistics and transportation	• Use electric forklifts to reduce carbon emissions • Optimise transportation efficiency through strategic route planning to reduce carbon emissions • Reuse packing materials to reduce waste generated and the need for new materials • Promote circular economy in packing activities • Reduce usage of non-biodegradable packing materials	• Environmental Conservation and Preservation • Waste Management
Product usage	• Enhance energy efficiency of products • Enhance operational efficiency of products • Integrate AI and IoT features to improve energy monitoring, increase production yield, reduce rework to reduce waste and resource use	• Environmental Conservation and Preservation
Waste disposal and recycling	• Refurbish traded-in products to like-new condition, extending product lifecycle • Integrate AI and IoT features for predictive maintenance to prolong the lifespan of products, reducing the need for frequent replacements • Upgrade constantly products to prevent the premature retirement of field systems when new technology is rolled out to prolong lifespan of product • Comply strictly with RoHS directive and select eco-friendly materials in products facilitates environmentally responsible disposal	• Environmental Conservation and Preservation

Agricultural Endeavour

Established in 2020, [ViTrox Agritech Sdn. Bhd.](#) ("VAG") designs and creates smart agriculture solutions and precision farming equipment. These solutions aim to mitigate pressing challenges such as high foreign labour dependencies and unreliable yields impacted by unpredictable weather conditions in our country. Automated crop-growing systems can eliminate the excessive use of harmful pesticides, safeguarding the health of consumers and farmers who are highly exposed to pesticides. At the same time, the team strives to make healthy and affordable agricultural products accessible to all.

VAG aims to deliver solutions to increase farming yields while reducing the cost of labour, minimise the harm of pesticides on humans and soil health, reduce water consumption in agricultural processes and mitigate the impact of climate change on farming operations. The team faced relentless pest infestations, disease problems with our crops and unpredictable weather patterns while working on the actual field. These crises presented engineering development opportunities regarding climate protection structures and solutions to the impact of current erratic weather patterns.

The Soil2Health V-Tray System empowers farmers with a unique soil-on-tray growing solution. The modern V-Tray is designed to accommodate soil teeming with beneficial microbes, which allow farmers to grow soil-based plants. Farmers can place the V-Trays on elevated racks to improve their work ergonomically and expedite work such as transplanting, weeding and harvesting. The V-Tray System works well in lowland and lengthy rainy seasons in Malaysia with its ability to prevent water logging issues in the soil.

Our V-Seeder machine can sow 72 seeds, 128 seeds (or customised for up to 200 seeds depending on needs) in the seedling tray within 5 seconds. The seeding time is decreased by 90% compared to manual hand seeding, significantly reducing the labour required for the seeding process. The V-Seeder machine can fit most types of seeds with various shapes and sizes. The compact and movable machine can also be customised according to different seedling tray sizes. The next R&D target of this machine is to have its full automation production line (filling, dibbling, seeding, covering and watering) designed and prototyped by next year. The complete automation production line will enable farmers to produce thousands of seeded seedling trays in a fast and reliable manner.

Integrating our V-ONE smart solution to the smart agricultural farm, the VAG team uses Artificial Intelligence of Things ("AIoT") technology and IoT sensors to analyse data and monitor the actuation. Through AIoT technology, the V-ONE system ensures precise irrigation, delivering water only when necessary, thereby minimising waste and optimising resource utilisation. Proactive farm management is further enhanced by the system's comprehensive monitoring capabilities. Early warning messages of excessive rain and automated actuation systems empower farmers to react swiftly and protect their crops, leading to more consistent and reliable yields. The specific IoT sensors can compile data for growing condition analysis. This information allows for precise control and optimisation of fertiliser application, minimising environmental impact and maximising crop health. V-ONE extends its capabilities beyond real-time monitoring and control with long-term data recording and comprehensive analytics across all relevant farm parameters. Additionally, we have also released an automatic dosing and irrigation valve control feature that can be integrated with the AIoT system, which further streamlines farm operations and enhances efficiency. We released a user-friendly mobile app available on both iPhone Operating System ("iOS") and Android OS to empower farmers with data point analysis and well-built analysis charts.

A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Customer Satisfaction

Customers are at the heart of our business, and customer satisfaction is crucial for the sustainability and growth of ViTrox. We constantly strive to offer high-quality solutions and value-added services while continuously seeking customer feedback to enhance their experience and strengthen our relationships.

Our dedicated team actively engages with customers through online questionnaires and phone calls, gathering insights on product quality, features, delivery, responsiveness, training, and more. This data fuels our efforts to optimise product development and service performance and uplift customer satisfaction and experience. The V-ONE dashboard streamlines this analysis, providing business units with quarterly updates for strategic planning and execution.

Customer Satisfaction Management

At ViTrox, we leverage NPS, a widely-used metric, an assessment tool that helps us to identify key drivers of customer loyalty and advocacy. A higher NPS indicates greater customer satisfaction and a higher likelihood of recommendations. By asking "On a scale of 0-10, how likely are you to recommend ViTrox products or services to your friends or colleagues?" We categorise responses as Promoters (9-10), Passives (7-8) and Detractors (0-6).

This year, our survey pool size increased by 16.2% compared to last year. We maintained a consistent NPS of +48.1 year-on-year, falling just short of our +50 target. The slight shortfall was primarily due to a marginal increase in the percentage of customers rating us between 0-6, along with a significant decline in respondent pool size for certain business units, which impacted our ability to reach the target.

To encourage customer feedback and foster social impact, we donate USD5 per response to selected non-governmental organisations ("NGOs"). From 2021 to 2024, ViTrox contributed 2,501 good deeds and donated RM55,201 to these NGOs. Throughout this journey, we have received warm appreciation from our customers and successfully motivated them to join us in contributing back to society.

The table below shows our Customer NPS and data coverage from 2021 to 2024.

Satisfaction Measurement	2021	2022	2023	2024
Net Promoter Score ¹	+46.5	+47.0	+48.1	+48.1
Ratio of Satisfied Customers ²	53.5%	54.0%	56.2%	56.5%
Data Coverage ³	53.6%	41.5%	22.2%	13.2%

Notes:-

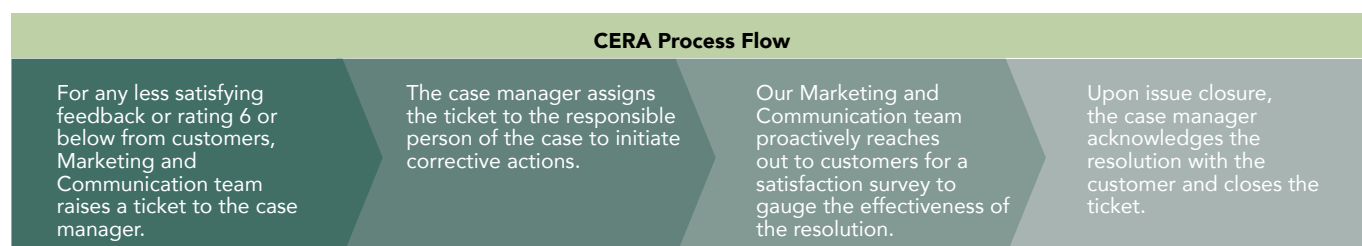
¹ The NPS = Percentage of Promoters (%) - Percentage of Detractors (%).

² The ratio of satisfied customers represents the percentage of satisfied customers out of the total number of customers responding to the survey.

³ Data coverage refers to the percentage of respondents over total surveyed customers.

Customer Satisfaction Improvement

For less-than-satisfactory feedback or ratings, the CERA initiative helps us address concerns promptly. CERA involves dedicated cross-functional teams from business units, with support from the Marketing and Communication team, aiming to address customers' concerns and recover their experience. The CERA recovery rate, which measures the improvement in NPS before and after recovery actions, soared to 44.3% in 2024, marking the second-highest score since its launch in October 2020. This exceptional achievement surpassed our 2024 target of 35%, primarily driven by a unique case in 2024 that significantly boosted the improvement rate.



It's important to note that the CERA closure rate for 2024 has not yet reached 100%, as some dedicated representatives are still actively addressing customers' concerns. As each ticket is closed, the CERA recovery rate may continue to change, reflecting the ongoing efforts to improve customer satisfaction.

A TRUSTED CORPORATION

INNOVATION AND PRODUCT EXCELLENCE (CONT'D)

Customer Satisfaction (Cont'd)

ViTrox Trustworthiness Rating

At ViTrox, we believe that trust is crucial in fostering strong business relationships. Our Trustworthiness Rating initiative measures customers' satisfaction in 5 key areas, using a simple 1-5 rating scale for each sub-question. In 2024, we maintained a trust score of 87.8%, just shy of our target of 88%, consistent with the previous year, despite a 30.7% decline in survey responses. This stability reflects our unwavering commitment to building and sustaining trusted relationships with our customers. Moving forward, we remain dedicated to delivering exceptional product and service quality, continuously striving to strengthen customer confidence and trust.

Data Privacy and Protection

ViTrox strives to enhance the relationship and trust with our customers, vendors, employees and related parties by upholding the highest standards of data protection and privacy. We take our responsibilities seriously and strictly adhere to the Personal Data Protection Act 2010 ("PDPA") to safeguard the personal information and data collected during our business dealings.

We comply with local legislation and implement our internal procedures to prevent any loss, misuse and unauthorised manipulation of personal data belonging to individual end-customers, business-to-business ("B2B") customers, employees, directors and third parties.

Our Approaches towards Data Protection

We have implemented a few key initiatives in protecting personal and private information collected from the groups mentioned above to manage it professionally, lawfully and ethically.

Management of Legal Documents	We automated the legal document handling system to safeguard and track legal documents properly. We developed standard operating procedures ("SOP") to secure all sensitive data available in the legal documents, and each legal document has its respective tenure period depending on its intended use. Our legal department, the document owners and authorised selective employees will keep detailed legal records and supporting documents. Only ViTroxians can access the legal document handling system through our intranet under ViTrox's homegrown V-ONE ticketing module.
Customer Information Handling Process	We advocate customer privacy rights by having a proper customer information handling process. To standardise and safeguard customer data collection, we developed an in-house Customer Relationship Management ("CRM") system, which serves as a centralised database to capture existing and potential customers' information and protect all sensitive data. This CRM system is accessible through our intranet, and each user must be an authenticated ViTrox employee for purposes of required business dealings only. All ViTrox employees – including permanent employees, part-timers, interns and contract workers – are required to acknowledge Non-Disclosure Agreement ("NDA") on yearly basis. Besides that, for customers under the care of our SCPs, ViTrox aligns well with the respective SCPs on the customer data protection policy through an SCP/Distributor Agreement. We will renew this agreement every 2 years to ensure that both parties remain aligned on the importance and the liability of customer data protection.
ViTrox Privacy Policy	Compliance with information handling regulations is critical for a leading innovative, cost-effective and customer-driven organisation. We respect individuals' rights when using personal data, especially since we may collect data from our potential and existing customers through our website. Therefore, ViTrox's Privacy Policy, available on our website, is designed to safeguard the private and personal data gathered from the aforementioned groups. The policy acknowledges the rights of customers to manage their consent regarding personal data usage and also emphasises their ability to request access to, rectification of, or deletion of their personal data.
Employee Training and Sharing	To enhance data protection and security skills, we conduct regular training and sharing sessions for our employees. We implemented the Cybersecurity Awareness training as compulsory e-learning induction courses, achieving employee participation rates of 93.7% in 2024. The training equips our employees with a fundamental awareness of cybersecurity practices, especially on data protection to reduce the risks of cybersecurity attacks and data leakage. Mainly, the training content includes the importance of password protection on work devices, malware prevention with antivirus, work account authentication and our clear desk policy.

Personal Data Collection and Process

Personal data made available to ViTrox will be processed as required or permitted by law within the necessary scope. Any form of personal data usage will only be done according to the stipulated agreements based on the nature of the business transactions. Any unauthorised disclosure of confidential information or violation of conflict of interest rules, including sensitive data of customers, is a major misconduct at ViTrox that may ultimately cause termination of employment.

In our commitment to data privacy protection, our legal team provides consultation on privacy and personal data protection matters, while each department is responsible for the interpretation and maintenance of these privacy standards. Our employees and external personnel may file complaints or report on personal data matters via our reporting channels. From 2021 through 2024, there were no complaints or penalties issued regarding privacy breaches or data loss from either government agencies or individual/other parties.

A TRUSTED CORPORATION

COMMUNITY ENGAGEMENT

Management Purpose	The community has played an important role in supporting ViTrox's stellar growth. Therefore, we stand by our vision and mission by carrying through with our responsibility to allocate resources to promote overall social development, establishing mutually trusting long-term partnerships with local communities.					
Management Approach	ViTrox has established our philanthropic strategy which consists of 3 main themes, mainly: (i) Driving for Environmental Sustainability, (ii) Nurturing Talents and (iii) Alleviating Poverty, which is aligned with UN SDGs. We aim to instill generosity and benevolence among ViTroxians and actively participate in charitable activities, education planning and social work to bring a positive impact to this world.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Average voluntary hours per employee	≥ 18 hours	Achieved	29 hours	≥ 25 hours	¹ ≥ 30 hours

Note:-

¹ In 2024, we increased the average voluntary hours per employee from 20 to at least 30, further strengthening our culture of volunteerism as evidenced by previous records.

At ViTrox, we are driven by a sense of purpose that goes beyond just business. We have made a steadfast commitment to environmental sustainability, nurturing talent, and alleviating poverty in the communities we serve. First and foremost, we recognise our responsibility to protect mother earth. Through eco-friendly practices and investments in green technologies, we continually strive to reduce our environmental footprint. We nurture local talent by partnering with schools and universities. Our efforts extend to supporting those in need through employee volunteerism initiatives and charitable fundraising events. We believe in using our resources to uplift underserved communities.

Our Philanthropic Strategy

ViTrox has established our philanthropic strategy consisting of 3 main themes, mainly: (i) Driving for Environmental Sustainability, (ii) Nurturing Talents and (iii) Alleviating Poverty, which all are aligned with UN SDGs.

Driving for Environmental Sustainability	
SDG Alignment	      
Our 2030 Goals	• Net-zero carbon emissions for Scope 2 emissions • ≥ 2% energy savings rate of previous year's energy purchase electricity • ≥ 2% year-on-year reduction of Scope 2 carbon emissions per revenue on a 3 years rolling period basis • 100% compliance with RoHS Directive • ≥ 85% employee's participation rate in V-Meal • ≥ 15% year-on-year increase in number of earth-friendly meals served • ≥ 20% reduction of water consumption per 1,000 sq. ft. for cooling infrastructure • ≥ 20% reduction of water consumption per headcount for domestic usage • 100% hazardous waste recycling rate • 100% reduction in non-biodegradable materials used in packaging activities • 100% recyclable material used for void-fill solutions in packing activities
Business Benefit	Number of New Products Developed - By undergoing more R&D activities, we are able to develop more new products which allows us to gain market share in new areas, improving our future revenue • Total number of NPI for 2021-2024: 47 • 24.7% of NPI contribution to total revenue Compliance with RoHS Directive • Our AOI and Advanced 3D Solder Paste Inspection ("SPI") platforms are RoHS compliant (RoHS 3, Directive (EU) 2015/863) • ViE's industrial device products are fully compliant with the RoHS Directive (RoHS Directive 2011/65/EU and (EU) 2015/863 (amendment in Annex II)) Cost Reduction from Green Initiatives • 889.9 tonnes of CO₂ emission reduced, which is equivalent to an overall social/environmental economic value of approximately RM749,000
Social/ Environmental Benefit	Positive Social and Environmental Impact through Our Agricultural Endeavour • At VAG, we aim to support local farmers in reducing labour dependencies, unreliable yields, reducing excessive use of pesticides in the country to protect the environment by designing and creating innovative and cost-effective high-tech smart agriculture solutions

A TRUSTED CORPORATION

COMMUNITY ENGAGEMENT (CONT'D)

Our Philanthropic Strategy (Cont'd)

Driving for Environmental Sustainability	
Social/ Environmental Benefit (Cont'd)	Reducing Environmental Impact by Being A Go-Green Practitioner • 1,392.6MWh of green energy generated • 889.9 tonnes of CO₂ emission reduced • 84.9 tonnes of waste diverted from disposal Practising Sustainable Consumption • V-Farm programme yielded 3,753.3kg of pesticide and chemical-free vegetables • V-Meal programme resulted in 229,635 earth-friendly meals served, avoiding 704,329kg of carbon emission, which is equivalent to saving 216,717m² of forests and more than 77,399 livestock, poultry and fish • Zero Waste Agriculture programme composted 1,720.8kg of organic waste
Nurturing Talents	
SDG Alignment	
Our 2030 Goals	• ≥ 15% year-on-year growth of the total number of employees • ≥ 20% intern conversion rate to new hire • ≤ 8% attrition rate • ≥ 3,000 school students engaged on towards STEM activities • ≥ 90% of employees completing 20 training hours per year
Business Benefit	Our Education Arm VA was set up to grow the talent pool in STEM. VA offers tertiary educational programmes, skilled training and lifelong learning programmes, contributing to economic growth and social development • Organised 7 sessions of Campus Open Day, hosting 257 prospective students to experience technology showcases and receive counselling sessions • Hosted school visitation event for more than 87 schools to expose students to the industry • Organised 47 sessions of STEM workshops involving 3,170 students to spark their interest in STEM • Organised 8 STEM coaching sessions in 2024 with the support of 132 ViTroxians volunteered as coaches, collectively contributed 884.5 hours of coaching Industry-academia Collaborations ViTrox is dedicated to forming collegiate ties and devoting ourselves to fostering young talent in order to advance STEM research and technical development and increase ViTrox's global competitiveness • Internship Programme - ViTrox launched the Padawan programme with 24 students from Universiti Utara Malaysia ("UUM") and USM Tech X, which saw 26 students from Universiti Science Malaysia ("USM") participate. The programmes focused on equipping students with industry-specific skills; 7 students have been given internship opportunities at ViTrox • Academic Projects - ViTrox was involved in 2 projects in collaboration with universities in Malaysia • Work-Based Learning ("WBL") - ViTrox collaborated with universities to provide WBL for subjects in Machine Vision Software and Hardware, IoT, AI and Data Analytics, and Robotics and Automation • ViTrox Prestigious Award - An award exclusively for Universiti Tunku Abdul Rahman ("UTAR") to encourage final-year undergraduate students in STEM, Information and Communications Technology ("ICT") and Computer Science programmes to join ViTrox upon graduation In 2024, we achieved:- • Intern conversion rate to new hire of 13.8% • 3,170 school students engaged on towards STEM activities
Social/ Environmental Benefit	Providing Accessible and Affordable Education to Nurture STEM Talent ViTrox donated a total of RM2.7 million from 2021-2024 to support education initiatives. We foster inclusivity and provide equal educational opportunities to students facing socio-economic challenges ViTrox Foundation Scholarship Fund - The Foundation supported and sponsored by ViTrox Foundation, provides financial aid to underprivileged individuals, including those from low-income backgrounds, persons with disabilities, and those residing in rural areas National Dual Training System (Sistem Latihan Dual Nasional - SLDN) - VA operates our own SLDN programme for Certificate of Industrial Automation, Certificate of Electrical and Electronics and Certificate of Semiconductor, designed to help underprivileged students further their education in STEM VA Merit Scholarship - A scholarship programme sponsored by ViTrox Foundation to assist and enable all eligible and deserving students to further pursue education at the tertiary level

A TRUSTED CORPORATION

COMMUNITY ENGAGEMENT (CONT'D)

Our Philanthropic Strategy (Cont'd)

Alleviating Poverty	
SDG Alignment	
2030 Goals	• Average of ≥ 30 hours voluntary hours per employee • $\geq 15\%$ year-on-year growth of the total number of employees • $\geq 20\%$ intern conversion rate to new hire
Business Benefit	Building a Positive Image and Maintaining a Good Corporate Reputation In 2024, we achieved:- • 95% of local workforce • Intern conversion rate to new hire of 13.8% Encouraging Participation In Volunteerism and Building Cohesiveness of Our People • ViTroxians volunteered a total of 33,294 hours, averaging 29 hours per employee, to improve the well-being of our communities
Social/ Environmental Benefit	Number of Donation Beneficiary Units • V-Serve Programme - ViTrox donates to 14 national and worldwide charity organisations based on the voluntary hours contributed by the volunteers • 1013 Charity Event - We organised charity programmes that raised funds to be donated to Buddhist Tzu Chi Merits Society Malaysia and St. Nicholas' Home Penang Donation • ViTrox Foundation - From 2021-2024, ViTrox donated a total of RM2.7 million to support charity initiatives; a portion of the donation was made through ViTrox Foundation which allocates 40% of its funds as a charity fund to be used for medical assistance and disaster relief donations • V-Serve Programme - ViTrox donated RM168,725 through our V-Serve programme • 1013 Charity Event - We raised a total of RM90,000 and donated RM76,953 to Buddhist Tzu Chi Merits Society Malaysia and RM9,000 to VA Symposium • Customer Net Promoter Score - ViTrox donates USD5 to selected NGOs for each survey response received; donated a total of RM55,201 to these NGOs from 2021 to 2024

Volunteerism Cultivation

At ViTrox, giving back reflects our core values and commitment to community. We allocate 1% of our profits after tax ("PAT") to charitable donations, demonstrating our dedication to making a difference. In 2024, despite a challenging economic environment and cost-saving measures, we contributed RM187,000 to support those in need. Although lower than in prior years, our commitment remains steadfast. What truly inspires us is the compassion shown by our people; in 2024, ViTroxians volunteered 33,294 hours, dedicating their time and care to uplift communities and bring hope. Looking ahead, we remain determined to create lasting, positive change and have set goals to average at least 25 voluntary hours per employee in 2025 and 30 hours by 2030. Every effort, big or small, contributes to building a brighter future.

	Unit	2021	2022	2023	2024
Education	RM'000	917	1,155	646	0
Charity	RM'000	1,022	827	676	187
Total donation	RM'000	1,939	1,982	1,322	187
Total volunteers hours (including V-Serve Programme)	hour	13,247	28,244	34,566	33,294
Average voluntary hour per employee	hour	13	25	128	29

Note:-

¹ Restatement of figure due to data update.

At ViTrox, we embrace the culture of volunteerism and encourage our people to practise humanistic stances in our communities. We practise voluntary service as a decisive trait to develop a healthy and meaningful life. Our major volunteering activities in 2024 encompass a diverse range of initiatives, including 1013 Charity Event, V-Tree Planting on Earth Day, Computer Science Bootcamp, PISF Volunteering, First Tech Challenge, etc.

A TRUSTED CORPORATION

COMMUNITY ENGAGEMENT (CONT'D)

Volunteerism Cultivation (Cont'd)

V-Serve Programme

At ViTrox, we actively promote a culture of service and community involvement among our people. We encourage them to engage in voluntary community service and social activities, extending their commitment beyond the workplace. As a testament to this dedication, ViTrox makes donations to various national and worldwide charity organisations, selected based on our volunteers' preferences, which are proportional to the volunteer hours contributed by our team. This approach not only amplifies the impact of our volunteer efforts but also aligns our corporate giving with the causes our employees are most passionate about.

As of the end of 2024, we have had the privilege of partnering with 4 international organisations, including Doctor Without Borders, UNICEF, World Vision, Buddhist Tzu-Chi Merit Society. In addition, we also partnered with several local organisations, including 4PAWS, Women's Centre for Change, Than Hsiang Mitra Welfare Center Penang, D'Home Mental Health Association, Home Dynamics, Eden Handicap Service Centre Berhad, Rumah Sejahtera Permatang Tinggi, Pure Lotus Hospire Of Compassion and SPCA.

	Unit	2021	2022	2023	2024
Total V-Serve volunteers	pax	212	458	562	582
Total V-Serve voluntary hours	hour	951	2,211	3,561	3,706
Total V-Serve donation ^{1,2}	RM'000	31	86	222	168

Notes:-

¹ ViTrox made a donation of up to RM50 for each voluntary hour contributed by ViTroxians.

² The total V-Serve donation reflects our contributions based on voluntary hours contributed by employees from our primary operations in Malaysia, as well as in China, Germany, and the United States of America, in comparison to employees solely from our primary operations in Malaysia.

The number of beneficiaries disclosed in the [Performance Data Table](#) represents the number of charity organisations to which we donated. We are in the process of disclosing the number of individuals benefiting from the investment in communities.

Contribution to Society

ViTrox is determined to positively influence the community through our corporate conscience programmes, such as charity donations, fundraising events and corporate social responsibility ("CSR") programmes.

Leading with Purpose

Beyond profit, we believe in embracing shared values that create a more harmonious and prosperous society. Driven by this belief, VA offers The ViTrox Experience ("TVE"), a training programme that shares valuable insights into how ViTrox embodies our core values of being a people-centric organisation. Led by ViTrox's management team, including the Managing Director/President/Group CEO, the Director of the People Culture Department and the VA Principal, the programme delves into the story of ViTrox, our guiding philosophy, leadership approach and distinct corporate culture. TVE not only showcases ViTrox's values and experiences but also inspires participants to lead their companies with a purpose for shared prosperity.

Since its inception, TVE has hosted 13 sessions, reaching an impressive total of 410 participants. In 2024 alone, the programme welcomed 87 participants and connected with more than 157 companies in Malaysia and overseas. Further amplifying its impact, TVE organised the first symposium with ViTrox's annual 1013 Charity Event. This event brought together 75 TVE alumni, who shared their learnings and the positive transformations they implemented in their personal lives and organisations. Through its commitment to fostering knowledge sharing and continuous learning, TVE is a powerful platform for personal and professional growth, influencing individuals and organisations alike to embrace a collaborative approach and contribute to building a brighter future.

Empowering Underprivileged Groups

VA has been accredited by the Department of Skills Development (Jabatan Pembangunan Kemahiran - JPK) to operate our SLDN for the Certificate in Industrial Automation ("CIA"). The ViTrox SLDN is designed to help underprivileged students further their education by providing an alternative pathway. During the course, students are given a 1-year employment contract where they learn practical skills from the industry and theory knowledge from the training centre. During the practical skill training period, students will receive an allowance to cover their daily expenses. Students will graduate with a Malaysian Skills Certificate (Sijil Kemahiran Malaysia - SKM) Level 2 and 3 after completing their studies, which allows them to pursue a higher level of study further. This certificate-level programme will enable underprivileged students to further study with an amount of allowance and land a job after graduation. If the student wishes to further study to a higher level, the student may go for a part-time study while a full-time job is secured.

A TRUSTED CORPORATION

COMMUNITY ENGAGEMENT (CONT'D)

Contribution to Society (Cont'd)

Empowering Underprivileged Groups (Cont'd)

VA offers 2 types of scholarships that are easily applicable to all students: the Merit Scholarship and the ViTrox Scholarship.¹ ViTrox's Merit Scholarship deviates from a narrow focus on A scores and considers the overall holding results of students to determine their eligibility. The ViTrox Scholarship, supported and sponsored by ViTrox Foundation, serves as financial aid for the underprivileged, including those of low-income financial standing, handicapped or differently abled, living in rural areas, etc. Recipients of the ViTrox Scholarship have secured employment upon graduation, allowing them to improve their quality of life and venture into the working world and economy sector. This initiative underscores our commitment to fostering inclusivity and providing equal educational opportunities to those facing socio-economic challenges. We supported at least 103 recipients with the ViTrox Scholarships, underscoring VA's impact in empowering future generations.

Note:-

¹ Read our V-SHARE on www.vitrox.com/esg for the stories of our students who benefitted from the scholarships.

- *"Nurturing Talents from Underprivileged Backgrounds"*

Children's Education

Aligned with our commitment to complying with international standards for the protection of human rights, we believe that every child has the right to an education based on equal opportunity, as stated in the United Nations Convention on the Rights of the Child ("UNCRC"). Therefore, ViTrox made charitable donations and provided sponsorship to organisations that support children's rights and accessibility to necessities and close the inequality gaps.

Beneficiaries of donation and sponsorship include UNICEF and World Vision, which both focus on working towards children's rights and welfare; WIZ programme, which promotes STEM education among female secondary school students; and PSC, which offers free science and technology programmes for schools in Penang.

In line with UNCRC, we recognise children's right to engage in creative activities. ViTrox took the initiative to cultivate interest in STEM among children through educational programmes and community collaboration. Our educational arm, VA, organised various STEM workshops and activities at ViTrox Makerspace. For details about STEM activities, please refer to the [ViTrox Academy Sdn. Bhd.](#) section.

We organised multiple rounds of the HOPE Workshop, a collaboration between VA and Jabatan Pendidikan Negeri Pulau Pinang, the programme aimed to raise awareness about youth suicide prevention among counseling teachers in public secondary schools across Penang. A total of 197 teachers have participated in this impactful event.

ViTrox Foundation

As the philanthropic arm of the Group, ViTrox Foundation was established in 2021 to nurture the seed of compassion and wisdom. The foundation allocates 60% of its funds as an education fund and 40% as a charity fund. The purposes of the funds are well aligned with 2 main themes of our group-wide philanthropic strategy.

Main Theme	Purpose
Nurturing Talents	To promote and provide accessible, affordable and quality education, especially in STEM, and humanistic culture through the establishment of industry-driven training institutions.
Alleviating Poverty	To provide financial and non-financial assistance, directly or indirectly (through a third-party non-profitable organisation), to individuals or families who need help to sustain an adequate standard of living.

The Foundation is set up under the Company Act 2016 as Company Limited by Guarantee ("CLBG") and does not have a share capital, which ensures the separation of the legal identity of the organisation and limited liability of members who are involved in the operation. As a CLBG, no person can acquire a controlling interest in ViTrox Foundation, nor make profits from a share sale if there is any.

SUSTAINABLE GOVERNANCE



ViTrox strives to achieve sustainable growth and profitability in our business, yet we are mindful not to be overly attached to material gains. We commit to strengthening our financial position and enhancing our competitiveness by adopting good, ethical and sustainable business practices, corporate governance and effective capital management. Adopting various sustainable business practices and effective corporate governance demonstrates our revenue, profitability, assets and equity over the years.

Sustainability Highlights 2024

93% Revenue from Malaysia operations	0 Confirmed incidents of corruption	44% Female composition on Board	96% Board attendance	100% Completed ABC e-quiz	94% Completed cybersecurity awareness training	4 Star FTSE4Good ESG rating	9+ Additional awards
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ECONOMIC PERFORMANCE

Management Purpose	ViTrox strongly believes financial strength and sustainability are equally important in running and growing our business.				
Management Approach	We adopt prudent business plans, disciplined capital management and good financial performance to create long-term economic value and build a solid financial foundation, which allows the Company to give back to society.				
Performance, Targets and Goals	Measurement	2021	2022	2023	2024
	Year-on-year revenue growth rate	44.6%	10.3%	-23.4%	-3.9%

The Group is principally engaged in the design, development and production of the automated vision inspection system, digital automated vision inspection equipment and modules as well as printed circuit board assemblies for microprocessor applications. For financial reporting purposes, our revenue is mainly confined to a single operating segment, namely the sales of vision inspection solutions and the rendering of related technical support services.

ViTrox not only discloses historical financial information, but we also share with the relevant stakeholders our business outlook, enhancing their confidence in our long-term investment value so that they are willing to grow with the Company. For our business outlook, please refer to the Chairman Statement and Management Discussion & Analysis sections of our Annual Report 2024.

Our consolidated financial statements cover ViTrox Corporation Berhad, our subsidiaries and our Group's interest in an associate. Below set out our past 4 years' financial results as laid out in the Financial Statements section of our annual reports.

	Unit	2021	2022	2023	2024
Revenue	RM'000	680,124	750,249	574,922	552,311
Profit before tax	RM'000	178,190	206,233	141,602	103,341
Profit for the financial year attributable to the owners of the Company	RM'000	169,664	200,816	128,302	90,357
Basic earnings per share ¹	sen	8.99	10.63	6.79	4.78
Total assets	RM'000	947,051	1,138,152	1,166,419	1,208,942
Equity attributable to owners of the Company	RM'000	711,603	874,335	958,906	1,021,485
Return on equity	%	23.8	22.9	13.4	8.8

Note:-

¹ The calculation of basic earnings per share for the previous financial year has been adjusted retrospectively to reflect the changes in the number of shares as a result of the bonus issue in 2024.

The adoption of various sustainable business practices and effective corporate governance has demonstrated growth in our revenue, profitability, assets and equity over the years. However, this year we experienced a decrease in revenue and profitability due to the global economic slowdown coupled with geopolitical tensions. Despite these challenges, ViTrox remains resilient and devoted to long-term business profitability by providing cost-effective machine vision solutions. Our healthy cash flow prior to this year allowed the Company to deliver a dividend payout of around 25% for the years under review, showing our appreciation and commitment to our shareholders even during difficult times. Looking ahead, we will continue pursuing sustainable and responsible growth to deliver value to our shareholders while keeping up with capital expenditures to develop innovative machine vision technologies. By remaining agile and focusing on our strengths during market uncertainty, we aim to maintain steady cash dividends over the long run.

SUSTAINABLE GOVERNANCE

ECONOMIC PERFORMANCE (CONT'D)

	Unit	2021	2022	2023	2024
Cash dividend in respect of the financial year	RM'000	43,264	51,037	32,627	122,711
Dividend payout ratio	%	25.5	25.4	25.4	25.1

Note:-

¹ This amount includes a final tax-exempt dividend of 0.70 sen per share, which gives an estimated dividend distribution of RM13.3 million, to be paid subject to approval at the forthcoming Annual General Meeting.

Dividend payout is one of the important elements considered by the Company in enhancing our shareholders' value. The Board of Directors ("Board") will consider Group's earnings, capital expenditure requirements, overall liquidity position and other relevant factors in determining the actual dividend payout.

Tax Governance

ViTrox believes that being an honest and responsible taxpayer will help foster economic growth, contribute to business sustainability, reinforce our business value and positively affect our business partners.

We are committed to:-

- Acting at all times in compliance with the spirit and the letter of all applicable tax laws and regulations in the jurisdictions in which we operate
- Not transferring value created to low-tax jurisdictions
- Not using tax structures without commercial substance
- Undertaking inter-company transactions using the arm's length principle
- Not using secrecy jurisdictions or so-called "tax havens" for tax avoidance
- Being transparent and disclosing tax information in accordance with applicable regulations and reporting requirements
- Developing mutually trustful and respectful relationships with tax authorities and having open and honest channels of communication

ViTrox is subject to tax laws and regulations in various jurisdictions where we operate or conduct business. Any unfavourable changes in tax laws and regulations in these jurisdictions could increase the Company's effective tax rate and have an adverse effect on the operating results. ViTrox identifies, assesses and manages tax risks from regulatory changes and business transactions, accounts for them appropriately, and implements and monitors control over them.

Our tax filing is reviewed by our Chief Financial Officer. The Company's Finance Department is responsible for income tax filing and obtains approvals from the appropriate authorisation level before filing. If necessary, ViTrox will leverage external tax service providers for complementary expertise and advice. The Board delegates our Audit Committee ("AC") to oversee the quality and integrity of the Company's accounting, auditing, reporting and financial control practices through periodic review of certain major matters, including accounting policies and procedures, internal control systems, legal compliance and corporate risk management.

Our global presence spans Asia, Europe, and the United States of America, with our principal operating activities conducted in Malaysia. In this regard, Malaysia contributed the majority of our revenues, income tax accrued and paid. We categorise our revenue, income tax accrued, income tax paid geographically based on the countries where ViTrox and our subsidiaries are located. The names of the main tax resident entities, primary activities and number of employees as of 31 December 2024 for each tax jurisdiction in which we operate is as follows:-

	Malaysia	China
Company	ViTrox Technologies Sdn. Bhd.	ViTrox Technologies (Suzhou) Co., Ltd.
Primary activities	Design, development and production of automated vision inspection system and digital automated vision inspection equipment and modules	As sales and support office
Number of employees	602	71

SUSTAINABLE GOVERNANCE

ECONOMIC PERFORMANCE (CONT'D)

Tax Governance (Cont'd)

Revenue, income tax accrued and paid for each tax jurisdiction in which we operate:-

	Tax Jurisdiction	2023		2024	
		RM'000	%	RM'000	%
Revenue	Malaysia	553,406	96.3	513,942	93.1
	China	21,516	3.7	38,369	6.9
	Others ¹	0	0.0	0	0.0
	Total	574,922	100.0	552,311	100.0
Income tax accrued	Malaysia	12,667	90.4	11,910	85.6
	China	1,214	8.7	1,788	12.8
	Others ¹	134	0.9	222	1.6
	Total	14,015	100.0	13,920	100.0
Income tax paid	Malaysia	8,793	85.1	11,910	90.2
	China	1,409	13.6	1,093	8.3
	Others ¹	134	1.3	200	1.5
	Total	10,336	100.0	13,203	100.0

Note:-

¹ Other tax jurisdictions refer to our subsidiary in Germany and the United States of America.

	Unit	2023	2024
Profit before tax	RM'000	141,602	103,341
Tax expense	RM'000	14,015	13,920
Effective tax rate ¹	%	9.9	13.5
Net cash tax paid	RM'000	10,336	13,203
Effective cash tax rate ²	%	7.3	12.8

Notes:-

¹ Effective tax rate is derived by taking tax expenses divided by profit before tax.

² Effective cash tax rate is derived by taking cash tax paid divided by profit before tax.

In 2024, our effective tax rate of 13.5% was lower than the industry average tax rate of 14.0% from SAM CSA Companion in "Semiconductors and Semiconductor Equipment" industry group. In Malaysia, the statutory income tax rate is 24.0%. The lower effective tax rate compared to the statutory income tax rate was primarily due to tax incentives enjoyed by our subsidiary, ViTrox Technologies Sdn. Bhd. ("VTSB"), which contributed 91.9% of the Group's total revenue. VTSB was granted pioneer status – a type of tax incentive – for activities related to the development and production of embedded intelligent robotic inspection systems and machines with machine-to-machine connectivity and predictive analytic capabilities for the semiconductor and electronics industries.

Our effective cash tax rate of 12.8% was lower than the industry average cash tax rate of 13.8% and our effective tax rate of 13.5%. This was the major part of 2024 taxes will be paid when filing income tax returns in 2025.

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES

Management Purpose	We maintain sound corporate governance, continuously practise good ethics in conducting business and comply with all laws and applicable regulations where we operate.					
Management Approach	ViTrox adopts good corporate governance practices to strengthen the functions of the Board and continues to improve our corporate risk management approaches. Additionally, we are committed to establishing good business practices and ethical standards, living up to our core values.					
Performance, Targets and Goals	Measurement	2024 Target	Status	2024 Performance	2025 Target	2030 Goal
	Number of confirmed incidents of corruption	0	Achieved	0	0	0
	Female composition on the Board of Directors	≥ 30.0%	Achieved	44.4%	≥ 30.0%	≥ 30.0%

ViTrox conducts business with uncompromised integrity by upholding our core values, Code of Ethics, Whistleblowing Policy and Anti-Bribery and Corruption Policy ("ABCP"). To ensure stakeholders' interests are properly safeguarded, our Board Committees oversee the Company's overall management and deliver sustainable value to the stakeholders.

Our Purpose, Vision and Mission

Purpose	
To contribute to the advancement of society and well-being of humankind through compassionate innovation.	
Vision	Mission
Be the world's most trusted technology company.	We are committed to providing the most innovative, advanced and cost effective machine vision solution of excellent quality to our customers through integration of our technology, our people and our strategic alliances.

Core Values

At ViTrox, we are committed to conducting our business ethically and responsibly. Our core values, I.A.C.T.G., represent the fundamental principles of ViTrox's shared values that guide us to think, talk and do the right things every day to pursue individual and company greatness.

Integrity (诚正信实)

Integrity means Sincerity (真诚), Righteousness (公正), Faithfulness (正信) and Honesty (踏实). It is about doing the right thing, even if nobody is watching. We treat others fairly with a sincere heart and the way that we want to be treated. By cultivating these inner qualities, we will live in harmony and always be respected by others.

Accountability (承担)

This is the self-commitment to do the right thing and stand by the decision. We take ownership of a committed task and its outcome and are willing to take extra steps to achieve the desired result. Accountability makes a person credible. (不只把事情做完,更把事情做好)

Courage (勇气)

We have the strength to face and overcome whatever difficulties we encounter along the way and are willing to stand in front of everyone during a crisis and say "I will do it!". We dare to challenge the status quo, make changes for the better and think out of the box. With "Courage", we stand strong in front of adversities and never back down.

Trust & Respect (信任与尊重)

We communicate openly and candidly with each other and extend our respect and team spirit to customers, partners, suppliers and the communities in which we live and work. We treat everyone as an individual; hence, we respect and recognise each individual for their unique talents. We believe people want to do a good job and will do so, given the proper tools and support.



SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Core Values (Cont'd)

Gratitude & Care (感恩与关怀)

Gratitude gives us a positive and wonderful view of life and leads us to actualise our true values. We can dissolve thoughts of fear, self-doubt, worry, anger and depression by having a grateful mind. We feel grateful every day for the continuous support and contributions from our customers, colleagues, suppliers and our communities. We serve our customers, colleagues, suppliers and our communities with a caring heart by paying attention to their feelings and needs. "How can I help?" is a common language we use at ViTrox to show that we care and help others who are in need. Through our caring culture, we improve our organisation daily and are continuously working to build a happy and meaningful organisation.

Compliance with Codes of Conduct

At ViTrox, all employees are expected to understand and comply with organisational policies and codes of conduct, which are applied equally to everyone. Commitment and performance relating to compliance are integrated into our performance appraisal system. This directly impacts employee compensation and remuneration determinations.

Performance recognition gifts will be given for free to specific employees that are determined by management in recognition of their outstanding service or performance. Employees who fail to comply with policies or receive warnings will result in reduction or elimination of their annual performance bonus, as outlined in our Employee Handbook.

Money Laundering and Insider Trading Commitment

ViTrox is a listed issuer in Malaysia and as such is required to comply with Main Market Listing Requirements ("MMLR"). We endeavour to adhere to the highest standards of corporate governance. We adopt a zero-tolerance approach against unethical practices like money laundering and insider trading that could undermine market integrity.

Anti-Bribery and Corruption Policy

At ViTrox, we set out a zero-tolerance approach against all forms of bribery and corruption. Our ABCP applies to all directors, employees and business partners who work for and with ViTrox. The ABCP is developed in cohesion with our Anti-Bribery Management System to distinguish the boundaries of interactions and dealings between all employees of ViTrox and external parties. Parallel with fulfilling our legal obligations, ViTrox firmly believes that the foundation for maintaining sustainable business relationships rests upon honesty, integrity and ethical business practices.

Anti-Bribery and Corruption Commitment

The Board and senior management are committed to executing business functions or performance fairly and transparently to prevent, detect and mitigate the risks of unethical practices. The Company's core values, I.A.C.T.G., demonstrate our commitment to advocating for a robust working culture in ViTrox. We also outline 5 key etiquettes of No Bribe/Cheat, No Blame, No Give Up, No Criticise/Condemn and No Complacent ("B.B.G.C.C.") are to be duly observed by our people without exception.

Communication of ABCP

We communicate ABCP to our people via various platforms, including the corporate website, training sessions and orientation programmes. Our employees across all management levels are also provided with training on the ABCP via online learning, covering elements or types of corruption, including bribery, sanctions on non-compliance and other sub-policies.

We expect all our employees across all management levels and operations to conduct themselves professionally and with integrity and not engage in fraudulent acts. All allegations or suspicions of fraud are taken very seriously, and we expect every employee to uphold the best business ethics in carrying out their tasks and responsibilities. As part of our procedures to address corruption, our management personnel are responsible for promptly reporting all cases of alleged fraud according to our fraud response plan and procedure and ensuring that each case is investigated independently and effectively.

As of 31 December 2024, we have communicated about ABCP and procedures to all our people, including all 9 Board members, ViTroxians and interns.

	Unit	2021	2022	2023	2024
Communication about ABCP and procedures to:-					
• Board of Directors	pax	7	9	9	9
• ViTroxians and interns	pax	803	1,091	1,182	1,067
Total	pax	810	1,100	1,191	1,076

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Anti-Bribery and Corruption Policy (Cont'd)

Communication of ABCP (Cont'd)

	Unit	2021	2022	2023	2024
Percentage of communication on ABCP and procedures to:-					
• Board of Directors	%	100.0	100.0	100.0	100.0
• ViTroxians and interns	%	100.0	100.0	100.0	100.0

The annual training on ABCP is mandatory for all ViTroxians and interns; including all our Board members.

	Unit	2021	2022	2023	2024
Training provided on ABCP and procedures to:-					
• Board of Directors	pax	7	9	9	9
• ViTroxians and interns	pax	803	1,091	1,182	1,067
Total	pax	810	1,100	1,191	1,076
Percentage of training provided on ABCP and procedures to:-					
• Board of Directors	%	100.0	100.0	100.0	100.0
• ViTroxians and interns	%	100.0	100.0	100.0	100.0

We expect our business partners to follow the ViTrox ABCP in connection with their work for us. Please refer to our core theme: An Accountable Purchaser, for detailed reporting on our communication with suppliers regarding ViTrox ABCP and procedures.

Grievance Mechanisms

In line with our zero-tolerance policy towards bribery and corruption, we implement policies and procedures on whistleblowing for stakeholders of the Group to report genuine concerns or allegations about alleged unethical behaviour, actual or suspected fraud within the Group, or improper business conduct affecting the Group via our whistleblowing channel. Our whistleblowing channel provides a confidential and anonymous mechanism for employees and external stakeholders to raise grievances regarding suspected inappropriate behaviour or misconduct relating to insider information and securities trading, money laundering, fraud, corrupt practices and/or abuse involving the Group's resources. Employees and external stakeholders can file their complaints and report any breach of any law or regulation, including business principles and the Group's policies and guidelines, in a safe and confidential manner at vitrwxwhistle@gmail.com. More information about our whistleblowing policy can be found at this [link](#).

In 2024, there were zero (0) confirmed incidents of corruption. We aim to maintain this record by driving a positive culture of compliance. No employees were disciplined or dismissed due to non-compliance with the unethical business behaviour. We are committed to maintaining this record and will continue to uphold our integrity and business ethics.

	2021	2022	2023	2024
Number of confirmed incidents of corruption	0	0	0	0
Number of confirmed insider trading incidents	0	0	0	0
Number of confirmed money laundering incidents	0	0	0	0
Cost of fines, penalties or settlements	0	0	0	0
Number of ViTroxians disciplined or dismissed due to non-compliance with unethical business behaviour:-				
• ABCP and procedures	0	0	0	0
• Code of conduct	0	0	0	0

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Conflict of Interest

In ViTrox, our people are required to complete an annual acknowledgement and declaration to disclose conflicts of interest and the annual declaration is reviewed with new employees as part of their induction programmes. The AC is responsible to review any related party transaction and Conflict of Interest ("COI") situation that arose, persisted or may arise within the Group and assessed the nature and impact of these conflicts, ensured proper disclosure and transparency, and recommended appropriate mitigation measures (if needed).

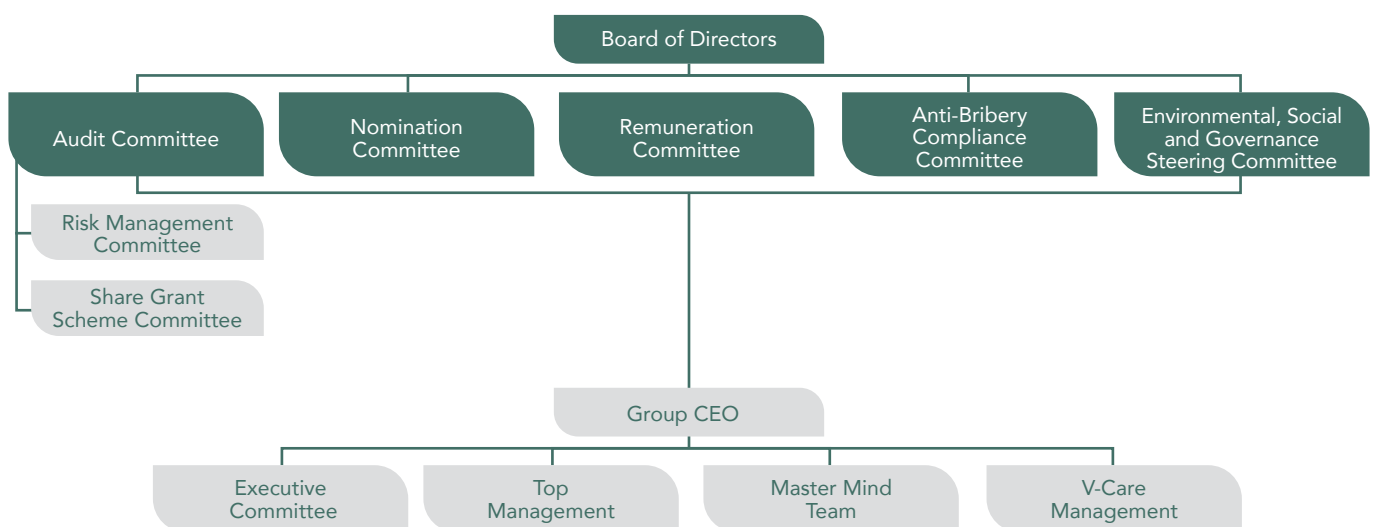
In 2024, the AC noted the declaration by Chuah Poay Ngee ("CPN") that currently she is a director and major shareholder of South Island Building Sdn. Bhd. ("SIB"), a construction company in the field of building, civil and mechanical engineering and turnkey projects. On 1 July 2024, SIB was awarded a contract by ViTrox Technologies Sdn. Bhd. for the piling work of the main building of Campus 4.0 ("Construction"). As the Interested Director, CPN has abstained and will continue to abstain from deliberations and voting at the relevant board meetings of the Company in relation to the Construction. The AC (save for the Interested Director), having considered all aspects of the Construction, was of the view that the Construction is fair, reasonable, on normal commercial terms and not detrimental to the interest of the Company's minority shareholders, and that the Construction is in the best interest of the Company.

Based on the annual COI review for 2024, one declaration was identified as having a potential COI. This potential conflict involves an employee who is also a director and shareholder of a college. To address this, the Group has implemented measures to ensure that the employee recuses himself from any decisions related to the college, thereby ensuring transparency and mitigating any potential conflicts.

The AC was of the view that these transactions were incurred in the normal ordinary course of business, and managed and reported in accordance with the internal procedures and the relevant guidelines/requirements and it may not be possible to minimise future occurrences, as such transactions are carried out in the normal ordinary course of business. Nonetheless, the Company has implemented robust monitoring systems to effectively manage and mitigate any risks, ensuring compliance at all times.

Governance Structure

ViTrox is committed to ensuring good corporate governance is practised to safeguard stakeholders' interests and enhance shareholders' value. We believe that a sound and effective Board is the basis for successful corporate governance. In discharging our fiduciary duties defined under Board Charter, the Board delegates specific powers to Board Committees, the Group CEO and the Company's senior management.



Board Independence

Director independence is important for enabling the Board to properly exercise the key role of oversight of management, ensuring that the decisions are made objectively and in the interest of shareholders. Independent directors can bring new insights and balance that improve the performance of a company through their objective view of the company's financial health and operations. At times, they can also bring specific expertise from their experience as well as provide additional accountability.

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Governance Structure (Cont'd)

Board Independence (Cont'd)

An independent director means a director who is independent of management and free from any business or other relationship which could interfere with the exercise of independent judgement or the ability to act in the best interests of an applicant or a listed issuer. ViTrox is a public company limited by shares, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Securities. The Company observes strictly the criteria of an independent director set by the MMLR of Bursa Securities. An independent director, before appointment, is required to confirm his/her independence to the Board and the Bursa Securities via an assessment and confirmation letter respectively.

Directors are required to update the Board of any change in relation to interests or relationships relevant to independence. Family ties and cross directorships may be relevant in considering interests and relationships, which may affect independence, and should be disclosed by directors to the Board. Independent directors will provide the Board with an annual confirmation of their independence based on the definition of "independent director" set out in Paragraph 1.01 of the MMLR. The Board will assess the independence of directors upon appointment and annually, and will re-assess determinations of independence when any new interests or relationships are disclosed via an annual COI declaration, by directors.

A director is independent if he or she:-

- is not, and has not been within the last 3 years, an officer of ViTrox or any related corporation of ViTrox. "Officer" has the meaning given in Section 2 of the Companies Act, 2016 but excludes a director who has served as an independent director in ViTrox or any related corporation of ViTrox for a cumulative period of less than 12 years;
- is not a major shareholder of ViTrox or any related corporation of ViTrox;
- is not a family member of any executive director, officer or major shareholder of ViTrox or any related corporation of ViTrox;
- is not acting as a nominee or representative of any executive director or major shareholder of ViTrox or any related corporation of ViTrox;
- has not been engaged as an adviser by ViTrox or any related corporation of ViTrox under such circumstances as prescribed by Bursa Securities. He or she is not presently a partner, director (except as an independent director) or major shareholder, as the case may be, of a firm or corporation, which provides professional advisory services to ViTrox or any related corporation of ViTrox under such circumstances as prescribed by Bursa Securities;
- has not engaged in any transaction with ViTrox or any related corporation of ViTrox under such circumstances as prescribed by Bursa Securities, or is not presently a partner, director or major shareholder, as the case may be, of a firm or corporation (other than subsidiaries of ViTrox) which has engaged in any transaction with ViTrox or any related corporation of ViTrox under such circumstances as prescribed by the Bursa Securities; or
- has not served as an independent director in ViTrox or any related corporation of ViTrox for a cumulative period of more than 12 years from the date of his/her first appointment as an independent director.

Board Composition

	Unit	As at 31 December			
		2021	2022	2023	2024
By type of directorate:-					
• Executive	pax	3	3	3	3
• Independent Non-Executive	pax	4	3	3	3
• Non-Independent Non-Executive	pax	0	3	3	3
Total	pax	7	9	9	9
Independent element	%	57.1	33.3	33.3	33.3
By gender:-					
• Male	pax	5	5	5	5
• Female	pax	2	4	4	4
Total	pax	7	9	9	9
Women participation	%	28.6	44.4	44.4	44.4

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

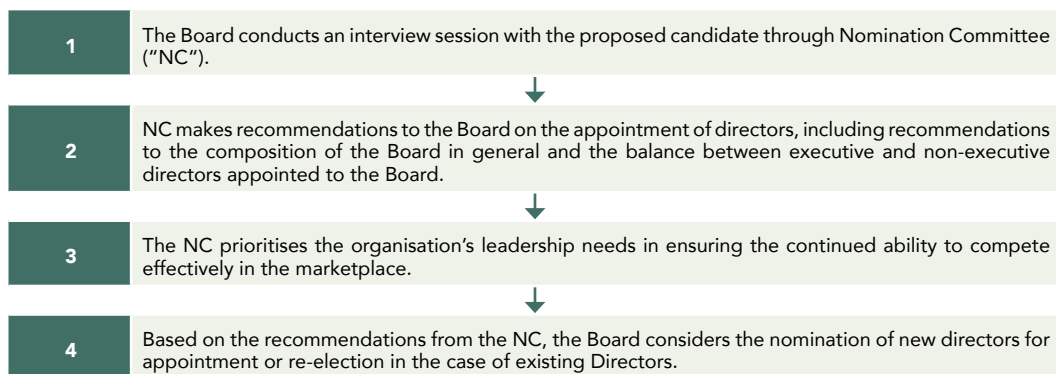
Governance Structure (Cont'd)

Board Composition (Cont'd)

As at 31 December 2024, our Board type is a one-tier system with 3 Executive Directors ("EDs"), 3 Independent Non-Executive Directors ("INEDs") and 3 Non-Independent Non-Executive Directors ("NINEDs"), totalling 9 members, complying with the MMLR of Bursa Securities. We have 4 female directors, equivalent to 44.4% of the Board as of year-end until the date of this Report, aligning with the recommendation set out under Practice 5.9 of the MCCG. ViTrox is mindful of ensuring our 2025 target and 2030 goal to have at least 30% females on the Board.

Nomination of Board

While striving to achieve sustainability in the long term, the Group continuously retains and attracts suitable talents at all levels to meet objectives. The Board prioritises the selection of candidates based on skills, experience and personal attributes and strongly believes that a candidate's performance lies within oneself instead of the recommender/referrer. Accordingly, the Board is open to the channel in sourcing any potential candidate, either through recommendations from existing Board members or through independent sources. Should the proposed candidate be recommended by any Board member, such Director will be abstained and will continue to abstain from all deliberations and to vote on the proposed nomination at all Board/committee meetings.



Directors do not have a fixed term of appointment. In accordance with the Company's Constitution, one-third of the Directors must retire at the Annual General Meeting ("AGM") annually. All Directors are subject to retire by rotation, at least once every 3 years, but shall be eligible for re-election. A new Director appointed by the Board during the year, if any, is required to retire at the next AGM and stands for election by shareholders. The details regarding the Directors standing for re-election at the next AGM are contained in the Company's notice of AGM. At the AGM, shareholders vote by a single resolution to determine whether the Director will be appointed.

The Directors' Fit and Proper Policy ("Policy") serves as a guide to the NC and Board in their review and assessment of candidate(s) to be appointed to the Board and director(s) seeking re-election.

As of 31 December 2024, our Board comprises 9 members from different professional backgrounds and is responsible for the Company's operations and supervision. The Board members' diverse academic and industrial experiences are an asset to corporate decision-making and long-term strategic planning. The average tenure of board members is 14 years while INEDs is less than 9 years.

Board Diversity as at 31 December 2024

To create and maintain a diverse Board, the NC will review the structure, size and diversity (without limitation of gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board at least annually; and make recommendations to the Board with regards to any adjustment that are deemed necessary.

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Governance Structure (Cont'd)

Board Diversity as at 31 December 2024 (Cont'd)

Title/Name	Gender	Nationality	Industry/Background	Race/Ethnicity	Age	Attendance	Tenure (number of year)
Executive Director							
Dato' Chu Jenn Weng	Male	Malaysian	- Technology - Industrial - Corporate/Planning - Governance, risk and compliance	Chinese	54	100%	19.4
Siaw Kok Tong	Male	Malaysian	- Technology - Marketing - Industrial - Corporate/Planning - Governance, risk and compliance	Chinese	53	80.0%	19.4
Yeoh Shih Hoong	Male	Malaysian	- Technology - Industrial - Corporate/Planning - Governance, risk and compliance	Chinese	52	100%	19.4
Non-Independent Non-Executive Director							
Dato' Seri Dr. Kiew Kwong Sen	Male	Malaysian	- Technology - Industrial - Corporate/Planning - Governance, risk and compliance	Chinese	76	100%	19.4
Datuk Ir. Dr. Ahmad Fadzil Bin Mohamad Hani	Male	Malaysian	- Technology - Industrial - Corporate/Planning - Governance, risk and compliance	Bumiputera	64	80.0%	19.4
Chuah Poay Ngee	Female	Malaysian	- Accounting/Finance - Governance, risk and compliance	Chinese	54	100%	18.1
Independent Non-Executive Director							
Mary Yeo Chew Yen	Female	Malaysian	- Governance, risk and compliance - Law/Legal	Chinese	66	100%	6.7
Dato' Prof. Dr. See Ching Mey	Female	Malaysian	- Industrial - Governance, risk and compliance - Educational and Counselling	Chinese	68	100%	2.0
Emelia Binti Matrahah	Female	Malaysian	- Technology - Corporate/Planning - Accounting/Finance - Governance, risk and compliance - Law/Legal	Bumiputera	58	100%	2.0

	Unit	2021	2022	2023	2024
Independent finance expertise in Audit Committee	%	33.3	40.0	40.0	40.0

Remuneration

The Board established a dedicated Board Committee, Remuneration Committee ("RC"), to oversee remuneration matters. The RC is responsible for formulating and reviewing the remuneration policies for the Board and Board Committees and the Company's Senior Management ("SM") to ensure the same remains competitive, appropriate and aligned with the prevalent market practices. The RC meets at least once a year to review and ensure the competitiveness of compensation packages. As of year-end, there are 5 Directors in our RC, of which 60.0% of RC is made up of 3 INEDs.

A fair remuneration package is crucial to attracting, retaining and motivating the Directors and SM. The remuneration of SM is structured to link rewards to individual and corporate performances, which comprises fixed and variable components. Fixed remuneration for SM is determined according to the scope of duties and responsibilities, conditions and experiences required and is periodically benchmarked to market/industry surveys. The variable components are determined based on the key performance indicators ("KPI") in the Corporate Hoshin, as approved by the Board. The KPI for the Group CEO includes revenue, profit before tax, days inventory outstanding and end-to-end lead time. These KPIs are the main drivers of our sustainability matters: revenue and profit before tax under Economic Performance, days inventory outstanding under Supply Chain Management and end-to-end lead time under Innovation and Product Excellence.

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Governance Structure (Cont'd)

Remuneration (Cont'd)

The Executive Committee ("EC") assessed the annual performance of the employees based on their performance with regard to the Corporate Hoshin and Division/Department Hoshin, as well as competencies. To ensure consistency in performance assessment, the final performance ratings, as decided by the EC, are used for the purpose of determining their performance bonus and annual increment. Our remuneration packages are always benchmarked against the industry to ensure that the remuneration packages are commensurate with individual duties, responsibilities and performance as well as the Group's performance. ViTrox also offers long-term incentives, such as Employees' Share Grant Scheme ("SGS"), to directors and all eligible employees. We believe that the ownership of Company shares by the Directors and employees holding SM positions helps align their interests and actions with the interests of ViTrox's shareholders.

The SGS was launched in 2022 to eligible EDs and employees with a duration of 10 years. The primary objectives of the SGS are to recognise the contributions from employees, including SM, who contribute to the continuous growth of the Group, motivate them to work towards better performance and promote employee loyalty. It is worth noting that the EDs have voluntarily opted out of the SGS. To retain talents in the long term, SGS also aims to acknowledge the performance, seniority, duration of service, potential for future development and contribution to the success and development of the Company for employees, including SM. The total number of SGS granted to our people, in accordance with the SGS by-laws, 521,600 in 2024 (2023: 377,800; 2022: 2,396,000).

Non-Executive Directors' remuneration is a matter to be decided by the Board as a whole, with the Director concerned abstaining from deliberations and voting on decisions in respect of his individual remuneration prior to the tabling of such for shareholders' approval. The fees of Directors are recommended and endorsed by the Board for approval by the shareholders of the Company at our AGM. The detailed remuneration of each Director is set out in the Annual Report 2024.

ViTrox has not formulated the remuneration to be linked with ESG performance. We address our awareness by setting targets and goals for each core theme. Rather than incorporating monetary values in the remunerations of either Group CEO or SM, we address the growing concern on climate change issues through our daily operations. These sustainable practices include serving plant-based meals for free for our people, adopting zero-waste agriculture concept and segregating waste at source. As we strongly believe that ViTrox's purpose is to contribute to the advancement of society and the well-being of humankind, we merely carry out our responsibilities as an environmental and socially conscious corporate citizen.

Board Deliberations

The Board meets at least once a quarter to formulate and adopt a strategic business plan for the Group to evaluate the impact of risks affecting the operations of the Group. An annual meeting calendar is circulated to Directors before the beginning of every year. Agenda and documents relevant to the Board meetings are circulated at least 7 days before the meetings, and all proceedings of meetings are minuted.

In 2024, the Board met 5 times to deliberate and consider any significant issues requiring thorough discussion and approval. All Directors have complied with the minimum 50% attendance requirement in respect of Board Meetings as stipulated in the MMLR. The Board meeting attendance rate was 95.6%. The attendance of the Board and Board Committee members at the meetings of the Company during the year are as set out in the table below.

Name	BOD	AC	NC	RC
Executive Director				
Dato' Chu Jenn Weng	5/5			
Siaw Kok Tong	4/5			
Yeoh Shih Hoong	5/5			
Non-Independent Non-Executive Director				
Dato' Seri Dr. Kiew Kwong Sen	5/5	5/5	1/1	1/1
Datuk Ir. Dr. Ahmad Fadzil Bin Mohamad Hani	4/5		1/1	
Chuah Poay Ngee	5/5	5/5		1/1

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Governance Structure (Cont'd)

Board Deliberations (Cont'd)

Name	BOD	AC	NC	RC
Independent Non-Executive Director				
Mary Yeo Chew Yen	5/5	5/5	1/1	1/1
Dato' Prof. Dr. See Ching Mey	5/5	5/5	1/1	1/1
Emelia Binti Matrahah	5/5	5/5	1/1	1/1

The holders of ordinary shares (except treasury shares) are entitled to 1 vote per ordinary share at meetings of the Company. During the 20th AGM held on 24 May 2024, electronic poll voting was used to facilitate the voting process for resolutions tabled. This is in line with Paragraph 8.29A of the MMLR on the requirement for poll voting by which 1-share-1-vote principle applies for resolutions set out in the notice of general meetings. An independent scrutineer also verified the results of the polls. Adopting electronic poll voting at these meetings ensures accurate and more transparent voting results and is a more efficient process.

Maintaining High Corporate Governance Standards

We remain committed to maintaining a high standard of corporate governance. For the year under review, we continue to meet applicable statutory requirements, best practices, guidelines and standards such as the Companies Act 2016, MMLR, MCCG, etc.

As ESG performance is now considered critical in assessing a company's long-term sustainability and profitability, it is imperative that ViTrox remains ahead of the curve to remain competitive and successful. External sustainability ratings enable us to benchmark against global peers, communicate our sustainability commitment with transparency to our stakeholders, as well as identify emerging trends and opportunities for improvements.

Risk Management

At ViTrox, we recognise the critical importance of a robust risk management framework in ensuring sustainable and resilient operations. Our current approach emphasises proactive risk identification and management across all organisational levels.

Operational Risk Ownership (First Line): Our front-line employees and business unit leaders are actively engaged in identifying and managing risks within their respective domains. They implement control measures and ensure adherence to established policies and procedures, fostering a culture of accountability and continuous improvement.

Risk Management Committee (Second Line): We are establishing a dedicated RMC at the senior management level. This committee will be responsible for setting control standards, providing guidance, and overseeing compliance to ensure that our risk management practices align with organisational objectives and regulatory requirements.

Independent Audit Function (Third Line): To ensure objectivity and expertise, we have outsourced our internal audit function to a reputable external provider. This independent audit function provides assurance on the effectiveness of our risk management and compliance processes. Through regular audits and assessments, they evaluate the adequacy and efficiency of our risk controls, contributing to the continuous enhancement of our risk management practices.

By progressively formalising this structured approach, it helps us to strengthen our risk management capabilities, thereby supporting our long-term sustainability and success.

Risk Management Processes

At ViTrox, we proactively identify key risks and develop appropriate mitigation measures to address them. In light of recent global developments, several factors have emerged that may impact our investments and operations, including intensified geopolitical competition, severe inflation leading to rising operating costs, urgent demands for green energy adoption and carbon reduction due to climate change, and a global shortage of semiconductor professionals with international perspectives. While these challenges pose potential risks, they also present opportunities for strategic advancement.

To navigate these complexities, ViTrox has implemented a structured risk management process where relevant risk owners assess potential risks within their domains, analyse their nature and potential impact, and submit them to senior management for thorough evaluation. Subsequently, senior management determines the risk appetite, categorising it into 3 levels: Low, Medium and High. This systematic approach ensures that ViTrox remains resilient and adaptive, turning potential challenges into opportunities for growth and innovation. After evaluation, it is expected that the overall residual risks of the Company should fall within a manageable range under the implementation of various countermeasures.

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Risk Management (Cont'd)

Risk Management Processes (Cont'd)

Risk Issue	Risk Grade (Consequence and Likelihood)	Risk Description/Potential Impact	Countermeasures
Currency exchange	High	Fluctuating foreign exchange rates could result in foreign exchange losses and unexpected volatility in expenses when revenue or expense generated from operating activities is denominated in a currency different from the functional currency.	The Company applies natural hedges on the foreign currency risk to balance the assets and liabilities denominated in foreign currencies, and utilises spot or forward exchange contracts to reduce foreign currency risk.
Supply chain disruption	High	ViTrox faced prolonged lead times for critical components due to supply chain disruptions, impacting its ability to meet global demand, causing delays in product delivery, and reducing flexibility in customization. These disruptions led to increased operational costs, higher inventory levels, lower profit margins, potential order cancellations, and reputational risks, ultimately affecting revenue growth and talent attraction.	We collaborate closely with strategic suppliers to secure materials with extended lead times, ensuring a steady supply of essential components. We vigilantly monitor material price trends and market availability informs procurement decisions, allowing the Company to adapt swiftly to market fluctuations. To reduce dependency on a limited number of sources, the Company actively seeks alternative suppliers to mitigate potential risks associated with supply chain disruptions.

For further information on risk management on climate-related matters, please refer to [Climate Change and Energy Management](#) for further details.

Long-term Emerging Risks

In recent years, global supply chains have been destabilised by several factors, including the impact of intensified geopolitical risks, an ongoing talent shortage, geopolitical conflicts and severe inflation, all of which have led to rising operational costs. These factors may have adverse effects on the Company's investment and operations. The following are the remaining major risks and emerging risks in 2024.

Geopolitical Tensions
Risk description Geopolitical tensions create policy uncertainty and economic instability. As situations evolve globally, governments may impose reactive measures like economic sanctions or trade barriers. These decisions aim to advance strategic interests but risk prolonging disruption. Resulting shifts in the regulatory and policy environment add complexity for companies. Planning future investments and partnerships faces uncertainty if tensions persist long-term. Export controls or supply chain restrictions also complicate cross-border business. If major economic powers diverge substantially in their policy approaches, it can bifurcate global collaboration networks. This challenges integration that enables mutually beneficial innovation. It also threatens economic synchronisation necessary for supply chain continuity and stable growth.
Potential impact The impact includes revenue, delivery time, goodwill and competitiveness as follows:- • Geopolitical tensions create policy uncertainty that negatively impacts countries' economic and investment environments, with the potential to affect customer demand. • Customers may require supply chain adjustments like new suppliers or production relocation to mitigate supply continuity risks posed by trade barriers or sanctions. • Associated costs may be incurred in establishing redundancy across volatile supply chains and production sites. • Macroeconomic volatility stemming from geopolitical risks generates fluctuations in interest and currency exchange rates.
Countermeasures • Conduct continuous environmental scanning and scenario planning to quantify geopolitical risk exposure across markets, adapting operations accordingly • Diversify and expand customer base, product portfolio and production capacity globally to mitigate policy/trade barrier impacts • Enhance flexibility to adjust production allocation and supply chains, establishing tracking systems to identify emerging risks • Proactively monitor regulatory shifts, strengthen legal compliance and manage across multiple regimes • Stay apprised of political tensions between key countries, modulate forecasts regularly and plan measures to preempt operational/financial disruption

SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Risk Management (Cont'd)

Risk Management Processes (Cont'd)

Long-term Emerging Risks (Cont'd)

Cybersecurity Risks
Risk description Cyber threats are becoming more frequent and complicated, with a significant rise in extortion-related security incidents. Hackers increasingly exploit vulnerabilities in supply chains when direct attacks on primary targets fail, using them as indirect entry points. These cybercriminals typically operate anonymously, making detection difficult. While ViTrox employs robust protections to secure business-critical and customer data, eliminating cyber risks entirely is impossible. Successful cyberattacks put companies and partners at financial and reputational risks. The rise of internet-connected devices furnishes environments conducive to cyberattacks. Though we continually evaluate emerging threats and improve defences accordingly, cybercrime continues to rapidly evolve. Maintaining vigilant and adaptive security is essential for earning ongoing customer trust while expanding our digital capabilities.
Potential impact The impact includes revenue, delivery time, goodwill and competitiveness as follows:- • Cyberattacks can severely disrupt business operations. Data breaches potentially damage reputations and competitive advantage, leading to financial and performance declines. • Security vulnerabilities may prompt third-party lawsuits, regulatory oversight and increased security costs. • Stolen sensitive company or customer data can enable hackers to threaten or extort the organisation. • Theft of proprietary process technologies jeopardises the Company's long-term sustainability and profitability. • Operational paralysis from cyber incidents leads to production and operational losses.
Countermeasures • Implement a corporate cybersecurity platform to strengthen incident response and integrate defences across all subsidiaries • Establish monitoring to rapidly detect abnormal activity and reduce hacking/data leakage risks • Employ a defence-in-depth model in endpoint devices to increase hacking difficulty and drive encryption to minimise exploitability • Continually check server patch vulnerabilities and analyse attack methods to improve server security • Conduct information security incident simulations to sharpen emergency response capabilities • Implement Multi-Factor Authentication across network and endpoint systems to safeguard against brute force attacks by malicious actors • Maintain regular, secure backups of all critical data. These backups should be stored in a separate and secure location, preferably offsite, and tested regularly for integrity and reliability • Regularly train employees on cybersecurity best practices, emerging threats and response protocols. An informed and vigilant workforce is a crucial defence against long-term cyber risks

Information Security Policy Implementation

The number of information security breaches has grown exponentially over the past decade. Many incidents have shown that information security has become a financially material issue that must be managed diligently to protect corporate value. ViTrox's [Information Security Management Policy](#) is designed to safeguard the confidentiality, integrity and availability of all information assets to increase customer confidence, raise the Company's competitiveness and prevent operational disruptions. ViTrox strives to achieve zero (0) cases of major information security incidents.

Information Security Committee Organisation

Our Management Information Security ("MIS") department is responsible for the overall planning, establishment and maintenance of the information security management system. The MIS manager takes the lead in all information security cases, establishes the information security management framework and maintains the strategy and process for protecting assets and information in the organisation. The MIS team is led by Yeoh Shih Hoong, Senior Executive Vice President, who also serves as Chairman of the RMC.

MIS team members are responsible for planning and executing information security management, organising information security maturity assessments, and maintaining and implementing the [Information Security Management Policy](#) and standard operating procedure, information security risk management and information security standard compliance.

The RMC reports to the Audit Committee on matters relating to cyber-security and protection policies. Such updates will be tabled at the Board Meeting for notation/discussion.



SUSTAINABLE GOVERNANCE

CORPORATE GOVERNANCE AND ETHICAL PRACTICES (CONT'D)

Information Security Policy Implementation (Cont'd)

Information Security Risks and Management Plan

Insufficient defence against cyber attacks due to cybersecurity failures may expose the Company to the risks of data leakage and ransom threats. It may also interrupt the production system, causing severe operating losses and damaging the Company's reputation. Accordingly, protecting information's confidentiality, integrity and availability is crucial for ViTrox's information security management. We regularly identify information security risks and work on their countermeasures.

Strengthening Network, Endpoint and Information Security Protection

- Strengthen the detection of irregularities and boost preventive capabilities including protocols such as Endpoint Detection and Response ("EDR")
- Optimise network security area of overall information systems and increase the multi-factor authentication protection for host privileged account login
- Establish a security incident management procedure that conducts priority matrix according to the severity of the incident and escalation procedure with action needed

Controlling Potential Risks

- Purchase information security insurance protecting the Company from cyber attacks and minimising potential losses
- Develop an internal ticketing system as a channel for employees to report any cybersecurity-related incident

Strengthening Information Security Protection

- Practise periodic vulnerability assessment and penetration testing for information security systems
- Implement reinforcement and patches to reduce information security risks
- Conduct system recovery simulations
- Improve current applied antivirus software

Improving Information Security Management Procedures

- Implement the ISO 27001 risk assessment by designing policies in line with ISO 27001 to uphold the highest level of information protection
- Refer to the standards under ISO 27001 for our continuous improvement of information security management procedures
- Carry out Plan-Do-Check-Act ("PDCA") cycle to ensure employees abide by information security regulations for continuous improvement

Education and Training

- Conduct educational programmes and training sessions for all employees to enhance employee awareness of the importance of information security and prevent major data breaches
- Perform phishing simulation exercises for all employees
- Conduct orientation on cybersecurity awareness and the Company's information security-related policies for new hires

Expanding the Application of Intelligent Technology

- Enhance AI Chatbot capabilities to provide employees with instant responses and streamline workflows
- Implement robust management measures, including enterprise-specific computing environments, data encryption, and log tracing, ensuring secure and reliable data protection



To create a secure information technology working environment, we launched an online e-learning course – Cybersecurity Awareness Training. The completion of the cybersecurity course and quiz was compulsory for all ViTroxians and interns. As of 31 December 2024, 93.7% of employees completed the courses.

ViTrox had no major information security incidents in the current year under review.

Disciplinary Action

ViTrox has a strict policy prohibiting violations of our cybersecurity-related policies. When we receive a report of a potential cybersecurity violation or breach, we launch a thorough investigation into the matter. Depending on the findings of the investigation, we will take appropriate disciplinary measures against any employee or representative found to be in violation of the Company's cybersecurity policies.

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2021	2022	2023	2024
Bursa (Energy management)					
Bursa C4(a) Total energy consumption	Megawatt	5,540.20	6,898.80	7,502.40 *	8,840.20
Bursa (Emissions management)					
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	8.90 *	12.30 *	19.90 *	18.70
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	3,075.10 *	3,852.40 *	3,676.70 *	4,700.20
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	1,326.90 *	1,542.80
Bursa (Water)					
Bursa C9(a) Total volume of water used	Megalitres	32.400000	41.500000	50.500000	56.300000
Bursa (Waste management)					
Bursa C10(a) Total waste generated	Metric tonnes	104.70 *	121.50 *	139.90 *	149.50
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	59.60 *	60.90 *	81.10 *	84.90
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	45.10 *	60.60 *	58.80 *	64.60
Bursa (Supply chain management)					
Bursa C7(a) Proportion of spending on local suppliers	Percentage	62.80	62.10	64.30	66.20
Bursa (Labour practices and standards)					
Bursa C6(a) Total hours of training by employee category					
Middle Management	Hours	47	66	56	53
Executive	Hours	45	48	43	41
Non-executive	Hours	19	25	30	30
Senior Management	Hours	29	34	38	31
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	6.10	7.19	4.85	5.96
Bursa C6(c) Total number of employee turnover by employee category					
Male	Number	39	95	59	89
Female	Number	15	24	36	51
Under 30 years old	Number	39	73	69	109
30-50 years old	Number	13	45	25	30
Over 50 years old	Number	2	1	1	1
Malaysian	Number	54	119	94	138
Foreign	Number	0	0	1	2
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	0
Bursa (Health and safety)					
Bursa C5(a) Number of work-related fatalities	Number	3	5	4	3
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.20	2.10	1.60	1.20
Bursa C5(c) Number of employees trained on health and safety standards	Number	51	68	84	83
Bursa (Diversity)					
Bursa C3(a) Percentage of employees by gender and age group, for each employee category					
Age Group by Employee Category					
Middle Management Under 30	Percentage	0.10	0.00	0.00	0.00

Internal assurance

External assurance

No assurance

(*)Restated

PERFORMANCE DATA TABLE FROM ESG REPORTING PLATFORM

Indicator	Measurement Unit	2021	2022	2023	2024
Middle Management Between 30-50	Percentage	7.40	7.50	7.10	7.60
Middle Management Above 50	Percentage	1.30	1.00	1.00	1.30
Executive Under 30	Percentage	48.30	43.70	43.10	39.50
Executive Between 30-50	Percentage	26.90	30.10	32.10	35.00
Executive Above 50	Percentage	0.50	0.50	0.90	1.20
Non-executive Under 30	Percentage	7.50	9.70	7.20	6.30
Non-executive Between 30-50	Percentage	5.60	4.90	5.50	5.80
Non-executive Above 50	Percentage	0.40	0.50	0.60	0.70
Senior Management Under 30	Percentage	0.00	0.00	0.00	0.00
Senior Management Between 30-50	Percentage	0.60	0.40	0.80	0.80
Senior Management Above 50	Percentage	1.40	1.70	1.70	2.00
Gender Group by Employee Category					
Middle Management Male	Percentage	6.60	6.00	5.90	6.30
Middle Management Female	Percentage	2.10	2.60	2.20	2.60
Executive Male	Percentage	50.40	48.30	49.40	48.90
Executive Female	Percentage	25.30	26.00	26.70	26.70
Non-executive Male	Percentage	11.20	12.80	11.10	10.40
Non-executive Female	Percentage	2.30	2.20	2.10	2.20
Senior Management Male	Percentage	1.60	1.60	1.90	2.20
Senior Management Female	Percentage	0.50	0.50	0.70	0.70
Bursa C3(b) Percentage of directors by gender and age group					
Male	Percentage	71.30	55.60	55.60	55.60
Female	Percentage	28.60	44.40	44.40	44.40
Between 50-59	Percentage	42.90	55.60	55.60	55.60
Between 60-69	Percentage	28.60	33.30	33.30	33.30
Above 70	Percentage	14.30	11.10	11.10	11.10
Between 40-49	Percentage	14.30	0.00	0.00	0.00
Bursa (Community/Society)					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,939,000.00	1,982,000.00	1,322,000.00	187,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	6	6	9	14
Bursa (Data privacy and security)					
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	0
Bursa (Anti-corruption)					
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category					
Board of Directors	Percentage	100.00	100.00	100.00	100.00
VITroxians and interns	Percentage	100.00	100.00	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	0

Internal assurance

External assurance

No assurance

(*)Restated

APPENDIX 1 – GRI CONTENT INDEX

VITrox Corporation Berhad has reported with reference to the GRI Standards for the period from 1 January 2024 to 31 December 2024.

GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 2: General Disclosures 2021	The organisation and its reporting practices						
	2-1	Organisational details	-	-	-	About VITrox Corporation Berhad	4
	2-2	Entities included in the organisation's sustainability reporting				About This Report: Reporting Scope and Boundaries	3
	2-3	Reporting period, frequency and contact point				About This Report:- • Reporting Period • Feedback	3 3
	2-4	Restatements of information				Restatements of information are disclosed in the relevant sections where applicable	
	2-5	External assurance				About This Report: External Assurance	3
	Activities and workers						
	2-6	Activities, value chain and other business relationships	Labour Practices and Standards	Labour Standards	5, 8, 10	About VITrox Corporation Berhad:- • Products and Services • Markets Served	4 5
	2-7	Employees				A Caring Employer: Diversity and Inclusion	87
	2-8	Workers who are not employees				A Caring Employer: Diversity and Inclusion	87
	Governance						
	2-9	Governance structure and composition	-	Corporate Governance	5, 16	Sustainable Governance: Corporate Governance and Ethical Practices Annual Report 2024:- • Profiles of Directors • Corporate Governance Overview Statement Corporate Governance Report 2024	108
	2-10	Nomination and selection of the highest governance body				Sustainable Governance: Corporate Governance and Ethical Practices Annual Report 2024:- • Corporate Governance Overview Statement Corporate Governance Report 2024	108
	2-11	Chair of the highest governance body				Sustainable Governance: Corporate Governance and Ethical Practices Annual Report 2024:- • Profiles of Directors • Corporate Governance Overview Statement Corporate Governance Report 2024	108
	2-12	Role of the highest governance body in overseeing the management of impacts				Sustainable Practices: Sustainable Governance Annual Report 2024:- • Profiles of Directors • Corporate Governance Overview Statement Corporate Governance Report 2024	9
	2-13	Delegation of responsibility for managing impacts				Sustainable Practices: Sustainable Governance Annual Report 2024:- • Profiles of Directors • Corporate Governance Overview Statement Corporate Governance Report 2024	9

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GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 2: General Disclosures 2021	2-14	Role of the highest governance body in sustainability reporting	-	Corporate Governance	5, 16	Sustainable Practices: Sustainable Governance	9
	2-15	Conflicts of interest				Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-16	Communication of critical concerns				A Caring Employer: Human Rights	82
						Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-17	Collective knowledge of the highest governance body				Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-18	Evaluation of the performance of the highest governance body				Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-19	Remuneration policies				Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-20	Process to determine remuneration				Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-21	Annual total compensation ratio				To be applied in future	
Strategy, policies and practices							
	2-22	Statement on sustainable development strategy	Anti-Corruption	Anti-Corruption, Human Rights & Community, Corporate Governance	16	Letter from ESG Steering Committee Chairman	2
	2-23	Policy commitments				A Caring Employer: Human Rights	82
						Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-24	Embedding policy commitments				Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-25	Processes to remediate negative impacts				A Caring Employer: Human Rights	82
						Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-26	Mechanisms for seeking advice and raising concerns				A Caring Employer:- • Talent Attraction and Retention • Human Rights	62 82
						Sustainable Governance: Corporate Governance and Ethical Practices	108
	2-27	Compliance with laws and regulations				We have not noted any non-compliance with laws and regulations in 2021 to 2024.	
	2-28	Membership associations				About VITrox Corporation Berhad: Membership of Associations	6
Stakeholder engagement							
	2-29	Approach to stakeholder engagement	Labour Practices and Standards	Labour Standards	16	Sustainable Practices: Stakeholder Engagement	14
	2-30	Collective bargaining agreements			8	A Caring Employer: Human Rights	82
GRI 3: Material Topics 2021	3-1	Process to determine material topics	-	-	-	Sustainable Practices: Materiality Analysis	9
	3-2	List of material topics				Sustainable Practices: Materiality Analysis	9
	3-3	Management of material topics				Sustainable Practices: Stakeholder Engagement	14
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	-	-	8, 9, 13	A Caring Employer: Talent Attraction and Retention Sustainable Governance: Economic Performance Annual Report 2024: Financial Statements	62 105

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GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 201: Economic Performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	-	-	8, 9, 13	A Go-Green Practitioner: Climate Change and Energy Management	22
	201-3	Defined benefit plan obligations and other retirement plans				Annual Report 2024: Financial Statements	
	201-4	Financial assistance received from government				Annual Report 2024: Financial Statements	
GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	-	-	5, 8	A Caring Employer: Talent Attraction and Retention VITrox adheres to all applicable local and national laws and regulations in terms of compensation and benefits and the national minimum wage regardless of gender.	62
	202-2	Proportion of senior management hired from the local community				A Caring Employer: Diversity and Inclusion	87
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	-	-	3, 5, 8, 9	A Trusted Corporation:- • Innovation and Product Excellence • Community Engagement	91 100
	203-2	Significant indirect economic impacts				An Accountable Purchaser: Supply Chain Management A Caring Employer: Talent Attraction and Retention A Trusted Corporation: Innovation and Product Excellence	51 62 91
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Supply Chain Management	-	8	An Accountable Purchaser: Supply Chain Management	51
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Anti-Corruption	Anti-Corruption	16	Sustainable Governance: Corporate Governance and Ethical Practices	108
	205-2	Communication and training about anti-corruption policies and procedures				Sustainable Governance: Corporate Governance and Ethical Practices	108
	205-3	Confirmed incidents of corruption and actions taken				Sustainable Governance: Corporate Governance and Ethical Practices	108
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Anti-Corruption	Anti-Corruption	16	Not applicable. There were no legal actions pending or completed during the reporting period regarding anti-competitive behaviour and violations of anti-trust and monopoly legislation in which the organisation has been identified as a participant.	
	207-1	Approach to tax	-	-	8, 16	Sustainable Governance: Economic Performance	105
GRI 207: Tax 2019	207-2	Tax governance, control, and risk management				Sustainable Governance: Economic Performance	105
	207-3	Stakeholder engagement and management of concerns				Sustainable Governance: Economic Performance	105
	207-4	Country-by-country reporting				The Organisation for Economic Cooperation and Development ("OECD") developed a country-by-country reporting system in which the Malaysian government participates. Under the OECD agreement, this reporting information is kept with tax authorities who have the tax expertise to understand and assess this business-sensitive tax information.	

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GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Energy management	Climate Change	7, 12, 13	A Go-Green Practitioner: Climate Change and Energy Management	22
	302-2	Energy consumption outside of the organisation				Information unavailable. Steps are being taken to disclose the information in future reports.	
	302-3	Energy intensity				A Go-Green Practitioner: Climate Change and Energy Management	22
	302-4	Reduction of energy consumption				A Go-Green Practitioner: Climate Change and Energy Management	22
	302-5	Reduction in energy requirements of products and services				To be applied in future	
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Water	Water Security	6, 12	A Go-Green Practitioner: Water Management	43
	303-2	Management of water discharge-related impacts				Not applicable. Our manufacturing process does not produce wastewater. Our water discharge is from domestic use that can be discharged directly without undergoing any water treatment.	
	303-3	Water withdrawal				A Go-Green Practitioner: Water Management	43
	303-4	Water discharge				A Go-Green Practitioner: Water Management	43
	303-5	Water consumption				A Go-Green Practitioner: Water Management	43
GRI 304: Biodiversity 2016	304-1	Operational site owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-	-	6, 15	A Go-Green Practitioner: Environmental Conservation and Preservation	37
	304-2	Significant impacts of activities, products, and services on biodiversity				A Go-Green Practitioner: Environmental Conservation and Preservation	37
	304-3	Habitats protected or restored				Disclosure not applicable as ViTrox does not operate in these areas.	
	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations				Disclosure not applicable as ViTrox does not operate in these areas.	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Emissions management	Climate Change, Pollution & Resources	12, 13, 15	A Go-Green Practitioner: Climate Change and Energy Management	22
	305-2	Energy indirect (Scope 2) GHG emissions				A Go-Green Practitioner: Climate Change and Energy Management	22
	305-3	Other indirect (Scope 3) GHG emissions				A Go-Green Practitioner: Climate Change and Energy Management	22
	305-4	GHG emissions intensity				A Go-Green Practitioner: Climate Change and Energy Management	22
	305-5	Reduction of GHG emissions				A Go-Green Practitioner: Climate Change and Energy Management	22
	305-6	Emissions of ozone-depleting substances (ODS)				To be applied in future	
	305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions				A Go-Green Practitioner: Climate Change and Energy Management	22

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GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Waste management	Pollution & Resources	6, 12, 15	A Go-Green Practitioner: Waste Management	46
	306-2	Management of significant waste-related impacts				A Go-Green Practitioner: Waste Management	46
	306-3	Waste generated				A Go-Green Practitioner: Waste Management	46
	306-4	Waste diverted from disposal				A Go-Green Practitioner: Waste Management	46
	306-5	Waste directed to disposal				A Go-Green Practitioner: Waste Management	46
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	Supply Chain Management	Supply Chain (Environmental), Supply Chain (Social)	-	An Accountable Purchaser: Supply Chain Management	51
	308-2	Negative environmental impacts in the supply chain and actions taken				Information unavailable. Steps are being taken to disclose the information in future reports.	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Labour Practices and Standard	Labour Standards	3, 5, 8, 10	A Caring Employer: Talent Attraction and Retention	62
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees				A Caring Employer: Talent Attraction and Retention	62
	401-3	Parental leave				A Caring Employer: Talent Attraction and Retention	62
GRI 402: Labour/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes	-	Labour Standards, Human Rights & Community	8	A Caring Employer: Human Rights	82
						We will ensure the employees are informed with appropriate notice periods regarding operational changes in Vitrox.	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	Health & Safety	Health & Safety	3, 8, 16	A Caring Employer: Occupational Health and Safety	76
	403-2	Hazard identification, risk assessment, and incident investigation				A Caring Employer: Occupational Health and Safety	76
	403-3	Occupational health services				A Caring Employer: Occupational Health and Safety	76
	403-4	Worker participation, consultation, and communication on occupational health and safety				A Caring Employer: Occupational Health and Safety	76
	403-5	Worker training on occupational health and safety				A Caring Employer: Occupational Health and Safety	76
	403-6	Promotion of worker health				A Caring Employer: Occupational Health and Safety	76
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				A Caring Employer:- • Occupational Health and Safety • Employee Well-being	76 80
	403-8	Workers covered by an occupational health and safety management system				A Caring Employer: Occupational Health and Safety	76

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GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia Theme	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 403: Occupational Health and Safety 2018	403-9	Work-related injuries	Health & Safety	Health & Safety	3, 8, 16	A Caring Employer: Occupational Health and Safety	76
	403-10	Work-related ill health				A Caring Employer: Occupational Health and Safety	76
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Labour Practices and Standard	Labour Standards	4, 5, 8, 10	A Caring Employer: Talent Development	73
	404-2	Programmes for upgrading employee skills and transition assistance programmes				A Caring Employer: Talent Development	73
	404-3	Percentage of employees receiving regular performance and career development reviews				A Caring Employer: Talent Attraction and Retention	62
	405-1	Diversity of governance bodies and employees				A Caring Employer:- • Talent Attraction and Retention • Diversity and Inclusion Sustainable Governance: Corporate Governance and Ethical Practices Annual Report 2024: Corporate Governance Overview Statement Corporate Governance Report 2024	62 87 108
GRI 405: Diversity and Equal Opportunity 2016	405-2	Ratio of basic salary and remuneration of women to men	Labour Practices and Standards	Labour Standards	5, 8	A Caring Employer: Talent Attraction and Retention	62
	406-1	Incidents of discrimination and corrective actions taken				A Caring Employer: Human Rights	82
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Community/ Society	Human Rights & Community	8	An Accountable Purchaser: Supply Chain Management A Caring Employer: Human Rights	51 82
	408-1	Operations and suppliers at significant risk for incidents of child labour				An Accountable Purchaser: Supply Chain Management A Caring Employer: Human Rights	51 82
GRI 409: Forced or Compulsory Labour 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Community/ Society	Human Rights & Community	8	An Accountable Purchaser: Supply Chain Management A Caring Employer: Human Rights	51 82
	410-1	Security personnel trained in human rights policies or procedures				A Caring Employer: Human Rights	82
GRI 411: Rights of Indigenous Peoples 2016	411-1	Incidents of violations involving rights of indigenous peoples	Community/ Society	Human Rights & Community	16	A Caring Employer: Human Rights	82
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Community/ Society	Human Rights & Community	1	A Trusted Corporation: Community Engagement	100
	413-2	Operations with significant actual and potential negative impacts on local communities				We are not aware of any suppliers who have significant actual or potential social impact in 2024.	

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GRI Standard	Disclosure Number	Standard Disclosure	Bursa Malaysia	F4GBM ESG Theme	UN SDGs	Report Content or Explanation	Page
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	Supply Chain Management	Supply Chain (Social)	8	An Accountable Purchaser: Supply Chain Management	51
	414-2	Negative social impacts in the supply chain and actions taken				We are not aware of any supplier who has significant actual or potential social impact in 2024.	
GRI 415: Public Policy 2016	415-1	Political Contributions	-	Anti-Corruption	16	About Vitrox Corporation Berhad: Membership of Associations	6
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	Health and Safety	Health & Safety	-	A Trusted Corporation: Innovation and Product Excellence	91
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services					
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Data Privacy and Security	-	12	A Trusted Corporation: Innovation and Product Excellence	91
	417-2	Incidents of non-compliance concerning product and service information and labeling					
	417-3	Incidents of non-compliance concerning marketing communications					
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy and Security	-	-	A Trusted Corporation: Innovation and Product Excellence	91

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