



ENHANCING PERFORMANCE WITH DIVERSIFICATION

SUSTAINABILITY REPORT 2024



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This Sustainability Report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

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

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INDUSTRY SOLUTIONS

Medical and Healthcare



Food & Beverage



Industrials



Research & Development



Beauty



COMPANY PROFILE

UG Healthcare Corporation Limited 优格医疗集团 (“UG Healthcare” or the “Company” and together with its subsidiaries, the “Group”) is an own brand manufacturer that markets and sells proprietary UNIGLOVES® branded products through its own established global downstream distribution network.

The Group owns and operates an extensive downstream network of distribution companies with a local presence in Europe, the United Kingdom, the USA, China, Africa, and South America, where it primarily markets and sells its proprietary UNIGLOVES® range of disposable examination gloves, and ancillary products. These disposable hand protection products are used across a diverse range of industries that require safety and cross-infection protection and high hygiene standards, as well as catering to different applications and preferences. The Group additionally enriches its product offerings with ancillary products comprising reusable gloves for users in the heavy industries, surgical, vinyl, and cleanroom disposable gloves, as well as non-glove hygiene and healthcare ancillary products, which are focused on infection control, hygiene and care, dental, and wound care.


The downstream distribution division is supported and complemented by the Group's own upstream manufacturing division, manufacturing natural latex and nitrile disposable examination gloves under its UNIGLOVES® brand and third-party labels in its manufacturing facilities located in Seremban, Malaysia. The Group's upstream manufacturing is certified by the British Standards Institution for ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016, and in compliance with ISO 14971:2019 and EN ISO 14971:2019 for the scope of manufacture and supply of natural latex and nitrile latex examination gloves. The Group's proprietary brand of products conforms to various international standards and requirements.

The Group has also strategically diversified into non-glove healthcare related businesses, including the joint development, management, and operation of active retirement homes in Malaysia.

UG Healthcare is listed on the Singapore Exchange Securities Trading Limited under stock code **8K7** since 8 December 2014.



LETTER TO SHAREHOLDERS



We have our third manufacturing facility in place, with an installed annual productivity of 1.2 billion pieces of gloves, and it is ready to begin production when the time comes.

Dear Fellow Shareholders,

The COVID-19 emergency, which was officially declared to be over by the World Health Organisation (“WHO”) in May 2023, remains a contagious respiratory illness, similar to flu. The WHO had in August 2024, declared a new global health emergency, being the mpox virus which has rapidly spread across central Africa⁽¹⁾.

The European Union in May 2024 has also warned that climate change poses a growing threat to the health of Europeans with killer heatwaves, disease-spreading floods, and tropical illnesses such as dengue on the rise⁽²⁾.

It is believed that the growing risk of future pandemics, combined with increased awareness of hygiene and health hazards, is expected to motivate the adoption of stricter hygiene standards in developing countries, thereby narrowing the gap in the use of disposable hygiene and healthcare products, which include disposable/single-use gloves and ancillary products when compared to developed countries.

While our Group’s own brand manufacturing (“OBM”) disposable glove businesses underwent significant demand and supply fluctuations during pre- and post-pandemic, we believe the ongoing natural consolidation of the disposable glove industry will determine a new market equilibrium in the near future.

In the financial year ended 30 June 2024 (“FY24”), the Group’s revenue increased by 13.9% year-on-year, from S\$101.1 million in FY23 to S\$115.2 million in FY24, resulting from the expansion in our Europe’s downstream distribution network in the second

half of FY24, and a rebound in average selling prices of disposable examination gloves and ancillary products, as well as an increase in overall sales volume. These ancillary products include reusable gloves and personal protective equipment (“PPE”), and a wide range of hygiene and healthcare products for infection control, hygiene and care, dental, and wound care.

The Group’s efficient resource management at both the upstream manufacturing division and downstream distribution division, together with lower average purchase prices of raw materials and higher revenue, resulted in a significant increase in gross profit from S\$1.4 million in FY23 to S\$25.9 million in FY24. Correspondingly, gross profit margin increased from 1.4% in FY23 to 22.5% in FY24. Overall, we narrowed our net loss attributable to shareholders by 70.8% year-on-year, from S\$20.7 million in FY23 to S\$6.1 million in FY24.

We appreciate that our integrated OBM business model allows us to outsource some of our generic disposable/single-use products to cost-effective manufacturers to produce under our proprietary UNIGLOVES® brand. This alternative also gives us the flexibility to manufacture in-house at our upstream manufacturing facilities. While the United States Trade Representative’s announcement on 13 September 2024 that tariffs on China-made medical and surgical gloves would be raised to 50% by 2025 and 100% by 2026⁽³⁾ sparked potential demand from manufacturers outside China, we will continue to monitor our options for increasing our in-house productivity to meet anticipated demand when the need arises. We have our third manufacturing facility in place, with an installed annual productivity of 1.2 billion pieces of gloves, and it is ready to begin production when the time comes.

LETTER TO SHAREHOLDERS

Enhancing Performance with Diversification

We continue to make progress in our strategic investments in non-glove healthcare businesses, which include (i) the development, management, and operation of active retirement homes ("**Active Retirement Home Project**"), as well as healthcare and wellness businesses in Desaru, Johor, Malaysia; and (ii) the joint partnership between our 75% owned subsidiary, Unigloves Nigeria, and Health Focus Diagnostics GmbH ("**Health Focus**") to establish and operate a medical diagnostic centre ("**HF Diagnostics**") with a focus on laboratory diagnostics, occupational health screening, and medical imaging in the state of Enugu in Nigeria.

We appreciate our stakeholders' understanding and support that these strategic businesses aimed at balancing the Group's risk exposure would require time and effort to achieve the stipulated milestones before becoming operational.

During FY24, we have obtained all essential and relevant approvals from various government ministries for the development of the Active Retirement Home Project, and site clearance activities have commenced in preparation for piling and construction. We will provide updates as appropriate as the project progresses through the planning and development stages.

Meanwhile, we increased our equity interest in HF Diagnostics from 51% to 60% when the private individual investor divested 900,000 units of ordinary shares, or 9% of the share capital of HF Diagnostics, to Unigloves Nigeria, with the remaining 6% sold to Health Focus. Currently, we are still in the midst of finalising the details of the joint venture, and we will provide updates when appropriate.

As we diversified into strategic non-glove healthcare businesses, we capitalised on opportunities to grow our downstream distribution business in Southern Europe and Central Eastern Europe. We experienced operational inefficiencies in various parts of Europe following the United Kingdom's exit from the European Union in January 2020. The opportunities for us to acquire the equity interest in Unigloves GmbH ("**Unigloves Germany**") from 19.3% to 100.0%, and the 50.0% equity interest in UG Nitrex, S. L. ("**UG Nitrex**") to form a joint venture with the initial shareholders in Spain, were timely and highly beneficial to the Group.

References:

- (1) WHO Director-General declares mpox outbreak a public health emergency of international concern: <https://www.who.int/news/item/14-08-2024-who-director-general-declares-mpox-outbreak-a-public-health-emergency-of-international-concern>
- (2) Europeans at risk from tropical illnesses due to climate change: <https://www.ft.com/content/b973c8b9-2d5c-48e2-9576-d5dbb55b178b>
- (3) Singapore-listed Malaysian glove makers get a boost as US raises tariffs on China gloves: <https://www.businesstimes.com.sg/companies-markets/singapore-listed-malaysian-glove-makers-get-boost-us-raises-tariffs-china-gloves>

The benefits of the expansion of our Europe downstream distribution business stem from (i) immediate earnings contributions; (ii) immediate ownership of the proprietary UG Nitrex product portfolio of reusable gloves for heavy industry applications, safety footwear, and other PPE; (iii) the ability to improve reliability and lead time on delivery to customers in Europe; and (iv) potential cost savings from having a consolidated Europe operation that includes sales, marketing, and essential functions to achieve economies of scale to support Europe's growing customer base.

We believe that our diversification through geographical footprint expansion and product portfolio expansion will help us maximise the potential of our integrated OBM business model, particularly our downstream distribution global network, thereby enhancing our financial performance.

Acknowledgments and Appreciation

On behalf of the Board, we thank the management and employees for their commitment and efforts in the past financial year. We would like to convey our appreciation to our fellow Directors for their support, particularly to our former Board member, Mr. Vincent Leow who stepped down on 30 October 2023, and our current Board members, Mr. Yip Wah Pung, Mr. Wong See Keong, and Mr. Ng Lip Chi, Lawrence, who will be stepping down at the conclusion of the forthcoming annual general meeting ("**AGM**"). We also extend our warm welcome to Ms. Ng Lee Eng, who joined the Board on 1 December 2023.

We are also grateful to our stakeholders, who include our customers, business partners, bankers, and shareholders, for your ongoing support and confidence. To ensure stable and sustainable long-term growth, we are committed to strengthening our core OBM businesses while nurturing the strategic non-glove healthcare related businesses.

Mr. Yip Wah Pung

**NON-EXECUTIVE CHAIRMAN
AND INDEPENDENT DIRECTOR**

Mr. Lee Keck Keong

**CHIEF EXECUTIVE OFFICER
AND EXECUTIVE DIRECTOR**

BUSINESS OPERATIONS

The strong brand preference of end users expands our proprietary **UNIGLOVES®** brand presence beyond our core markets, allowing us to enrich our product portfolio into non-glove healthcare related products.

UG Healthcare is motivated to deliver excellence consistently through our integrated own-brand manufacturing (“**OBM**”) business to support our customers, who have placed their trust and loyalty in our proprietary **UNIGLOVES®** branded products, particularly our hand protection solutions.

Our integrated OBM business model, which includes upstream manufacturing and downstream distribution for our proprietary **UNIGLOVES®** branded products, allows us to have greater control over the quality and reliability of our products, which are used by end users who require cross-infection protection and strict hygiene standards. We remain committed to meeting the evolving requirements of our end customers across a wide range of industries and providing appropriate hand protection solutions, and hygiene and healthcare ancillary products for their applications in their professions, thereby keeping them safe.

The strong brand preference of end users expands our proprietary **UNIGLOVES®** brand presence beyond our core markets, allowing us to enrich our product portfolio into non-glove hygiene and healthcare related products. Harnessing the strengths of our entrenched downstream distribution capabilities not only provides us with direct market access in our core markets in both developed and developing countries, but our market intelligence also expands our options beyond our specialised hand protection solutions – disposable / single-use examination glove products. These opportunities include: (i) new sales and distribution channels; (ii) a more diverse product portfolio; and (iii) strategic collaborations with product manufacturers.

As we strengthened our integrated OBM business foundation, we embarked on a strategic diversification into non-glove healthcare related businesses as part of our growth strategy to balance our risk profile for the long term. Our downstream distribution division expansion plans, as well as strategic diversification into non-glove healthcare related businesses, such as the active retirement homes project in Malaysia and the medical diagnostic service network project in Nigeria, are intended to provide a natural buffer against volatility during uncertain times while also safeguarding the interests of our prioritised stakeholders—customers, employees, business partners, and shareholders.



BUSINESS OPERATIONS

Total installed production capacity

4.6 Billion

pieces of glove per annum.

Our upstream manufacturing is certified by

British Standards Institution

for ISO 9001:2015, ISO 13485:2016, EN ISO 13485:2016,
and in compliance with ISO 14971:2019 and EN ISO 14971:2019

Our Upstream Manufacturing Capabilities

During the year under review, as global demand and supply for disposable gloves continue to seek new market equilibrium, the average selling price of disposable gloves rises as the inventory replacement cycle normalises gradually.

Our integrated OBM business model provides us with the option of outsourcing some of the generic products to cost-efficient manufacturers to produce in our proprietary **UNIGLOVES®** brand. This approach allows us to focus our production capacity on higher-margin disposable examination glove products.

We are constantly monitoring and managing our resources to increase the Group's overall production efficiency, alleviate the pressure of rising operating expenses, and achieve greater economies of scale. Our increased investment in Unigloves Germany is expected to cultivate higher demand for our proprietary **UNIGLOVES®** brand of disposable examination gloves as well as reusable gloves and ancillary products in Central Eastern Europe. This demand, in turn, drives

demand for an increase in supply at our upstream manufacturing. The Group is preparing to commence production at its third manufacturing facility with an installed production capacity of 1.2 billion pieces of disposable examination glove per annum to support the increased demand.

Our upstream manufacturing is certified by the British Standards Institution ("**BSI**") for ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016, and in compliance with ISO 14971:2019 and EN ISO 14971: 2019 for the scope of manufacture and supply of natural latex and nitrile latex examination gloves. The Group is also registered with the Supplier Ethical Data Exchange, a not-for-profit membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains, and our upstream manufacturing facilities are audited under Sedex Members Ethical Trade Audit ("**SMETA**").

BUSINESS OPERATIONS

We own and operate an extensive network of downstream distribution companies with a local presence in

Europe, the United Kingdom, the USA, China, Africa, and South America

UNIGLOVES® range of disposable examination gloves and ancillary products in over 50 countries worldwide

Our Downstream Distribution Network

We own and operate an extensive network of downstream distribution companies with a local presence in Europe, the United Kingdom, the USA, China, Africa, and South America, where we market and sell our proprietary **UNIGLOVES®** range of disposable examination gloves and ancillary products in over 50 countries worldwide. Our prior investments in our distribution network and competencies include managing our warehousing and logistics infrastructure, as well as collaborating with our local marketing teams in our key strategic markets.

Our downstream distribution division primarily offers an extensive range of natural latex and nitrile disposable examination glove products comprising a variety of colours and scents, antimicrobial properties, as well as eco-friendly materials to appeal to the different applications and preferences of end users in their professions across various industries. In June 2024, the Group acquired a 50% stake in UG Nitrex, S.L. ("**UG Nitrex**"), which specialises in the sale, marketing, and distribution of reusable gloves for industrial applications, safety footwear, and other personal protective equipment ("**PPEs**") in Spain and neighbouring countries such as Portugal and France, giving us immediate access to all the relevant licenses, certifications, and trademarks for over a hundred stockkeeping units ("**SKUs**").

With the strategic acquisitions of equity interest in Unigloves Germany and UG Nitrex, we have expanded our geographical footprint to cover Southern Europe and Central Eastern Europe, which will be fully supported by the locally developed warehouse and logistics infrastructures in Germany and Spain. We will thereby expand our presence in Europe by integrating our UK platform to better serve our European customers.

We value the trust and brand loyalty that our customers have in our **UNIGLOVES®** branded products. The brand presence and market share in all key markets in both developed and developing countries continue to demonstrate their keen support and confidence. Our locally operated warehousing and logistics infrastructures allow us to employ the hub and spoke model as we expand into new markets beyond our key strategic markets, resulting in the development of a new customer base.

We will continue to bolster our **UNIGLOVES®** brand's visibility in our target markets and educate more end users about the applications of our premium products comprising **UNIGLOVES®** range of hand protection solutions, as well as our hygiene and healthcare range of ancillary products that cover infection control, hygiene and care, dental, and wound care.

BUSINESS OPERATIONS

Own Brand of Products

The Group's flagship product, the **UNIGLOVES®** brand of disposable examination gloves, offers an extensive product range of generic and specialised products, including a variety of coatings, scents, colours, thickness, antimicrobial properties, and eco-friendly materials for more specialised users. These products are utilised in a wide range of industries that require high levels of hygiene and cross-infection protection for a variety of purposes and preferences.

Our proprietary branded products continues to conform to various international standards and requirements, including the ASTM International (formerly known as American Society for Testing and Materials), European standard for medical gloves ("**EN455**"), **ISO 11193** standards (International Organization for Standardization for Single-use medical examination gloves), **ISO 10993** standards (International Organization for Standardization for biological evaluation of medical devices), CE and UKCA Type Examination Certificates of Latex and Nitrile Examination Gloves PPE 2016(425) Cat III, Acceptance Quality Level requirements under the Food and Drug Administration ("**USFDA**"), National Medical Products Administration ("**NMPA**"), Brazilian Health Regulatory Agency ("**ANVISA**"), Certificates of Approval ("**CA**") under the Department of Occupational Safety and Health ("**DSST**") of the Brazil Ministry of Labor and Employment ("**MTE**"), National Institute of Metrology, Standardization and Industrial Quality ("**INMETRO**"), National Agency for Food and Drug Administration and Control ("**NAFDAC**") and Medical Device Registration Certificate under the Malaysia Medical Device Authority ("**MDA**").

We are constantly keeping up with the technological and process advancements, as well as developments in latex compounding formulations, in order to achieve specific desired properties and characteristics for customising our products to meet the evolving hand protection requirements of users in a variety of industries. We also collaborate with renowned research laboratories to develop new products that provide better protection solutions for end users.

While most of our manufactured products are done in-house, we believe strategic collaboration can be more efficient and beneficial to the end users. The acquisition of a 50% stake in UG Nitrex in June 2024 gave the Group immediate access to a portfolio of over 100 SKUs of reusable gloves for heavy industrial applications, safety footwear, and other PPEs, which are already marketed and sold in Spain and neighbouring countries such as Portugal and France. This new product portfolio can be rolled out across the key markets of the Group's downstream distribution network, maximising the potential of the downstream distribution platform.

Nevertheless, we will continue to look into expanding our present range of non-glove hygiene and healthcare ancillary products, which are focused on infection control, hygiene and care, dental, and wound care, in order to provide a wider range of offerings to our customers.



BUSINESS OPERATIONS

We also seized the opportunities to: (i) increase our equity interest in HF Diagnostics; (ii) increase our equity interest in Unigloves Germany, and convert it into a wholly-owned subsidiary; and (iii) acquire an equity interest in UG Nitrex, allowing us immediate access to the portfolio of reusable gloves, as well as the established distribution channels in Spain and neighbouring countries.

Strategic Businesses

The Group continues to explore appropriate opportunities to strengthen our business operations and earnings base sustainably in a bid to enhance stakeholders' returns in the long term.

In FY24, we made further progress in our strategic investments in non-glove healthcare businesses. These strategic investments comprise: (i) the development, management, and operation of active retirement homes ("**Active Retirement Home Project**"), as well as healthcare and wellness businesses in Desaru, Johor, Malaysia; and (ii) the joint partnership between Unigloves Nigeria and Health Focus Diagnostics GmbH to establish and operate a medical diagnostic centre ("**HF Diagnostics**") in the state of Enugu in Nigeria. Before we can begin site clearance activities, these strategic businesses aimed at balancing our risk exposure will require time and effort to complete the numerous milestones, for which we have successfully obtained all essential and relevant approvals for the development of the Active Retirement Home Project from various government departments. The Active Retirement Home Project is still in the planning and development stages, and additional updates will be provided in due course.

We also seized the opportunities to: (i) increase our equity interest in HF Diagnostics from 51% to 60%; (ii) increase our equity interest in Unigloves Germany, converting it from an associated company into a wholly-owned subsidiary; and (iii) acquire an equity interest in UG Nitrex, allowing us immediate access to the portfolio of reusable gloves for heavy industrial applications, safety footwear, and other PPE, as well as the established distribution channels in Spain and neighbouring countries such as Portugal and France.

Note: Please refer to the announcements related to the specific corporate actions on the Singapore Exchange's website (<https://www.sgx.com/securities/company-announcements>) and the Company's website (www.ughealthcarecorporation.com) for more details.

Business Strategy

The Group's philosophy has always been one of nurturing businesses for sustainable growth for the long term.

We built the OBM foundation with the goal of achieving a seamless and efficient value chain for PPEs, primarily disposable / single-use natural latex and nitrile examination gloves and hygiene and healthcare-related ancillary products. Constructing the OBM foundation concurrently via a three-pronged strategy, albeit slow, allows us to learn about end customers' preferences and applications for our hand protection solutions through our downstream distribution channels. This, in turn, drives the upstream manufacturing capabilities to create and produce "market-preferred" products sold under the trusted **UNIGLOVES®** brand.

We value the trust and brand loyalty that our customers have in our **UNIGLOVES®** branded products. This strong **UNIGLOVES®** brand presence opens up opportunities for the Group to expand our product portfolio to include reusable gloves for heavy industrial applications as well as complementary PPE, safety footwear, and hygiene and healthcare ancillary products that cover infection control, hygiene and care, dental, and wound care. Our entrenched downstream distribution network infrastructure is an essential conduit for both our proprietary and original equipment manufacturer ("**OEM**") products.

As we continue to build on the success of our OBM glove healthcare related businesses, we will also nurture our strategic investments in non-glove healthcare related businesses, as well as look for viable opportunities to strengthen the Group's foundation in pursuit of long-term stability and sustainability.

BOARD STATEMENT

The Board of Directors (the “**Board**”) of UG Healthcare Corporation Limited (“**UG Healthcare**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to present the annual sustainability report for the financial year ended 30 June 2024 (“**FY24**”).

The global disposable glove industry continues to consolidate as the market adjusts to its new equilibrium in the endemic phase. As global economic activity gradually resumed, we made the prudent decision to collaborate with third-party manufacturers to supply hygiene and healthcare products. These include disposable gloves, which our upstream manufacturing operations either did not produce or were inefficient to produce ourselves, thereby supporting our downstream distribution businesses.

The average selling price (“**ASP**”) of disposable examination gloves, as well as the inventory replacement cycle at the end consumer and downstream distribution, have been encouraging. This allows us to plan the commencement of production at our third manufacturing facility, which will provide an additional capacity of 1.2 billion pieces of disposable examination gloves per year to support our downstream distribution expansion in FY24.

As the Group works to align with the evolving business environment in order to grow prudently and sustainably, we are committed to making positive progress in our economic, environmental, social, and governance (“**EESG**”) determinants. When determining the Group’s strategic direction and policies, the Group will consider these EESG material aspects, as well as the impact of climate-related risks and opportunities, and ensure they are relevant and current for the business and our expansion ambitions.

This sustainability report focused on our key EESG performance in FY24 and includes entities from the Group’s upstream manufacturing operations located in Seremban, Negeri Sembilan, Malaysia. As our Singapore operation is primarily involved in the listed company’s corporate reporting and serves as the sales, marketing and distribution hub for our downstream distribution operations, this report excludes performance data from our Singapore and global downstream distribution operations, which are managed locally in the six key markets. We recognise that the source of our products is our responsibility to our customers, and we value their trust and loyalty. Similarly, we remain committed to upholding our integrity and business ethics throughout our own brand manufacturing (“**OBM**”) businesses globally, conducting our businesses in accordance with the rules and regulations of the respective countries, from our upstream manufacturing to downstream distribution operations, with the goal of achieving mutual growth in a sustainable manner.

The Group continues to conform to international standards and requirements for our UNIGLOVES® branded range of products and our upstream manufacturing is certified by the British Standards Institution for ISO 9001:2015, ISO 13485:2016, and EN ISO 13485:2016, and in compliance with ISO 14971:2019 and EN ISO 14971:2019 for the scope of manufacture and supply of natural latex and nitrile examination gloves. We are also registered with the Supplier Ethical Data Exchange, a not-for-profit membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains, and our manufacturing facilities continue to be audited under Sedex Members Ethical Trade Audit (“**SMETA**”) annually.

This sustainability report has been prepared with reference to the 2021 Global Reporting Initiative (“**GRI**”) Sustainability Reporting Standards (“**GRI Standards**”) and in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalyst (the “**Catalist Rules**”) as well as the SGX-ST’s Sustainability Reporting Guide. We have chosen the GRI framework as it is a well-known and globally recognised sustainability reporting standard. In alignment with the Task Force on Climate-related Financial Disclosures (“**TCFD**”), the Company has assessed climate-related risks and opportunities which are disclosed in this report. In view of the latest enhancement to the sustainability reporting regime announced by the SGX-ST on 23 September 2024, the Company will continue to work towards greater maturity of its climate-related disclosures by incorporating climate-related requirements in the IFRS Sustainability Disclosure Standards issued by the International Sustainability Standards Board (“**ISSB**”) for the financial year ending 30 June 2025.

BOARD STATEMENT

The Board will continue to oversee the Sustainability Committee, which is chaired by the Group's Chief Executive Officer, and together we monitor the key factors in our sustainability practices, improving on our disclosures and progressively updating our targets that are material to the sustainability of our operations as we continue our growth journey.

An internal review of our sustainability reporting processes was conducted in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors by our internal auditor, on a cycle basis, as part of the internal audit plan. While this sustainability report is reviewed by the internal auditor, no external assurance was sought.

We welcome stakeholders to provide us with feedback and suggestions on this report. You may contact us through our investor relations email at ir@ughcc.com.

YIP WAH PUNG

Non-Executive Chairman and Independent Director

LEE KECK KEONG

Chief Executive Officer and Executive Director

SUSTAINABILITY GOVERNANCE

At UG Healthcare, our sustainability goal is to make a positive difference and progress together with our prioritised stakeholders – customers, employees, business partners, and the communities where we operate. We believe that our sustainability strategy to embrace EESG areas such as labour practices and societal responsibilities is a holistic approach of inclusivity and contingency planning that serves as the foundation of our organisational culture.

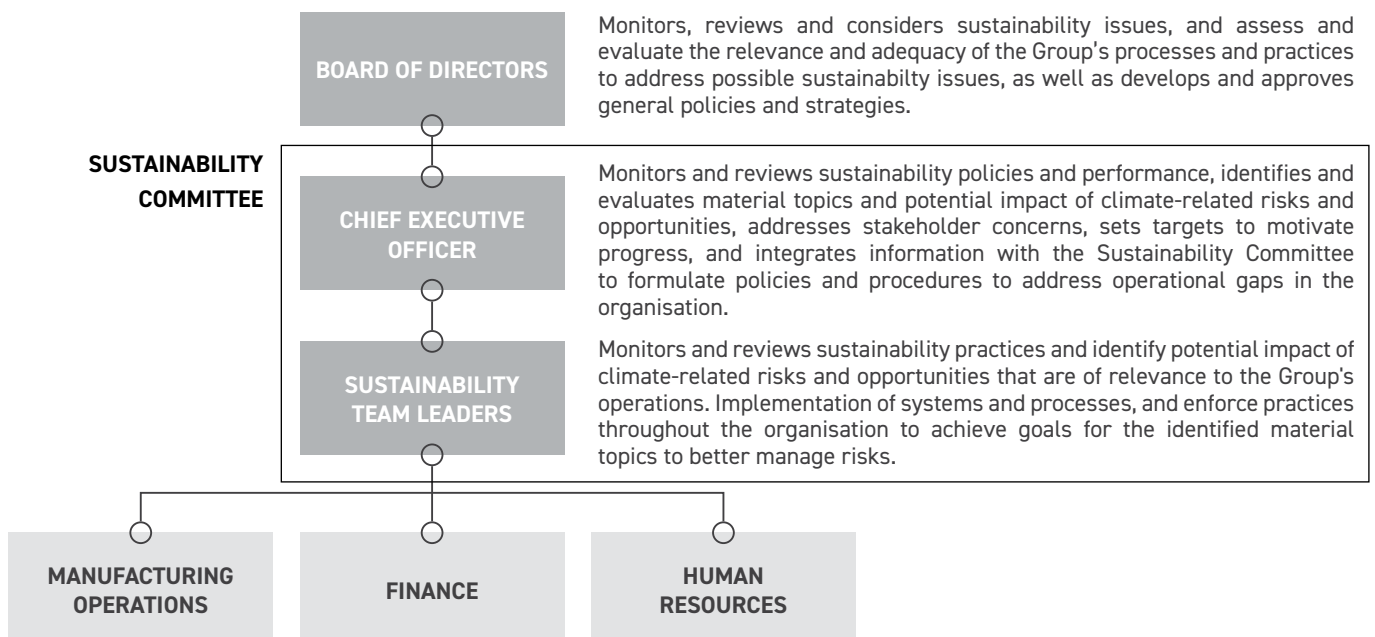
The Board and management, through this sustainability approach, cultivate sustainable values throughout the organisation and pass them on to our external stakeholders. We believe that addressing the EESG impacts from within will assist us in managing the risks and opportunities present in our business, thereby generating stable and sustainable value for our stakeholders.

We have in place the Sustainability Reporting Policy to strengthen our Group's commitment to sustainability, and it acts as a guide for our sustainability reporting. The Board has also kept up with the growing concerns about sustainability and climate-related topics through continuous training and education.

The Group's Sustainability Committee ("SC") comprised of key management executives that oversee the various departments in the organisation and the SC is overseen by the Group's Chief Executive Officer, who reports to the Board for advice and guidance. The SC will be informed of any sustainability concerns relating to the Group's risks and prospects, and it will then investigate the reported concern before reporting its findings to the Board. The Board effectively oversees the SC by assessing and evaluating the relevance and appropriate practices in place to address possible sustainability challenges. The Board will also consider these findings when developing strategies and policies to better manage future sustainability challenges. This approach helps to ensure that all EESG and climate-related matters material to the business are considered and addressed effectively.

While the Board's responsibility is to review and deliberate on the sustainability concerns, the SC has the responsibility to ensure that the EESG factors and climate-related matters are monitored on an ongoing basis and properly managed. The SC is responsible for reviewing the Group's sustainability performance and material topics, analysing climate-related risks and opportunities, addressing stakeholder concerns, setting targets and goals for material factors, and establishing systems to collect, verify, monitor, and report information required for sustainability reporting. The SC meets at least once a year to discuss, propose, coordinate, and promote the Group's sustainability practices.

The Group's sustainability governance structure is set out as follows:



We believe that the Group's ethos and conscientious efforts to manage our businesses responsibly demonstrate our appreciation for our stakeholders' trust and support, thereby safeguarding their interests.

STAKEHOLDER ENGAGEMENT

At UG Healthcare, we believe that sustainable operations necessitate regular communication among internal and external stakeholders. The Group remains committed to engaging with our stakeholders through effective communication and strengthening mutually beneficial relationships in order to grow sustainably together.

Sustainability reporting gives us a valuable opportunity to engage our stakeholders and respond to concerns that are most important to them and to our business, while also improving the Group's assessment in risk management, strategy development, and stakeholder engagement activities as we work to further focus and prioritise our sustainability and corporate social responsibility initiatives. We are committed to recognising and addressing our key stakeholders' concerns, as well as aligning our key stakeholders to participate in the Group's sustainable and steadfast growth journey.

We continue to engage with our stakeholders through multiple established communication channels to assess the material matters that are of concern to them and our business.

Our engagements with our key stakeholders are summarised below:

STAKEHOLDERS	AREAS OF CONCERN	OUR ENGAGEMENT APPROACH	OUR ACTIONS
INTERNAL			
Board of Directors	<ul style="list-style-type: none"> Ensure internal policies and practices are current and effectively implemented and monitored Regulatory compliance 	<ul style="list-style-type: none"> Board meetings Regular updates via electronic communications (emails, phone calls, virtual meetings) 	<ul style="list-style-type: none"> Regular updates on corporate activities, developments, and financial performance Seek advice and approvals from the Board on all material proposed developments
Employees	<ul style="list-style-type: none"> Career growth Training opportunities Competitive salaries and incentives Pleasant and safe working environment 	<ul style="list-style-type: none"> Regular internal communications through staff meetings and electronic communications (emails, phone calls, internal notices, virtual meetings) Training and development programmes Performance appraisal Employee feedback/survey 	<ul style="list-style-type: none"> Ensure effective implementation of human resources policies, internal systems and procedures Regular internal meetings to review safety and healthy work environment Sponsor employees to attend courses and conferences Annual review on performance

STAKEHOLDER ENGAGEMENT

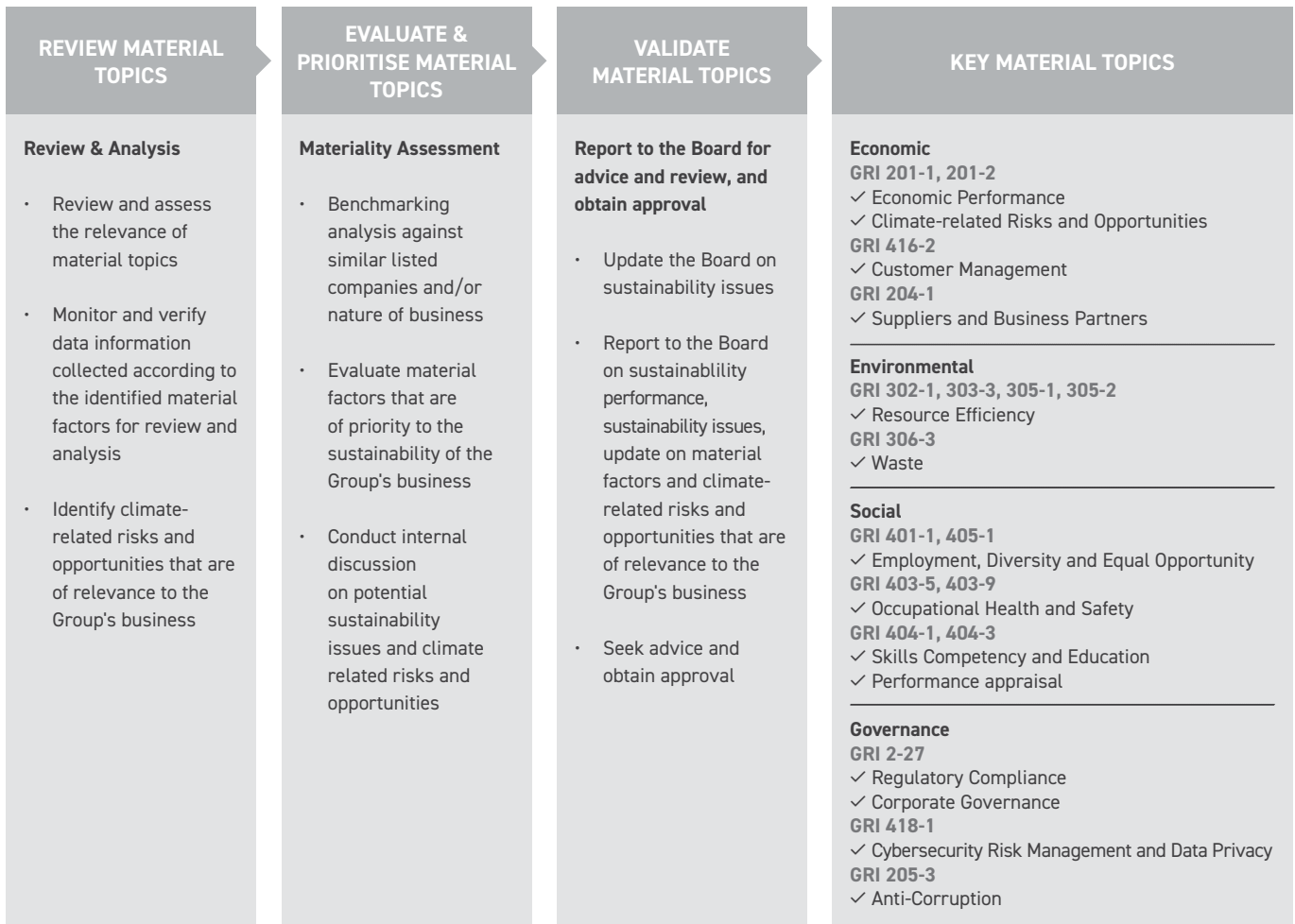
STAKEHOLDERS	AREAS OF CONCERN	OUR ENGAGEMENT APPROACH	OUR ACTIONS
EXTERNAL			
Government & Regulators	<ul style="list-style-type: none"> • Good governance practices • Regulatory compliance • Occupational health & safety • Environmental issues 	<ul style="list-style-type: none"> • Meetings • Mails • Electronic communications • Through external professionals and agencies • Announcements on SGXNet 	<ul style="list-style-type: none"> • Ensure compliance with applicable laws and regulations • Regular communication with external professionals and agencies • Correspondence with relevant authorities as and when necessary • Consistent update on relevant laws and regulations through seminars and training • Ensure all public disclosures are disclosed accurately and timely via official announcements as appropriate
Customers / Distributors	<ul style="list-style-type: none"> • Quality control • Reliability, on-time delivery, and after sales services • Technical support • Reasonable payment terms • Competitive pricing • Long-term working relationship 	<ul style="list-style-type: none"> • Regular customer feedback management (survey, face-to-face meetings) • Regular follow-up and support services (calls, face-to-face meetings) • Trade fair (trade show, exhibition) • Electronic communications (emails, phone calls, virtual meetings) 	<ul style="list-style-type: none"> • Certifications of ISO 9001, ISO 13485, and EN ISO 13485, and in compliance with ISO 14971 and EN ISO 14971 to assure consistent quality standards in products and services • Ensure all relevant requirements and compliance with standards are met for all products manufactured and sold • SMETA 4-pillar annual audit to assure products are produced ethically and responsibly • Regular internal meetings to review customers' fulfilment and evolving requirements • Active follow-up on customers' needs and product applications, as well as updates on new products • Provide timely responses to customers • Perform periodic evaluations to understand customers' perspectives
Suppliers / Business Partners	<ul style="list-style-type: none"> • Timely payment and adherence to agreed terms • Long-term working relationship 	<ul style="list-style-type: none"> • Regular interactions and updates with suppliers • Electronic communications (emails, phone calls, virtual meetings) 	<ul style="list-style-type: none"> • Regular review and feedback on the quality and evolving requirements • Ensure compliance with standards, relevant laws and regulations, as well as good corporate practices • Perform periodic evaluation
Shareholders & Investment Community	<ul style="list-style-type: none"> • Financial performance and investment returns • Business sustainability and profitability • Industry conditions and prospect • Market presence • Transparency and good governance 	<ul style="list-style-type: none"> • Announcements on SGXNet • Shareholders' general meetings • Investor relations (face-to-face meetings, emails, virtual meetings, conference calls) • Electronic communications (emails, virtual meetings) • Annual report • Company website 	<ul style="list-style-type: none"> • Ensure all public disclosures on corporate results and material developments are disclosed accurately and timely via official announcements as and when required • Half-yearly meetings with analysts and investment community to update on corporate developments • Ensure sustainable business growth

MATERIALITY ASSESSMENT

UG Healthcare did an internal review to determine the continued relevance of the material topics mentioned in FY23 for FY24. The criteria for the Company’s material analysis were explored and selected using industry standards, peer benchmarking against companies with similar businesses, and management awareness. The materiality assessment process and the material concerns identified are depicted in the chart below, and their importance was determined based on their impact on stakeholders as well as the Group’s business risks and opportunities. These material topics were also presented to the Board for review and approval before being included in this sustainability report.

The Company has, in alignment with TCFD recommendations, assessed and identified climate-related risks and opportunities for our business, particularly our upstream manufacturing division, and have them disclosed under the Economic topic. We intend to work towards greater maturity of climate-related disclosures in the coming years.

The sustainability reporting process and specific disclosures for each GRI Standard reported under the various material topics are set out in the chart below.



MATERIAL TOPIC: ECONOMIC

Economic Performance

GRI 201-1

The Group recorded 13.9% year-on-year revenue growth from S\$101.1 million in FY23 to S\$115.2 million in FY24, resulting from the expansion in our Europe's downstream distribution network in the second half of FY24, and a rebound in ASP of disposable gloves and ancillary products, as well as an increase in overall sales volume. These ancillary products include reusable gloves and personal protection equipment ("PPEs"), as well as a wide range of hygiene and healthcare products for infection control, hygiene and care, dental and wound care.

Higher revenue coupled with the Group's efficient resource management at both upstream manufacturing division and downstream distribution division, together with lower average purchase prices of raw materials and improved ASP of disposable examination gloves and ancillary products resulted in a significant increase in gross profit from S\$1.4 million in FY23 to S\$25.9 million in FY24. Correspondingly, gross profit margin increased from 1.4% in FY23 to 22.5% in FY24.

Overall, the Group managed to narrow net loss attributable to shareholders from S\$20.7 million in FY23 to S\$6.1 million in FY24.

Please refer to the following sections for more details on our operations and financial information:

- Business Operations on page 4 to 8
- Financial Highlights on page 10 of the Annual Report
- Performance Review on page 11 to 13 of the Annual Report
- Financial Statements on page 85 to 157 of the Annual Report

The Group made significant strides in FY24 by strategically expanding our product portfolio through the strategic acquisition of UG Nitrex, a company that specialises in the marketing and sale of a diverse selection of reusable gloves for heavy industrial applications, safety footwear, and other PPEs in Spain and neighbouring countries such as Portugal and France. Furthermore, we expanded our geographical footprint to encompass Southern Europe and Central Eastern Europe through increasing our equity interest in Unigloves Germany and the strategic acquisition of UG Nitrex.

The strategic expansions and stabilisation of the ASP of disposable gloves further enhance our OBM model for glove-related healthcare businesses, enabling us to prepare for the commissioning of our third glove manufacturing facility at the upstream manufacturing division.

The table below provides an analysis of our economic value distributed to various stakeholders, and the economic value retained.

FINANCIAL YEAR ENDED 30 JUNE (S\$'000)

	FY24	FY23	FY22
Economic value generated	115,205	101,133	232,598
Economic value distributed	(123,577)	(140,926)	(208,404)
Operating costs	(105,850)	(110,991)	(157,391)
Employee wages and benefits	(19,499)	(20,845)	(26,467)
Payments to providers of capital	(1,238)	(4,860)	(1,949)
Refund from/(Payments to) government by country (taxes)	3,010	(4,230)	(22,597)
Economic value (distributed)/retained	(8,372)	(39,793)	24,194

Notes:

- Operating costs include cost of sales, marketing and distribution expenses, administrative expenses, other expenses and exclude employee wages and benefits.
- Employee wages and benefits include Directors' remuneration and employee salaries.
- Payments to providers of capital denotes interest paid to banks and dividends paid to shareholders.
- Refund from/(payments to) government by country (taxes) denotes to income taxes refunded or paid.

Performance in FY24

- Achieved better financial performance, but did not achieve profitability in FY24.
- Expanded market presence in Southern Europe and Central Eastern Europe through strategic acquisitions.
- Retained its option to commence production at the third manufacturing facility as it was relatively more cost-efficient to outsource.
- Continued to progress in the non-glove related businesses, including obtaining all the necessary approvals for the commencement of development of the Active Retirement Home project.
- Recorded no incident of non-compliance with management controls and procedures.

Targets for FY25

- To achieve profitability with the strategic expansions of (i) product portfolio; and (ii) market presence in European markets.
- Strengthen OBM growth potential amid the normalisation of inventory replacement cycle and ASP of disposable gloves.
- Planning to commence production of the third manufacturing facility at the upstream manufacturing division.
- Continue to nurture the new identified businesses in the non-glove healthcare related sector.
- Continue to maintain no incident of non-compliance with management controls and procedures.

MATERIAL TOPIC: ECONOMIC

Climate-related Risks and Opportunities Customer Management

GRI 201-2

We recognise that the aim of the Task Force on Climate-related Financial Disclosures (“TCFD”) is to improve transparency of organisations’ climate-related risks and opportunities so that stakeholders, particularly investors, can make informed decisions on where to deploy their capital.

The Group is conscious of the hazards that climate change poses to both our industry and business, as well as to society at large. As part of our commitment to operating ethically and sustainably, we dedicate ourselves to understanding climate-related risks and opportunities and integrating solutions into our Group’s strategy and operations.

We have been gradually adopting the TCFD recommendations, as well as developing and reporting our Scope 1 and Scope 2 greenhouse gas emissions, to better understand our baseline emissions amid our ongoing expansions.

During FY24, we conducted an internal discussion with the Sustainability Team Leaders, who are management executives from various departments across the Group, to identify and assess possible climate-related risks and opportunities that are critical to the Group’s business sustainability.

The following table sets out the summary of the climate-related risk and opportunity that have been identified for the Group’s upstream manufacturing business, which we shall be prioritising in FY25 to develop the necessary action plans.

	CLIMATE-RELATED TRANSITION RISK	POTENTIAL FINANCIAL		
	TYPE & OPPORTUNITY	MATERIALITY	IMPACT	ACTION PLANS
Technology	High costs associated with adopting new energy-efficient technologies or upgrading existing infrastructure.	Medium to long-term risk	<ul style="list-style-type: none"> Capital investments in new technology development or upgrades to maintain competitiveness 	<ul style="list-style-type: none"> Review and invest in the latest energy-efficient technologies such as solar energy technology. Seek government or policy incentives to offset capital investment costs.
Energy Source	Incorporating solar energy alongside the electricity generated from non-renewable sources can contribute to reducing the carbon footprint.	Medium to long-term opportunity	<ul style="list-style-type: none"> Reduced operational costs through the use of solar energy, even though it is a small fraction of the total energy use compared to non-renewable electricity. 	<ul style="list-style-type: none"> Implement energy efficiency measures to maximize the use of available renewable energy.

Performance in FY24

- Conducted preliminary discussion on identifying and assessing possible climate-related risks and opportunities that are critical to the Group’s business sustainability.

Targets for FY25

- To expand coverage on possible climate-related risks and opportunities.
- To explore and consider the evaluation of the financial implications of the possible risks and opportunities, as well as the approach, and potential costs to manage these possible risks.

MATERIAL TOPIC: ECONOMIC

Customer Management

GRI 416-2

It has always been in our Group's ethos to nurture long-term business relationships with our customers. Our integrated OBM business that encompasses upstream manufacturing and downstream distribution for our proprietary **UNIGLOVES®** branded products, allows us to have greater control over the quality and reliability of our products, which are used by end users who require cross-infection protection and stringent hygiene requirements.

We are dedicated to maintaining our best practices and standards in order to meet the evolving needs of our end users across a variety of industries. This includes the development of appropriate hand protection solutions (both disposable and reusable gloves), as well as hygiene and healthcare-related ancillary products for their professional applications, thereby ensuring their safety. We are appreciative for the trust and brand loyalty our customers have demonstrated in our **UNIGLOVES®** branded products.

The direct interaction with our customers through our downstream distribution operations provides the Group the competitive advantage of understanding and responding to their requirements with the support of our upstream manufacturing operations.

Our upstream manufacturing is certified by the British Standards Institution for ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016, and in compliance with ISO 14971:2019 and EN ISO 14971:2019 for the scope of manufacture and supply of natural latex and nitrile latex examination gloves. The Group is also registered with the Supplier Ethical Data Exchange, a not-for-profit membership organisation dedicated to driving improvements in ethical and responsible business practices in global supply chains. Our manufacturing facilities are audited annually under the 4-pillar SMETA which covers (i) Labour Standards, (ii) Health & Safety, (iii) Environment and (iv) Business Ethics

Our proprietary brand of products continues to conform to various international standards and requirements. Please refer to the Business Operations section found on page 4 to 8 of the annual report for more details on the accreditations of our products.

In FY24, we maintained our track record of no incidents of non-compliance with relevant laws and regulations on customers' health and safety and will continue to uphold this target.

Performance in FY24

- Achieved targets set in FY24.
- Our manufacturing facilities and products continue to comply with all international safety and quality standards.
- Maintained strong brand presence and market position in key markets of Europe, Brazil, Nigeria, and China.
Expanded market presence in Southern Europe and Central Eastern Europe through strategic acquisitions.
- Expanded market presence in Southern Europe and Central Eastern Europe through strategic acquisitions.
- Recorded no incident of non-compliance with relevant laws and regulations on health and safety impacts of products and services.

Targets for FY25

- Maintain international standards of production and products produced are of high safety and quality standards.
- Continue to cultivate demand for proprietary **UNIGLOVES®** branded products through new markets and product portfolio expansions.
- Continue to maintain no incident of non-compliance with the relevant laws and regulations on health and safety impacts of products and services.

MATERIAL TOPIC: ECONOMIC

Suppliers and Business Partners

GRI 204-1

The Group remains committed to maintaining mutually beneficial partnerships with the local suppliers for our upstream manufacturing operations, whenever possible.

We believe that sourcing raw materials from local suppliers not only supports the local economy and sustainability of their businesses, but also enhances cost efficiency and ensures a consistent supply of raw materials for our upstream manufacturing operations.

We recognise that the sustainability of our Group's operations may be influenced by the sustainability of our suppliers and business partners. Hence, we cherish the trust and strong business relationships we have built with our suppliers and business partners to drive sustainable growth together.

In FY24, we observed an increased in our purchases from local suppliers in Malaysia, where our manufacturing operations are located. We had no disruptions in the availability of raw materials for our manufacturing processes, as we continue to receive excellent support from our long-term suppliers.

Proportion of Spending on Local Suppliers

TYPES OF RAW MATERIALS	FY24	FY23	FY22
Natural latex	9.6%	1.3%	3%
Nitrile	21.6%	19.8%	23%
Chemicals	100.0%	99.8%	99.0%
Packaging materials	100.0%	100.0%	100.0%

Performance in FY24

- Achieved targets set for FY24.
- Increase purchases for natural latex and nitrile and chemicals from local suppliers.
- No disruptions in the raw materials supply for our manufacturing operations.

Targets for FY25

- To maintain similar percentage of purchases locally as FY24.
- To maintain strong business relationships with our suppliers.

MATERIAL TOPIC: ENVIRONMENTAL

Resource Efficiency

GRI 302-1, 303-3, 305-1, 305-2

We have completed the installation of solar panels on the rooftop of our warehouse and office building at our upstream manufacturing facilities during FY24 in a bid to lower our energy consumption from non-renewable sources.

Our upstream manufacturing facilities primarily depend on electricity and natural gas for energy consumption. We primarily use natural gas for our production lines, which support functions such as drying processes, chemical heating, and glove manufacturing, while we use electricity for lighting, cooling, and equipment operation. We aim to reduce grid electricity consumption in the office and warehouse by using solar-generated electricity. Water consumption is primarily for production lines in the manufacturing facilities.

Our Group's OBM model with our proprietary **UNIGLOVES®** brand gives us the option to collaborate with third-party manufacturers, who have the competitive cost advantage to produce our products. As such, we delayed the commissioning of our third manufacturing facility with an installed production capacity of 1.2 billion pieces of gloves per annum in FY24 amid the ongoing consolidation of the global disposable glove industry.

Our total energy consumption for the Group's manufacturing facilities decreased by 34.0% year-on-year, from 966,271 gigajoules ("GJ") in FY23 to 637,575 GJ in FY24. The decrease in total energy consumed raised the average consumption of electricity per 1,000 pieces of gloves, which increased by 8.1% year-on-year, from 9.09 kWh in FY23 to 9.83 kWh in FY24, while the consumption of natural gas per 1,000 pieces of gloves decreased by 12.2% year-on-year, from 0.41 Metric Million British Thermal Unit ("MMBtu") in FY23 to 0.36 MMBtu in FY24.

The energy consumed was for the two existing manufacturing facilities as we have yet to commission the third manufacturing facility. The Group's overall greenhouse gas ("GHG") emissions reduced by 32.3% year-on-year, from 63,214 tonnes CO₂e ("tCO₂e") in FY23 to 42,803 tCO₂e in FY24.

Water consumed is provided by the local municipal water supply. The total volume of water consumed at the Group's upstream manufacturing facilities decreased by 29.5% year-on-year, from 1,432.2 megaliters ("ML") in FY23 to 1,009.0 ML in FY24. Water consumption for the average per 1,000 pieces of gloves produced decreased by 4.3% year-on-year, from 0.70 litre in FY23 to 0.67 litre in FY24.

With the stabilisation of the ASP of disposable examination gloves and the normalisation of inventory replacement cycles in our core markets, we are preparing to commence our third manufacturing facility. This production capacity will support our downstream distribution, which has expanded the geographical network in FY24. As a result, we will continue to monitor and quantify our environmental footprint, particularly energy and water consumption, in order to better understand our baseline consumption at normal operations situation to facilitate us in setting realistic targets.

Performance in FY24

- Recorded a decrease of 34.0% in total energy consumption from 966,271 GJ in FY23 to 637,575 GJ in FY24.
- The energy consumption of non-renewable sources decreased from 67,333 GJ of electricity and 898,938 GJ of natural gas in FY23 to 53,364 GJ of electricity and 583,895 GJ of natural gas in FY24.
- In FY24, renewable sources generated 316 GJ of electricity from solar energy.
- Overall GHG emissions decreased from 63,214 tCO₂e in FY23 to 42,803 tCO₂e in FY24.
- Total volume of water consumed reduced by 29.5% from 1,432.2 ML in FY23 to 1,009.0 ML in FY24.
- Average consumption of energy and water per 1,000 pieces of gloves produced in FY24 increased on the back of lower productivity.

Targets for FY25

- To monitor our overall energy and water consumption performance data.
- To raise production efficiency and productivity in order to reduce average consumption of energy and water per 1,000 pieces of gloves produced.

MATERIAL TOPIC: ENVIRONMENTAL

Energy consumed from non-renewable and renewable sources

GRI 302-1

ENERGY SOURCES / CONSUMPTION (IN GJ)	FY24	FY23	VARIANCE	FY22
Electricity	53,364	67,333	- 20.7%	78,082
Natural gas	583,895	898,938	- 35.0%	1,125,842
Solar	316	-	N.M.	-
Total energy consumed	637,575	966,271	- 34.0%	1,203,924

Direct (Scope 1) and Energy Indirect (Scope 2) GHG Emissions

GRI 305-1, GRI 305-2

GHG EMISSIONS (IN tCO ₂ e)	FY24	FY23	VARIANCE	FY22
Scope 1	32,867	50,683	- 35.2%	63,475
Scope 2	9,936	12,531	- 20.7%	14,532
Total GHG Emissions	42,803	63,214	- 32.3%	78,007

Note: Conversion factors are based on published statistics from the Department for Environment Food & Rural Affairs ("Defra") and Institute for Global Environmental Strategies.

Water consumed from third-party (local municipal water supply)

GRI 303-3

CONSUMPTION (IN ML)	FY24	FY23	VARIANCE	FY22
Total consumption	1,009.0	1,432.2	- 29.5%	1,804.8

Average consumption of energy and water per 1,000 pieces of gloves produced

AVERAGE CONSUMPTION	UNIT	FY24	FY23	VARIANCE	FY22
Electricity	kWh	9.83	9.09	+ 8.1%	8.11
Natural gas	MMBtu	0.36	0.41	- 12.2%	0.40
Water	litre	0.67	0.70	- 4.3%	0.67

MATERIAL TOPIC: ENVIRONMENTAL

Waste

GRI 306-3

The Group is committed to preserving and protecting the environment and has met all applicable environmental requirements and standards. We have industrial effluent treatment plants within our manufacturing facilities to treat effluent before discharging the wastewater into the environment. Our treatment plants are in compliance with Malaysia's Department of Environment.

We monitor and measure our waste materials from our manufacturing facilities, and most of the waste we manage originates from the production of natural latex and nitrile examination disposable gloves.

In FY24, our manufacturing facilities discharged 889,208 m³ of wastewater, a 29.0% year-on-year decrease from 1,252,626 m³ in FY23. The average wastewater discharge per 1,000 pieces of gloves decreased from 0.61 m³ in FY23 to 0.59 m³ in FY24, in tandem with the relatively lower quantity of gloves produced at our manufacturing facility in FY24.

An approved licensed collector will send the scheduled waste, which includes latex lumps, rubber sludge, laboratory waste, used oil, rags, ink, and empty containers, to the prescribed premises for recovery and disposal. The latex lump and rubber sludge will undergo an in-house drying and compressing process before they are disposed.

The scheduled waste in FY24 decreased by 1.1% year-on-year, from 1,341 metric tonnes ("MT") in FY23 to 1,326 MT. However, the average scheduled waste per 1,000 pieces of gloves increased by 31.8% year-on-year, from 0.66 kg to 0.87 kg. This was due to an increase in the variety of gloves produced, which required more frequent changes of the formulated latex in the dipping tanks, resulting in more latex lump waste. We strive to maintain good waste management efforts while meeting our customers' requirements.

When our third manufacturing facility starts production, we will continue to monitor our performance. We believe a better understanding of our baseline in normal operations situations would help us set realistic targets.

WASTE GENERATED	FY24	FY23	VARIANCE	FY22
Wastewater discharged	889,208 m ³	1,252,626 m ³	- 29.0%	1,522,842 m ³
Per 1,000 pieces of gloves	0.59 m ³	0.61 m ³	- 3.3%	0.57 m ³
Scheduled waste	1,326 MT	1,341 MT	- 1.1%	1,165 MT
Per 1,000 pieces of gloves	0.87 kg	0.66 kg	+ 31.8%	0.43 kg

Performance in FY24

- Recorded a 29.0% decrease in wastewater discharge from 1,252,626 m³ in FY23 to 889,208 m³ in FY24.
- Recorded a 1.1% decreased in scheduled waste from 1,341 metric tonnes in FY23 to 1,326 metric tonnes in FY24.

Targets for FY25

- To monitor on our overall performance when the third manufacturing facility is commissioned.
- Continue to maintain good waste management efforts.

MATERIAL TOPIC: SOCIAL

Employment, Diversity and Equal Opportunity

GRI 401-1, 405-1

At UG Healthcare, we are committed to fair employment practices and maintaining a working environment where our employees are respected and empowered to perform at their best. We believe that our employees' health, career growth, and well-being are integral to our Group's continuous growth and long-term success.

We value our employees as fellow colleagues with an aligned vision of doing well together in our roles and responsibilities. At UG Healthcare, we prohibit any form of forced labour, human trafficking, and modern slavery in our Group. The Group does not discriminate against our employees or new hires based on race, age, gender, religion, marital status, ethnicity, physical impairments, sexual preference, political viewpoints, or nationality. We handle recruitment, remuneration, promotion, and benefits based on an objective assessment of merit, equal opportunity, and non-discrimination.

While the Group has in place our staff handbook and human resources manual that adhere to the legislation and guidelines in the country of operations, we also conduct engagement sessions twice weekly, particularly for our foreign employees, through our HR Helpdesk programme to assist them when issues arise. We prioritised regular communication and education with our foreign employees to assist with their adjustments, and we support the nomination and election of employee representatives to protect the welfare of all nationalities.

During FY24, we conducted the Employee Representative Election exercise for the term from 2024 to 2026 and successfully appointed members among our foreign workers of diverse nationalities. The employees elected are placed in charge of ensuring the welfare of the nationalities. We also hold quarterly meetings with employee representatives to foster effective communication, enhance working relationships, and improve the workplace environment.

We have also established various communication channels for our employees to voice their issues and grievances to the management. These include suggestion boxes located at various points on the premises, online submission through the Employee Self Service ("ESS") system, or direct contact with any human resources personnel, either in person or via phone calls.

The centralised workers' accommodation with communal recreational amenities is still in progress. We remain committed to improving the living conditions and work-life balance of our foreign employees, who are currently staying in various rented hostels.

As the disposable glove manufacturing industry continues to undergo consolidation, our headcount decreased by 14.8% year-on-year from 1,054 employees in FY23 to 898 employees in FY24, and our hiring rate declined from 16.2% in FY23 to 10.4% in FY24. In FY24, all of our employees were full-time, compared to approximately 99.1% in FY23.

Performance in FY24

- Achieved target of no incident of non-compliance with the relevant laws and regulations related to fair employment practices which is in line with the target set for FY24.
- Maintained 95.9% of our workforce below the age of 50.
- Our gender diversity remained relatively consistent, with 85.3% of the workforce being male in FY24, up from 85.0% in FY23, by and large due to the nature of the industry.
- The rate of hiring new employees decreased to 10.4% in FY24 from 16.2% in FY23 due to ongoing consolidation in the glove manufacturing industry.
- Completed 4-pillar SMETA audit on Labour Standards, Health & Safety, Environment and Business Ethics.

Targets for FY25

- Continue to maintain no incident of non-compliance with the relevant laws and regulations in fair employment practices.
- Continue to monitor and review the recruitment procedure and systems to ensure fair and non-discrimination in hiring.
- Continue to conduct annual SMETA audits against 4-pillars.
- Continue to improve the diversity of our workforce in terms of gender diversity.

MATERIAL TOPIC: SOCIAL

Employee turnover was primarily due to natural attrition, and recruitment occurred as and when requirements arose. We offer competitive remuneration packages to all our employees, aligned with industry benchmarks and based on their working experience, and provide them with the option to work overtime in accordance with local employment law in Malaysia.

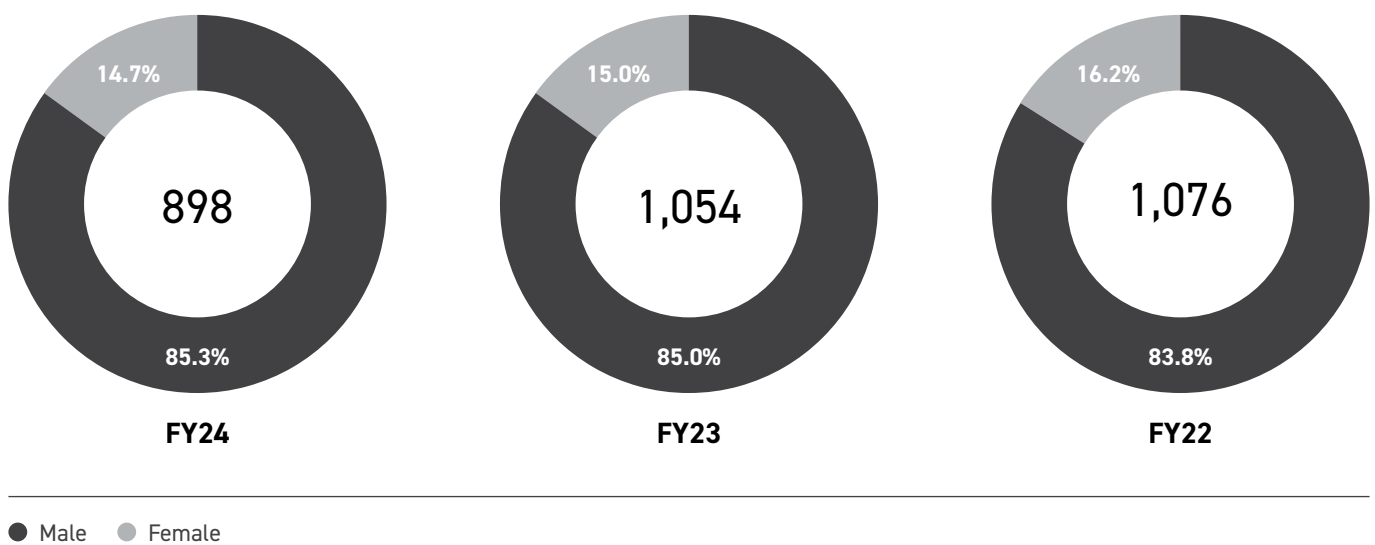
Due to the nature of the job, gender diversity is male-dominated industry-wide. In FY24, the gender diversity is comparable to that of FY23; approximately 85.3% of our employees are males and 14.7% are females, compared to 85.0% males and 15.0% females in FY23. Nonetheless, we continue to maintain a relatively young workforce, with 95.9% of our total employees under the age of 50 in FY24, as compared to 97.1% in FY23.

In FY24, we conducted our annual 4-pillar SMETA audit that covers Labour Standards, Health & Safety, Environment, and Business Ethics at our upstream manufacturing operations.

We are pleased to report that there were no incidents of non-compliance with the relevant laws and regulations related to fair employment practices during FY24, and we will strive to maintain this track record.

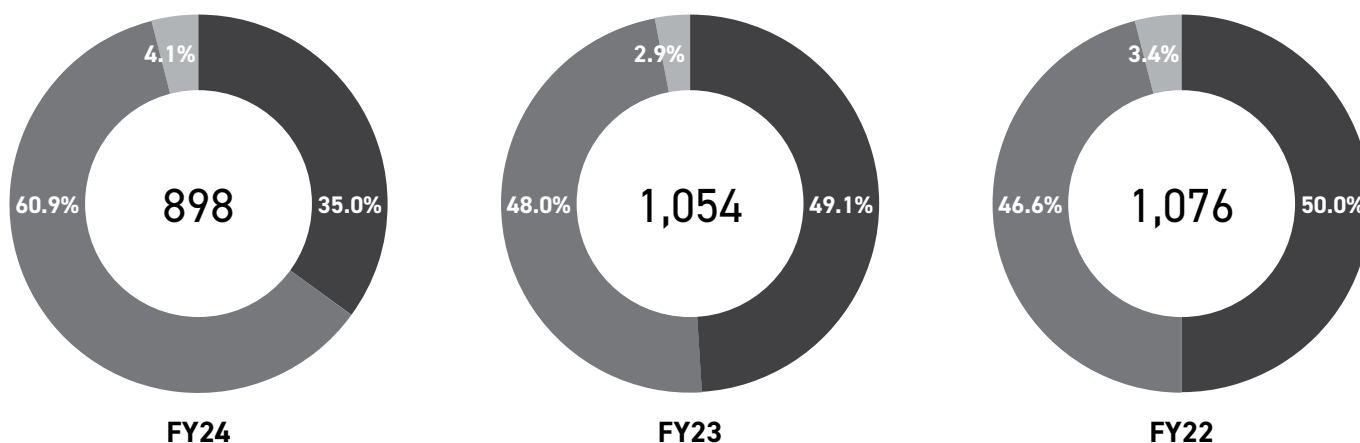
The demographics of our employees for our upstream manufacturing operations in Malaysia and corporate office in Singapore are as follows:

EMPLOYEES BY GENDER



MATERIAL TOPIC: SOCIAL

EMPLOYEES BY AGE GROUP



● Under 30 years old ● 30-50 years old ● Over 50 years old

DIVERSITY BY EMPLOYEE CATEGORY, GENDER, AND AGE GROUP

FYE 30 JUNE / EMPLOYEE CATEGORY	FY24			FY23		
	MGMT	EXEC	NON-EXEC	MGMT	EXEC	NON-EXEC
Group	3.9%	7.9%	88.2%	3.2%	9.0%	87.8%
	35	71	792	34	95	925
Diversity by Gender						
Male	51.4%	28.2%	91.9%	55.9%	33.7%	91.4%
Female	48.6%	71.8%	8.1%	44.1%	66.3%	8.6%
Diversity by Age Group						
Below 30	2.9%	46.5%	35.4%	2.9%	62.1%	49.4%
Between 30 – 50	74.3%	45.1%	61.7%	79.4%	32.6%	48.4%
Above 50	22.8%	8.4%	2.9%	17.6%	5.3%	2.2%

Note: Mgmt denotes senior management, Exec includes middle management and supervisor positions, and Non-Exec includes production and administrative positions.

DIVERSITY BY GENDER AND AGE GROUP ON HIRING RATE

FYE 30 JUNE / HIRING RATE	FY24		FY23		FY22	
	NUMBER	RATE	NUMBER	RATE	NUMBER	RATE
Diversity by Gender						
Male	71	7.9%	150	14.2%	253	23.5%
Female	22	2.5%	21	2.0%	104	9.7%
Diversity by Age Group						
Below 30	56	6.3%	96	9.1%	237	22.0%
Between 30 – 50	35	3.9%	74	7.0%	116	10.8%
Above 50	2	0.2%	1	0.1%	4	0.4%
Total new employees	93	10.4%	171	16.2%	357	33.2%

Note We compute the hiring rate using the total number of 898 employees as at 30 June 2024, 1,054 employees as at 30 June 2023, and 1,076 employees as at 30 June 2022.

MATERIAL TOPIC: SOCIAL

Occupational Health and Safety

GRI 403-5, 403-9

We acknowledged that our Group's workforce is of the utmost importance, and we are committed to providing a healthy and safe working environment for our people. We enforce a strong culture on health and safety within the organisation, which requires all members of our workforce to be leaders in creating a safe work environment. We believe that self-responsibility through regular reminders and education will reduce work-related injuries and accidents while also improving organisational cohesion.

We will continue to stay vigilant in identifying and managing occupational risk exposure, minimising occupational illness occurrences, and promoting healthy lifestyles. A Health & Safety Committee ("HSC") comprising employee representatives of various sections of the workplace is in place to meet every quarter to review and discuss the relevance and currency of the training courses, policies, and procedures.

The responsibilities of the HSC and its members include: (i) assisting in the development of safety and health rules and a safe system of work; (ii) reviewing the effectiveness of safety and health programmes; (iii) conducting studies on the trends of accidents, near-miss accidents, dangerous occurrences, and occupational hazards and reporting the same to the Group's management, along with recommendations for corrective actions; and (iv) reviewing the safety and health policies at the workplace and providing recommendations to the Group's management for any policy revision.

All employees will have to undergo courses to equip themselves with the necessary knowledge and skills required for their roles and responsibilities. New and existing employees are also required to attend trainings under our Occupational Health & Safety programme which includes health and safety policies, basic first aid training, emergency response training, safe work procedures, and work instructions on a regular basis.

The following safety requirements will be briefed and obeyed by our subcontractors and visitors before they enter into our manufacturing facilities:

- smoking in the manufacturing vicinity is strictly prohibited
- safety requirements to be fulfilled when handling equipment
- good housekeeping during and after completion of work
- emergency response procedure

In FY24, we had zero occurrences that led to fatality or permanent disability. Nevertheless, in FY24, we observed 23 recordable job-related injuries, which account for 0.03% of work days lost, as compared to 46 recordable work-related injuries in FY23, which resulted in 0.06% of work days lost. Despite the fact that the injuries were minor, we will continue to emphasise the health, safety, and well-being of our employees, ensuring that their livelihoods remain our primary concern.

FYE 30 JUNE /

WORK-RELATED INJURIES BY GENDER	FY24	FY23	FY22
Male	22	45	33
Female	1	1	0
Work days lost	0.03%	0.06%	0.02%

Note: Work days lost in percentage denotes total lost days due to injuries over total number working days of total workforce in the respective financial years.

Performance in FY24

- Achieved targets set for FY24.
- Recorded zero incidents resulting in fatality and permanent disability.
- Recorded no incident of non-compliance with the relevant laws and regulations relating to occupational health and safety.
- Recorded 23 recordable work-related injuries and 0.03% total work days lost in FY24, as compared to 46 incidents and 0.06% work days lost in FY23.

Targets for FY25

- We will continue to conduct regular refresher training for our employees to make sure they understand the policies and standard procedures, and we will continuously emphasise the importance of adhering to workplace safety standards and rules to minimise work-related injuries.
- To maintain the number of recordable work-related injury incidents to less than 40 cases annually.
- To maintain zero incidents resulting in fatality and permanent disability.
- To maintain no incidents of non-compliance with the relevant laws and regulations relating to occupational health and safety, providing a safe working environment, and protecting our employees from occupational hazards.

MATERIAL TOPIC: SOCIAL

Skills Competency and Education

GRI 404-1. 404-3

Our employees are our organisation's lifeline, and it is imperative that we maintain our practice of maximising the value of those who contribute to the success of our Group.

Through formal and on-the-job training programmes, UG Healthcare provides every employee with the opportunity to upgrade and improve their skills and knowledge. We select training programmes based on the roles and responsibilities of our employees. These training programmes include: i) hygiene and disease prevention measures; ii) basic occupational first aid, cardiopulmonary resuscitation ("CPR"), and automated external defibrillator ("AED"); iii) 5S Towards Quality Work Environment; iv) skills enhancement programmes; v) self-contained breathing apparatus ("SCBA") handling and training; vi) workplace safety; vii) administrative management methods and concepts; and viii) corporate culture and management. We will continue to look into ways to enable our employees to grow with the organisation.

We completed an aggregate of 2,506.5 training hours for 898 employees in FY24, with an average of 2.8 hours of training per employee. This represents a 54.8% decrease from the 5,543.8 training hours for 1,054 employees and an average of 5.3 hours of training per employee in FY23. The ongoing consolidation of the glove manufacturing industry post-pandemic was primarily responsible for the decrease in the number of employees due to the reduction in production activities, and thereby led to a reduction in training hours for production workers. We shall continue to monitor our performance to have a better understanding of our baseline in setting realistic targets.

Average Training Hours Per Employee

FYE 30 JUNE / EMPLOYEE CATEGORY	FY24			FY23		
	MGMT	EXEC	NON-EXEC	MGMT	EXEC	NON-EXEC
Average	20.7	19.1	0.5	22.6	18.5	3.3
Male	10.1	22.9	0.5	16.5	27.4	3.2
Female	32.1	17.6	0.4	30.3	14.0	4.0

We grant discretionary incentives to eligible employees based on their performance and contributions to the Group. We also conduct annual reviews with our employees, outlining a clear career progression path and arranging trainings to enable them to assume the necessary responsibilities. We regularly review remuneration policies and packages to ensure that the compensation and benefits align with industry standards. This helps the Group in recruiting and retaining talent.

All our full-time employees received annual performance evaluation in FY24.

Performance in FY24

- Recorded an average of 2.8 hours of training per employee for all employees at the upstream manufacturing division in Malaysia and corporate office in Singapore in FY24, a 54.8% decrease from an average of 5.3 hours of training per employee in FY23.
- All full-time employees received annual performance evaluation.

Targets for FY25

- Continue to explore new training programmes to upgrade the knowledge and skills of our employees.
- To monitor on our performance and understand the training requirements for all employees as the industry normalise before setting targets.
- To maintain annual performance evaluation for all full-time employees.

MATERIAL TOPIC: GOVERNANCE

Regulatory Compliance

GRI 2-27

At UG Healthcare, we understand that responsible business practices are essential to fulfilling our goal of providing quality and reliable hand protection solutions and personal protective equipment for users' professional applications in a variety of industries. We demonstrate this advocacy by implementing ethical and responsible policies and practices that are embedded at all levels of the organisation.

The Group remains committed to conducting our business in accordance with applicable social, economic, and environmental regulations and standards through internal checks and balances, as well as regular reporting and updates to the appropriate authorities and agencies. We think that strong corporate governance and compliance with regulatory obligations are the minimal standards, and we strive to exceed them.

We continue to proactively monitor, identify, and address a broader range of socioeconomic and environmental concerns, as well as possible risks and consequences on our global businesses that extend beyond our upstream manufacturing operations in Malaysia and corporate office in Singapore. We remain dedicated to conducting our business with integrity and safeguarding the interests of all stakeholders.

We are pleased to report that there were no socioeconomic or environmental violations of laws and regulations during FY24.

Corporate Governance

UG Healthcare's Board and management are committed to upholding excellent corporate governance and transparency standards in order to ensure the long-term viability of the Group's operations and safeguard the interests of all our stakeholders.

We will continue to uphold best practices in corporate transparency and disclosures, and we have systems and policies in place to ensure that we comply with applicable legislation and adhere to our risk management principles. The pursuit of corporate excellence always drives us to improve ourselves through a more transparent, accountable, and equitable structure.

Please refer to our annual report 2024 from pages 41 to 71, for more details on the Group's corporate governance practices, precautionary measures, and risk management structure.

Performance in FY24

- Achieved targets set for FY24.
- Recorded no incident of non-compliance with the relevant laws and regulations relating to social, economic, and environmental that could potentially result in internal disciplinary action or public allegation.
- Complied with the principles and guidelines set out in the Code of Governance 2018, where appropriate.
- Recorded no incident of non-compliance with management controls and procedures.

Targets for FY25

- Maintain no incident of non-compliance with the relevant laws and regulations in the social, economic, and environmental aspect.
- Maintain no incident of non-compliance with management controls and procedures.
- Continue to monitor and update the adequacy of the management controls and procedures as the Group reviews the impacts of climate-related issues on its operations and expansion plans.

MATERIAL TOPIC: GOVERNANCE

Cybersecurity Risk Management and Data Privacy

GRI 418-1

UG Healthcare values each individual's privacy and is committed to safeguarding the confidentiality, integrity, and availability of personal data collected in accordance with the principles outlined in our Information Technology ("IT") Policy and related guidelines.

The Group is committed to complying with the Personal Data Protection Act and all applicable laws. With the digital transformation trend, we are also stepping up efforts to establish systems and procedures in place to protect information about our businesses and key stakeholders, particularly our employees and customers. We have implemented various mitigation measures as part of our risk management approach to safeguard against IT system failure and malicious attacks. These include, but are not limited to, network firewalls and antiviral software.

In FY24, there were no breaches of customer privacy or identified leaks, thefts, or losses of customer data. We aim to maintain zero occurrences of customer or data privacy breaches in FY25, as we will remain vigilant and strictly adhere to all applicable rules and regulations.

Anti-Corruption

GRI 205-3

The Group remains committed to conducting our business with integrity and transparency with no compromise on corruption and bribery. We have zero tolerance for fraudulent and corrupt practices that may disrupt business operations and impede our growth.

We have implemented the Corruption Prevention Policy and Framework ("CPPF") and provided Anti-Corruption and Anti-Bribery Guidelines to our employees on how to take reasonable actions and steps to ensure the group does not engage in bribery activities.

We have also put into effect a number of policies, such as the Conduct and Discipline Policy, the Conflict-of-Interest Policy, and the Whistle-Blowing Policy, which serve as reminders to all members of the organisation about the importance of taking proactive steps to prevent, regulate, and facilitate the reporting of any illegal or unethical practices within the organisation.

In FY24, the Group continued to have zero bribery, extortion, fraud, or money laundering violations. We will continue to be vigilant in monitoring and keeping our policies and practices relevant and current.

Performance in FY24

- Achieved the target set for FY24.
- Recorded no incident of non-compliance on cybersecurity and data privacy.

Targets for FY25

- Maintain our track record of zero incidents of non-compliance on cybersecurity and data privacy.

Performance in FY24

- Achieved the target set for FY24,
- Recorded zero incident of non-compliance with the relevant laws and regulations that cover corruption, bribery, extortion, fraud, and money laundering.

Targets for FY25

- To monitor and keep policies and practices relevant and updated.
- Continue to maintain no incident of non-compliance with the relevant laws and regulations that cover corruption, bribery, extortion, fraud, and money laundering.

GRI CONTENT INDEX

Statement of use	UG Healthcare Corporation Limited has reported this information cited in this GRI Content Index for the period from 1 July 2023 to 30 June 2024 ("FY24") with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARDS	DISCLOSURE	REFERENCE
GRI 2: General Disclosures 2021	2-1: Organisational details	Sustainability Report ("SR") - Company Profile, page 1
	2-2: Entities included in the organisation's sustainability reporting	SR - Board Statement, page 9 to 10
	2-3: Reporting period, frequency and contact point	SR - Board Statement, page 9 to 10
	2-4: Restatements of information	SR - Board Statement, page 9 to 10
	2-5: External assurance	SR - Board Statement, page 9 to 10
	2-6: Activities, value chain, and other business relationships	SR - Letter to Shareholders, page 2 to 3 SR - Business Operations, page 4 to 8
	2-9: Governance structure and composition	SR - Sustainability Governance, page 11 Annual Report ("AR") - Board of Directors, page 14 to 16 AR - Corporate Governance Report ("CGR"), page 41 to 71
	2-10: Nomination and selection of the highest governance body	AR - CGR, page 46 to 52
	2-15 Conflicts of interest	AR - CGR, page 42
	2-16 Communication of critical concerns	AR - CGR, page 68 to 71
	2-17 Collective knowledge of the highest governance body	AR - CGR, page 42
	2-18 Evaluation of the performance of the highest governance body	AR - CGR, page 57 to 58
	2-19 Remuneration policies	AR - CGR, page 58 to 61
	2-20 Process to determine remuneration	AR - CGR, page 58 to 63
	2-22 Statement on sustainable development strategy	SR - Board Statement, page 9 to 10
	2-23 Policy commitments	SR - Board Statement, page 9 to 10 SR - Sustainability Governance, page 11 SR - Stakeholder Engagement, page 12 to 13
	2-24 Embedding policy commitments	SR - Sustainability Governance, page 11 SR - Materiality Assessment, page 14
	2-25 Processes to remediate negative impacts	AR - CGR, page 64 to 66
	2-26: Mechanisms for seeking advice and raising concerns	SR - Employment, Diversity and Equal Opportunity, page 22 to 24 SR - Occupational Health and Safety, page 25
	2-27: Compliance with laws and regulations	SR - Regulatory Compliance, page 27
2-28: Membership associations	SR - Customer Management, page 17	
2-29: Approach to stakeholder engagement	SR - Stakeholder Engagement, page 12 to 13	
GRI 3: Material Topics 2021	3-1: Process to determine material topics	SR - Materiality Assessment, page 24
	3-2: List of material topics	
	3-3: Management of material topics	

GRI CONTENT INDEX

GRI STANDARDS	DISCLOSURE	REFERENCE
GRI 201: Economic Performance	201-1: Direct economic value generated and distributed	SR – Economic: Economic Performance, page 15
	201-2: Financial implications and other risks and opportunities due to climate change	SR – Economic: Climate-related Risks and Opportunities, page 16
GRI 204: Procurement Practices 2016	204-1: Proportion of spending on local suppliers	SR – Economic: Suppliers and Business Partners, page 18
GRI 205: Anti-corruption 2016	205-3: Confirmed incidents of corruption and actions taken	SR - Governance: Anti-corruption, page 28
GRI 302: Energy 2016	302-1: Energy consumption	SR – Environmental: Resource Efficiency, page 19 to 20
GRI 303: Water and Effluents 2018	303-3: Water withdrawal	SR – Environmental: Resource Efficiency, page 19 to 20
GRI 305: Emissions 2016	305-1: Direct (Scope 1) GHG emissions	SR – Environmental: Resource Efficiency, page 19 to 20
	305-2: Energy Indirect (Scope 2) GHG emissions	
GRI 306: Waste 2020	306-3: Waste generated	SR – Environmental: Waste, page 21
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	SR – Social: Employment, Diversity and Equal Opportunity, page 22 to 24
GRI 403: Occupational Health and Safety (2018)	403-5: Worker training on occupational health and safety	SR – Social: Occupational Health and Safety, page 25
	403-9: Work related injuries	
GRI 404: Training & Education (2016)	404-1: Average hours of training per year per employee	SR – Social: Skills Competency and Education, page 26
	404-3: Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and equal opportunity (2016)	405-1: Diversity of governance bodies and employees	SR – Social: Employment, Diversity and Equal Opportunity, page 22 to 24
GRI 416: Customer Health and Safety 2016	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	SR – Economic: Customer Management, page 17
GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR – Governance: Cybersecurity Risk Management and Data Privacy, page 28

TCFD CONTENT INDEX

Based on the requirements in Rules 711A and 711B of the Catalist Rules as well as the SGX-ST's Sustainability Reporting Guide, we have outlined our climate-related disclosures based on TCFD Recommendations in the table below.

TCFD THEMATIC AREAS	RECOMMENDED DISCLOSURES	REFERENCE
GOVERNANCE		
Disclose the organisation's governance around climate-related risks and opportunities	Describe the board's oversight of climate-related risks and opportunities.	SR – Board Statement, page 9 to 10 SR – Sustainability Governance, page 11
	Describe management's role in assessing and managing climate-related risks and opportunities.	SR – Sustainability Governance, page 11
STRATEGY		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	SR – Economic: Climate-related risks and opportunities, page 16 Potential financial impacts have been identified in the TCFD table. SR – Economic: Climate-related risks and opportunities, page 16
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	The Group currently does not employ scenario analysis in identifying climate risks and opportunities. However, there are plans to integrate scenario analysis into our assessment of climate risks and opportunities in the future.
RISK MANAGEMENT		
Disclose how the organisation identifies, assesses, and manages climate-related risks	Describe the organisation's processes for identifying and assessing climate-related risks.	SR – Economic: Climate-related risks and opportunities, page 16 UG Healthcare is working progressively and it shall be disclosing more information in future reports.
	Describe the organisation's processes for managing climate-related risks.	UG Healthcare is working progressively on the processes for managing climate-related risks, and it shall be disclosing more information in future reports.
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	UG Healthcare is working progressively on the processes for managing climate-related risks, and it shall be disclosing more information in future reports.

TCFD CONTENT INDEX

TCFD THEMATIC AREAS	RECOMMENDED DISCLOSURES	REFERENCE
METRICS AND TARGETS		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>SR – Environmental: Resource Efficiency, page 19 to 20</p> <p>As part of UG Healthcare's annual sustainability reporting, we track metrics such as:</p> <ul style="list-style-type: none"> - Scope 1 and 2 GHG emissions - Consumption of both non-renewal and renewable energy, and water - Waste generated
	Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	<p>Scope 1 and Scope 2 GHG emissions are disclosed in our SR – Environmental: Resource Efficiency, page 19 to 20</p> <p>We have reported and compared our Scope 1 and Scope 2 GHG emissions for FY24 and FY23 based on our upstream manufacturing operations in Malaysia.</p> <p>We will review and develop and report our Scope 3 GHG emissions, as and when appropriate.</p>
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	UG Healthcare is working progressively and shall be disclosing more information in future reports.

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UGHEALTHCARE
CORPORATION

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