



# Innovation & Excellence

SUSTAINABILITY REPORT 2022

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## MESSAGE FROM THE GROUP CHIEF EXECUTIVE OFFICER

I present the Sustainability Report of Vicplas International Ltd ("Vicplas" or "the Company", and together with its subsidiaries, "the Group") for the financial year ended 31 July 2022 ("FY2022").

The past two years have undoubtedly been challenging for the Group. We ended FY2022 with the world's pandemic moving towards the endemic stage. While the world began to open up, it did so at an uneven pace, as each country responded to the pandemic in its own way. The ensuing shipping challenges, supply bottlenecks, and inflationary pressures required Vicplas to be even more resourceful, flexible and resilient so as to competitively deliver our products and services. I extend my gratitude to all our stakeholders for their support and commitment and am also grateful to our employees, who, despite the situations unique to each of their countries, have made sacrifices to keep the Group operating as smoothly as possible during this difficult time.

As highlighted in this FY2022 Sustainability Report, we continue to track the progress of the Group, and have shared our performance with regards to various material Environmental, Social and Governance ("ESG") topics. While we seek to grow our business, we are mindful of our social and environmental



impact in the areas that we operate in and are committed to integrate sustainable practices in our business operations. Along with our partners and customers, we work towards achieving a sustainable supply chain.

Vicplas will continue to build the right foundations that will enable the organisation to not just be sustainably resilient but progressively prosperous for all stakeholders in the years to come.

## ABOUT THE REPORT

This FY2022 Sustainability Report (“Report”) is our fifth report and describes the sustainability initiatives and performance for Vicplas International Ltd (“Vicplas” or “the Company”, and together with its subsidiaries, “the Group”) for FY2022. This Report has been prepared in accordance to the GRI Core Option and Singapore Exchange-ST Listing Rules Practice Note 7.6 Sustainability Reporting Guide. We have chosen the GRI Standards as a reporting framework as it is a well-known and globally-recognised sustainability reporting standard. We also referenced the United Nations 2030 Agenda for Sustainable Development and used the United Nations Sustainable Development Goals (“UN SDG”) to report on our sustainability performance.

The report covers all subsidiaries for which the Group has management control, except for Arrow Medical Limited, which is based in the United Kingdom. This entity was recently fully acquired and performance data has not yet been consolidated for this Report. We plan to include the data from this entity in our subsequent report. The Group’s corporate structure can be found on page 3 of this Report.

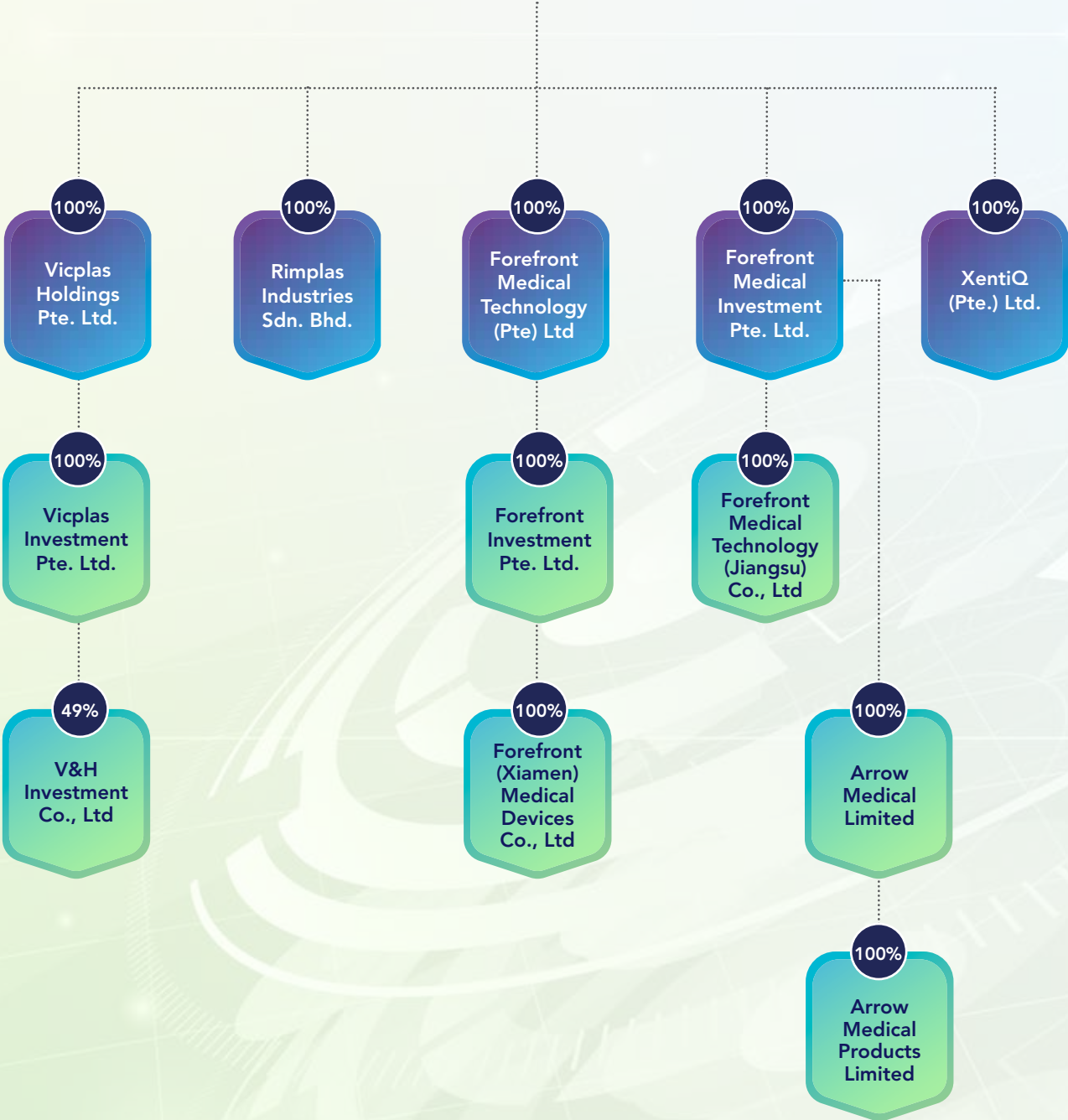
This Report is published annually and covers the same period as the financial year of the Company (1 August to 31 July). Our last sustainability report was published in December 2021. Where possible, we have shared historical information on our material topics, such as data from the previous financial years, to provide a meaningful basis for comparison. To allow for a better analysis of our performance data with respect to our business, we have reported the performance of our material topics based on business segments. This Report provides us with a valuable opportunity to engage our stakeholders and respond to issues that matter most to them and to our business.

The Report is currently not externally assured but external assurance may be implemented in the future.

We welcome comments and feedback on our sustainability report at [corporate@vicplas.com.sg](mailto:corporate@vicplas.com.sg).



# CORPORATE STRUCTURE



## SUSTAINABILITY GOVERNANCE

The sustainability focus for Vicplas is delivering long-term value for all our stakeholders: shareholders and investors, customers, suppliers, employees, the communities in which we operate and the future generation. We are committed to ensure that there is a strong ESG focus in the Company's strategy and business model and in its internal policies and processes.

Our Board of Directors (the "Board") considered sustainability issues in the Company's strategy formulation, determined the material ESG factors and has oversight of ESG matters. The Board is supported by the Sustainability Committee which is chaired by our Group Chief Executive Officer ("CEO") and includes designated senior executives. The Sustainability Committee sets sustainability targets and priorities for the Group and ensures that the Group develops the necessary capabilities to execute the various sustainability programmes.

Within the Sustainability Committee, a designated Sustainability Champion is responsible for driving the progress and ensuring a high level of engagement in the sustainability programmes and their success throughout the Group. The Sustainability Champion works closely with the Sustainability Team which comprises of representatives from different business units and functions to execute sustainability initiatives throughout the Group. In addition to implementing current sustainability initiatives, they also proactively seek and recommend additional areas for improvement. There is also a Sustainability Data Group within the Sustainability Team who gather and consolidate the sustainability performance data from the different business units for review each quarter.



# STAKEHOLDER ENGAGEMENT

We have identified five key stakeholder groups, namely, the environment and future generations, employees, customers, suppliers and communities. The channels we use to maintain dialogue with them are shown in the table below. For each group, the engagement method varies and includes formal and informal channels of communication. We are continuously improving the adequacy and effectiveness of our processes in response to changing regulatory, business and operation environment.

Stakeholders	Our Engagement Approach	Material Issues	What We Have Done	Where We Have Covered this in our Report
<b>Customers</b>	<ul style="list-style-type: none"> <li>Quarterly review meetings</li> <li>Annual customer satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>Safety of our products</li> <li>Customer data privacy</li> <li>Customer satisfaction and customer-centric approach</li> </ul>	<ul style="list-style-type: none"> <li>Ensure quality and safety of our services and products to our customers</li> </ul>	Building Trust with our Business Partners
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Annual supplier performance reviews</li> </ul>	<ul style="list-style-type: none"> <li>Environmental, labour and human rights impact in the supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Ensure suppliers are aware of and aligned to Vicplas' sustainability values related to areas such as the environment, human rights, labour practices and corporate governance</li> </ul>	Building Trust with our Business Partners
<b>Employees</b>	<ul style="list-style-type: none"> <li>Townhall meetings with senior management</li> <li>Employee training</li> <li>Annual performance reviews with one-on-one feedback</li> </ul>	<ul style="list-style-type: none"> <li>Workplace health &amp; safety</li> <li>Work life balance</li> <li>Training and development of employees on critical skillsets to sustain competitiveness</li> <li>Competitive compensation scheme</li> <li>Non-discrimination</li> <li>Diversity and equality</li> </ul>	<ul style="list-style-type: none"> <li>Create an ethical and professional working environment</li> <li>Safe working environment for employees</li> <li>Identify and attract people with knowledge and talent</li> </ul>	Caring for our Employees
<b>Community</b>	<ul style="list-style-type: none"> <li>Corporate social responsibility (CSR) programmes</li> </ul>	<ul style="list-style-type: none"> <li>Social and financial contributions to the community at large</li> </ul>	<ul style="list-style-type: none"> <li>Support a range of educational and community projects, providing both financial and in-kind donations to social enterprises and not-for-profit organisations</li> </ul>	Supporting our Community
<b>Future Generation</b>	<ul style="list-style-type: none"> <li>Sustainability Committee</li> </ul>	<ul style="list-style-type: none"> <li>Recycling of product material and packaging</li> <li>Reduction of carbon emissions</li> <li>Energy consumption</li> <li>Waste and pollution management</li> </ul>	<ul style="list-style-type: none"> <li>Enhance the Group employees' awareness on sustainability</li> <li>Set sustainability goals and targets with the aim to curb global warming, conserve natural resources and increase recycling of waste</li> </ul>	Protecting the Environment

## MATERIALITY

Vicplas' material issues were reviewed and updated in FY2022 to ensure the issues are relevant and current. We continued our consultations with key representatives from the various business segments and reviewed our material topics internally to take into account new businesses and the relevance of our material topics.

The table below summarises our material issues and the relevant GRI Standards which we have referenced in this Report. Items in asterisk (\*) are new GRI topic specific disclosures which we have included in our Report for FY2022, namely, GRI 303-3 covering water withdrawal (consumption) and GRI 305-3 on Scope 3 Greenhouse Gas ("GHG") emissions. In light of new requirements from SGX regarding TCFD<sup>1</sup>-aligned disclosures, we have also started to include Scope 3 GHG emissions in our Report this year.

Focus Areas	Material Topics	GRI Standard Topic Specific Disclosures
Building Trust with our Business Partners	<ul style="list-style-type: none"> <li>• Health &amp; safety impacts of products and services</li> <li>• Customer data privacy</li> <li>• Anti-corruption</li> <li>• Socioeconomic compliance</li> <li>• Environmental compliance</li> </ul>	GRI 416-2 GRI 418-1 GRI 205-3 GRI 419-1 GRI 307-1
Protecting the Environment	<ul style="list-style-type: none"> <li>• Energy consumption</li> <li>• Reducing Greenhouse Gas ("GHG") emissions</li> <li>• Water consumption</li> </ul>	GRI 302-1 GRI 305-1, 305-2, 305-3* 305-4 GRI 303-3*
Caring for our Employees	<ul style="list-style-type: none"> <li>• Employee relations</li> <li>• Training and development</li> <li>• Occupational health &amp; safety</li> </ul>	GRI 401-1 GRI 404-1 GRI 403-9



<sup>1</sup> Task Force on Climate-related Financial Disclosures



## ALIGNMENT WITH THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDG)

Vicplas supports the global effort to achieve the 17 SDGs that are intended to address the world's shared challenges of poverty, inequality, climate change, environmental degradation, peace and justice. The table below highlights our efforts and where we have the largest opportunity for impact.



- Our plastic product lines from our pipes and pipe fittings segment are free of heavy metals such as lead and are manufactured in compliance with the Restriction of Hazardous Substances Directive 2002/95/EC (RoHS 1). The restricted materials are hazardous to the environment and pollute landfills, and are dangerous in terms of occupational exposure during manufacturing and recycling. By ensuring that our products are RoHS compliant, we help to reduce injury to people and damage to the environment



- We recognise the importance of women participation and equal opportunities for leadership in the organisation – 20% of our Board comprises of females, and 20% of our senior management team is represented by females.
- 58% of our workforce comprises of females.



- We have increased our staff strength by 4% to a total of 1,153 employees in Singapore, China and Malaysia. The increase in staff strength is mainly to support the medical devices segment in Singapore and China.
- All our employees are paid fair wages and accorded employment benefits in line with local regulations.



- As part of our continuous efforts to reduce our damage to the environment, Forefront Medical Investment Pte. Ltd. and Vicplas Holdings Pte. Ltd. attained ISO 14001:2015 Environmental Management Systems and ISO 50001:2018 Energy Management Systems certifications in FY2022 and improved our manufacturing process to reduce our use of resources, energy and waste. We are also exploring ways to reduce our GHG emissions from our work activities.



- Vicplas does not tolerate any form of discrimination based on nationality, race, religion or political inclination that could compromise equal opportunities in the recruitment process and career development.

## TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT

10 Principles of the UN Global Compact	Where We Have Covered this in our Report
<b>Labour</b>	
1. Businesses should support and respect the protection of internationally proclaimed human rights.	Caring for our Employees
2. Businesses should make sure that they are not complicit in human rights abuses.	
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	
4. Businesses should work towards the elimination of all forms of forced and compulsory labour.	
5. Businesses should work towards the effective abolition of child labour.	
6. Businesses should work towards the elimination of discrimination in respect of employment and occupation.	
<b>Environment</b>	
7. Businesses should support a precautionary approach to environmental challenges.	Protecting the Environment
8. Businesses should undertake initiatives to promote greater environmental responsibility.	
9. Businesses should encourage the development and diffusion of environmentally friendly technologies.	
<b>Anti-Corruption</b>	
10. Businesses should work against corruption in all its forms, including extortion and bribery.	Building Trust with our Business Partners

## BUILDING TRUST WITH OUR BUSINESS PARTNERS

### GRI 416-2 Health & safety impacts of products and services

We are committed to providing products with the highest level of quality and product safety. The conformity of the products, systems, and processes is periodically checked and confirmed at our various plants through internal and external audits. Vicplas has successfully implemented the requirements of the following certification-relevant standards in our manufacturing locations worldwide to ensure compliance with customer and regulatory requirements:

Business Segment	Certifications
Medical Devices	<ul style="list-style-type: none"> <li>All the subsidiaries have certifications of EN ISO13485:2016 and, with the exception of XentiQ (Pte.) Ltd., are registered under the United States Food and Drug Administration (FDA) as a "contract manufacturer for medical devices" and accreditation certificate of foreign medical device manufacturer from Japan Ministry of Health, Labour and Welfare.</li> <li>Forefront Medical Investment Pte. Ltd. has a Class A, B, C, D Medical Device manufacturer license registered under Health Science Authority (HSA) Singapore and Certificate of GMP from South Korea Ministry of Food and Drug Safety.</li> <li>Forefront Medical Technology (Jiangsu) Co., Ltd has a Class II Medical Device Manufacturing License in China and Certificate of GMP from South Korea Ministry of Food and Drug Safety.</li> <li>In FY2022, Forefront Medical Investment Pte. Ltd. obtained the following certifications – ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018.</li> </ul>
Pipes and Pipe Fittings	<ul style="list-style-type: none"> <li>All subsidiaries have certifications of ISO 9001:2015 Quality Management System.</li> <li>In FY2022, Vicplas Holdings Pte. Ltd. obtained the following certifications – ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018.</li> </ul>

Since 2016, we have reformulated our plastic product lines and eliminated heavy metals such as lead from our pipes and pipe fittings in accordance with the Restriction of Hazardous Substances Directive 2002/95/EC (RoHS 1) adopted in February 2003 by the European Union. This was done to safeguard the health of employees handling production as well as to prevent environmental pollution. In FY2021, Vicplas Holdings Pte. Ltd. was the first PVC pipes and pipe fittings producer in Singapore to obtain a Green Mark from Singapore Green Building Council and this was subsequently followed by obtaining our 2<sup>nd</sup> and 3<sup>rd</sup> Green Mark<sup>2</sup> in FY2022. We are currently pursuing the 4<sup>th</sup> Green Mark.

Our supplier relationship management approach enables us to manage suppliers effectively, while focusing on our most critical suppliers to maximise value and reduce risks in our supply chain. We

currently have more than 500 suppliers providing goods and services to the Group. We engage in regular, open dialogue with key suppliers to develop strong positive relationships and to ensure that their goods and services are aligned to our business requirements and sustainability objectives.

In FY2022, Vicplas did not have any incidents of product recall or incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of our products and services. We aim for continual improvement and to ensure our products and services fully comply with customer and regulatory health and safety requirements.

### GRI 418-1 Customer data privacy

Ensuring safety and privacy of our customers' data is of great priority to Vicplas. In addition to

<sup>2</sup> <https://web.sgbc.online/public/product/5/51/products>

## BUILDING TRUST WITH OUR BUSINESS PARTNERS

processes and controls in place for handling and communicating sensitive and confidential information of our customers such as contracts, customer orders and service delivery orders, we also have in place information security policies to ensure our customers' data are managed in accordance with the level of confidentiality required and that information is only provided on a need-to-know basis.

In FY2022, we have not had any incidents of breaches of customer data privacy. We continue to implement and improve our existing controls to ensure that there are no breaches of customer data.

### **GRI 205-3 Anti-Corruption**

Corruption is a threat to our business and the societies in which we operate. It can undermine legitimate business activities, distort competition, damage reputations and expose individuals to risk. As a listed company on the Singapore Exchange (SGX), we adopt the Code of Corporate Governance as required in the Listing Rules. Our corporate governance framework covers ethics and compliance through a Code of Conduct as well as action guidelines which are to be adhered by the officers and employees across the organisation. Every new employee is introduced to our Code of Conduct and our policies on ethics and compliances which includes areas such as anti-corruption. Communication channels, such as the Whistle-Blowing Policy, are in place to enable all employees and individuals engaged in business activities to report complaints of unethical behaviour. We have a dedicated officer who maintains a register of incidences regarding ethics and compliance issues and escalates to the Board, Audit and Risk Committee and/or management, as appropriate.

In FY2022, there were no cases of corruption, no employees were dismissed or disciplined for corruption, and no contracts with business partners were terminated due to violations related to corruption. We shall continue to train and raise awareness among employees using the company's various business conduct policies to maintain full compliance in the area of anti-corruption.

### **GRI 419-1 Socioeconomic compliance, GRI 307-1 Environmental compliance**

Vicplas' operations are subject to requirements through sector specific laws, regulations, and national licenses. Implementation and monitoring of our legal compliance is supported by various functional teams, including Human Resources and Health, Safety and Environment. We have policies, procedures and programmes in place to prevent potential violations or non-compliance and monitor our practices through risk-based due diligence processes. We take actions where issues arise in our operations and, where issues are linked to third-party operations, we communicate and encourage them to prevent, mitigate and address them.

In FY2022, we have no cases of socioeconomic or environmental non-compliance. We shall continue to proactively monitor our operations closely to ensure that we maintain zero cases of non-compliance.

### **How we have worked with our business partners during the pandemic**

The COVID-19 pandemic has been a challenging time for businesses and individuals. Vicplas made several strategic adjustments to accommodate and ease the burden on our customers and suppliers alike. We also explored opportunities to assist in the overall government's approach in tackling the pandemic – this included accommodating customers' irregular schedules due to work disruptions and safe management measures which made delivery challenging; there was a surge in raw material prices and increases in operating cost but not all the cost was passed on to our customers; we are also currently holding a higher inventory of raw materials and finished goods for our customers to mitigate any possible delays.

For our suppliers, we work closely with them to ensure that they carry a higher volume of inventory. During global shortages, when raw materials were on allocation, we were well supported by our regular regional suppliers because of our long-term business relationship with them. Despite some delays in cargo arrivals to Singapore, we managed to meet manufacturing demand with buffer stocks, and also fulfilled all contractual obligations.

## PROTECTING OUR ENVIRONMENT

We have embraced various green practices in our business and operations. Our pipes and pipe fittings are used in buildings (residential, commercial and industrial), hydro-agriculture applications (plastic pipes and channels) as well as for civil engineering (telecommunication pipelines, power grid pipelines and infrastructure works).

Since 2016, we have reformulated our plastic product lines and eliminated heavy metals such as lead from our pipes and pipe fittings in accordance with the Restriction of Hazardous Substances Directive 2002/95/EC (RoHS 1) adopted in February 2003 by the European Union. The restricted materials are hazardous to the environment and pollute landfills, and are dangerous in terms of occupational exposure during manufacturing and recycling. By ensuring that our products are RoHS compliant, we help to reduce injury to people and damage to the environment.

We are pleased to announce that in FY2022, Forefront Medical Investment Pte. Ltd. and Vicplas Holdings Pte. Ltd. attained certifications for ISO 14001 Environmental Management System, ISO 45001 Occupational Health and Safety Management System, and ISO 50001 Energy Management System. We believe that these standards will help us to improve our use of resources, energy performance, waste management and pollution prevention, which, in the larger context of sustainability, can play a part in combating climate change. We are working toward reducing or preventing GHG emissions from our activities, and continually seek new and innovative ways to reduce the environmental impact of our products and services.

### Reducing Greenhouse Gas (GHG) Emissions

**GRI 302-1 Energy consumption, GRI 305-1 Direct (Scope 1) GHG Emissions, GRI 305-2 Energy indirect (Scope 2) GHG emissions**

### **GRI 305-3 Other indirect (Scope 3) GHG emissions**

We recognise that climate change could have a deep impact on the global environment, society, and economic systems, and we aim to reduce greenhouse gas emissions and to improve eco-efficiency along our value chain. We strive to embed continuous improvement in manufacturing, energy efficiency and consumption across the value chain.

We have also disclosed the energy and GHG intensity based on the revenue for each business segment. We believe that this will help us to better measure our progress year-on-year as we identify opportunities to reduce our GHG emissions and work towards a low carbon economy.

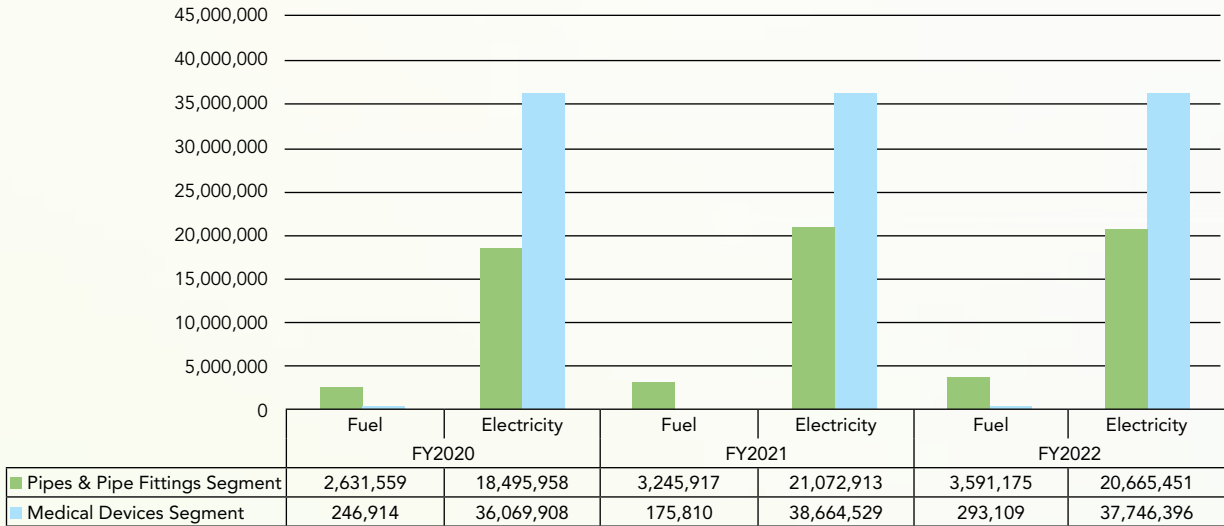
Our total energy consumed from both the pipes and pipe fittings segment and medical devices segment in FY2022 was 62,302 GJ, which is approximately 1% less than the 63,159 GJ consumed in FY2021. The medical devices segment consumed 38,044 GJ of energy, while the pipes and pipe fittings segment consumed 24,258 GJ of energy.

The total Scope 1 and Scope 2 GHG emissions from both business segments was 11,409 tCO<sub>2</sub>e, with approximately 73% of the emissions attributable to the medical devices segment. Scope 2 emissions comprises 75% of the GHG emissions from the medical devices segment. The GHG emissions from the pipes and pipe fittings segment decreased by 1% in FY2022 due to a decrease in production output compared to FY2021. GHG emissions from the medical devices segment decreased by 2% in FY2022 as a result of energy saving initiatives rolled out in the various plants. This has resulted in an overall decrease of approximately 2% in GHG emissions in FY2022 compared to FY2021, despite an increase in revenue in both segments.

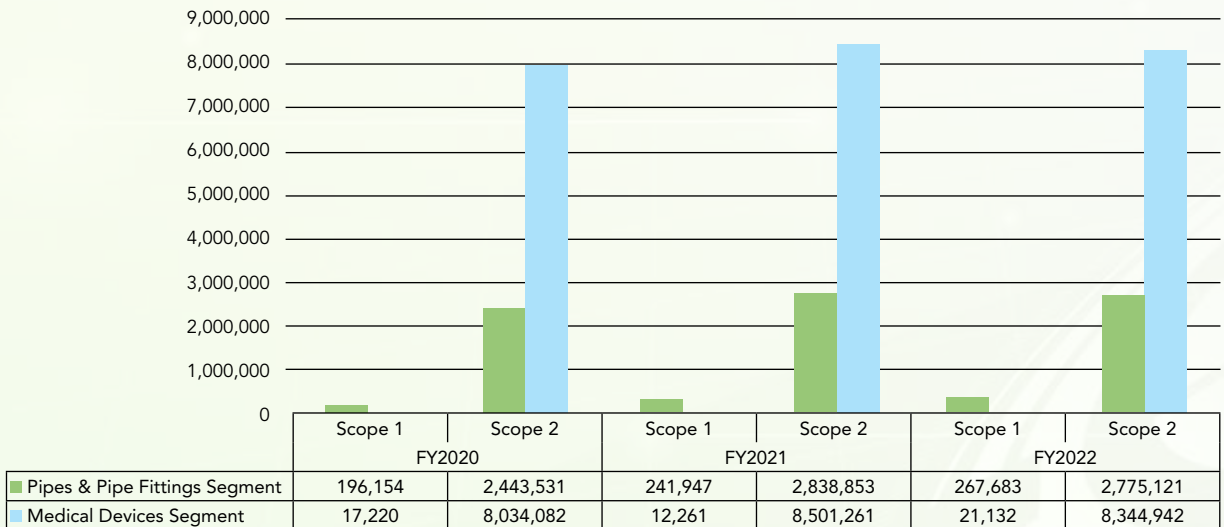
To better explain our GHG emissions performance, we have also included below, the GHG emissions intensity which compares our emissions against revenue. Detailed 3-year performance data on GHG emissions for our business segments can be found in the section on Performance Data on page 18 - 21.

# PROTECTING OUR ENVIRONMENT

Energy Consumed (MJ)



GHG Emission (kgCO<sub>2</sub>e)



Source of conversion factors and emission factors: IPCC 2006

In FY2022, we embarked on data collection for some key activities in our value chain to report on our Scope 3 emissions. We understand that Scope 3 emissions are complex and cover numerous categories, thus in this Report, we have reported on the following categories of Scope 3 emissions. We will continue to monitor and report on our Scope 3 emissions in subsequent reports.

- Category 1: Purchased goods and services (water use)
- Category 3: Fuel and energy related activities not included in Scope 1 or 2

Our overall Scope 3 emissions in FY2022 for the above two categories was 73.5tCO<sub>2</sub>e, with the breakdown as follows:

- Category 1: Purchased goods and services (water supplied) 5.7tCO<sub>2</sub>e
- Category 3: Fuel and energy related activities not included in Scope 1 or 2 67.8tCO<sub>2</sub>e

Source of conversion factors: DEFRA 2021

# PROTECTING OUR ENVIRONMENT

## GRI 305-4 GHG emissions intensity

Based on our Scope 1 and Scope 2 emissions, the GHG emissions intensity for the medical devices segment in FY2022 was 90.3 tCO<sub>2</sub>e per million Singapore dollars revenue, which is approximately 15% lower than the GHG emissions intensity from FY2021. The GHG emissions intensity for the pipes and pipe fittings segment was approximately 79.7 tCO<sub>2</sub>e per million Singapore dollars revenue, which is 13% lower than the GHG emissions intensity from FY2021. Our target is to reduce our emissions intensity by at least 1% per year, and we have been able to achieve that in FY2022 for both the business segments. As we track and monitor our total GHG emissions and GHG intensity, we aim to identify opportunities for improvement to make our processes more energy efficient and will continue to improve on our emissions reduction in the coming financial year ending 31 July 2023 ("FY2023").

## Water Stewardship

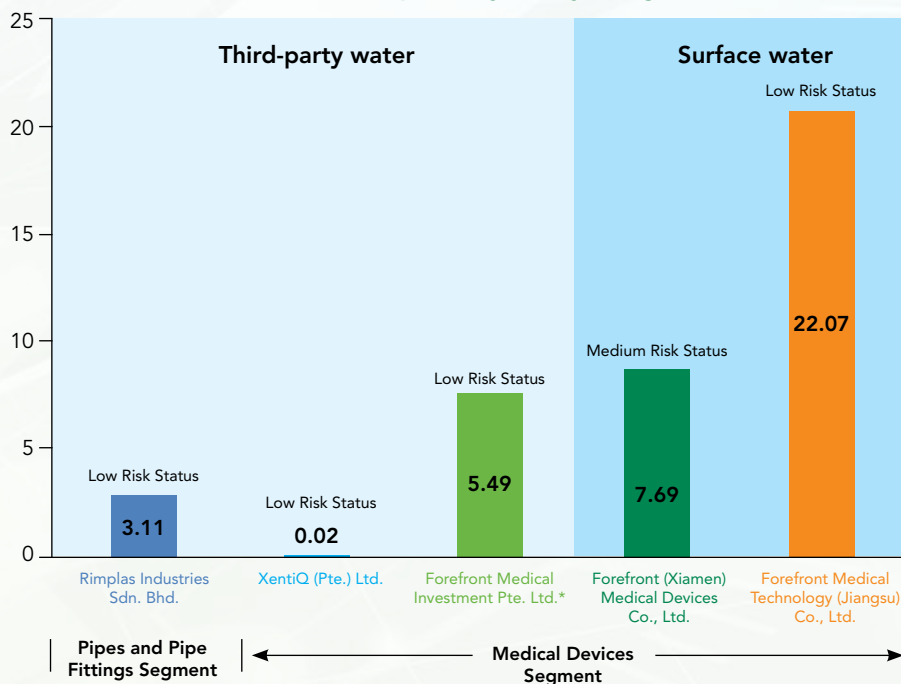
### GRI 303-3 Water Consumption

Freshwater is a critical part of our business, and Vicplas is committed to the effective use of limited

water resources. The dominant freshwater use in our China operations in Jiangsu and Xiamen is for cooling and manufacturing purposes. In FY2022, Vicplas has not had production from or withdrawn water from areas of high or extremely high baseline water stress as described by the Aqueduct® tool<sup>3</sup> (owned by World Resources Institute). Based on the Aqueduct® tool, the locations where the Group's manufacturing facilities are located are classified as low baseline water stress areas, except Xiamen, which was identified as medium baseline water stress. In Xiamen, the majority of water supply comes from the Jiulong River rather than a local source. The Jiulong River is the main river system running through several districts before entering Xiamen coastal seas.

As part of our efforts to improve the efficiency of water consumption, we have started to collect data for our various sites to better understand our baseline data. In FY2022, based on data available, our total water consumption was 38.4 megaliters. In FY2023, we shall continue to monitor our water consumption performance for the various sites so as to better understand our baseline and identify opportunities for improvement.

Water Consumption by Entity (Megaliter)



Vicplas Holdings Pte. Ltd. is excluded as data was not available

\* Water consumption data from Forefront Medical Technology (Pte) Ltd is reported as part of Forefront Medical Investment Pte. Ltd.

<sup>3</sup> <https://www.wri.org/applications/aqueduct/water-risk-atlas/>

# CARING FOR OUR EMPLOYEES

## GRI 401-1 Employee Relations

Our people are our most valuable resource and investing in their professional and personal well-being is vital to our business. We recognise that a motivated workforce will convey a positive and powerful message to all our key stakeholders, such as our customers, suppliers and the community. By engaging, nurturing, empowering and rewarding our employees, we create an environment conducive for innovation and continuous improvement to further boost our competitiveness. Such commitment to our employees promotes a corporate culture of passion, quality, excellence and trust within the organisation which reflects in our ability to create sustainable value to our stakeholders.

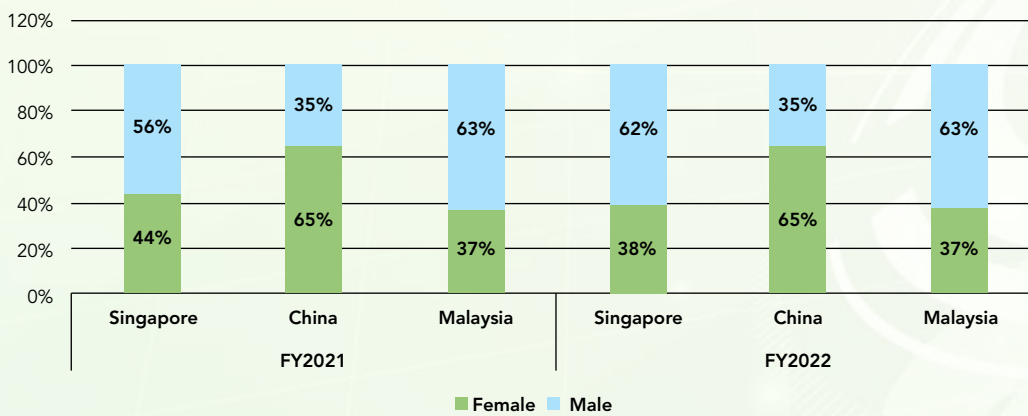
Our Human Resource (“HR”) management principles and policies are guided by the Singapore Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP)<sup>4</sup> and established based on fair employment practices with the goal of attracting, supporting and retaining a motivated workforce. Our employment practices focus on maximising the strength of our employees by providing equal opportunities based on merit, and helping our employees to develop professionally through various training and development programmes. We regularly review the

performance and development of our employees and our performance-based reward scheme which provides guidance and motivation to our employees to perform to their potential in alignment with the objectives of the company.

In FY2022, our headcount increased by approximately 4% to a total of 1,153 employees as of 31 July 2022 across all our locations in Singapore, China and Malaysia. The largest increase in headcount was from the medical devices segment, to cope with the increase in orders from its customers. We had an overall turnover rate<sup>5</sup> of 25% and a hiring rate<sup>6</sup> of 23%. The turnover rate was largely due to the medical devices segment’s entities in China, which are operating in a tight labour market.



Profile of our employees based on gender, in Singapore, China and Malaysia



Data on gender profile in FY2021 have been restated for Singapore, China and Malaysia.

<sup>4</sup> The Tripartite Alliance for Fair and Progressive Employment Practices (TAFEP) was set up in 2006 by the tripartite partners (Ministry of Manpower, National Trades Union Congress, and Singapore National Employers Federation), to promote the adoption of fair, responsible and progressive employment practices.

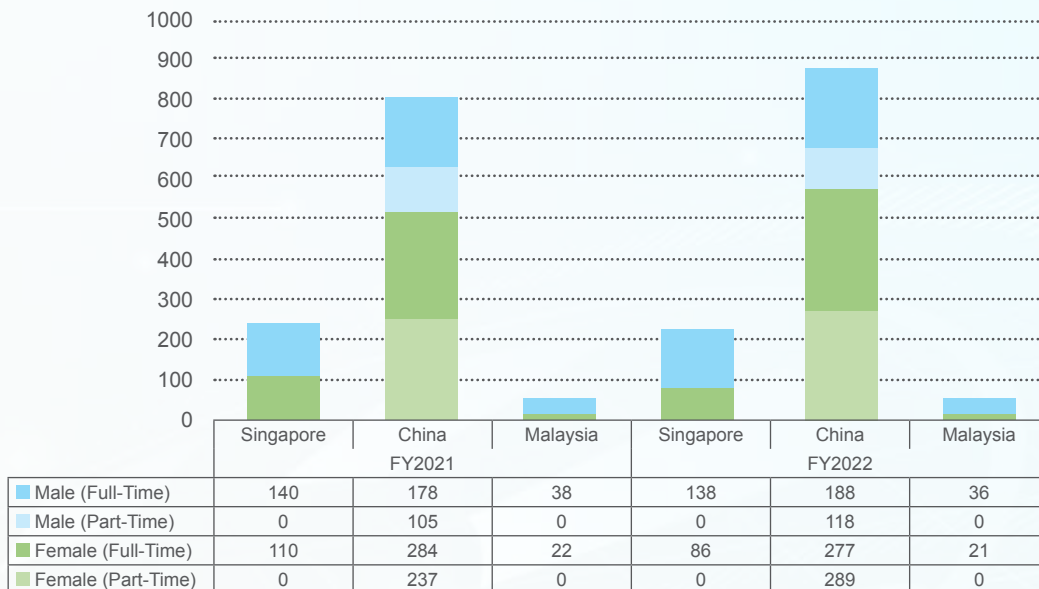
<sup>5</sup> Please refer to Performance Data for calculation methodology.

<sup>6</sup> Please refer to Performance Data for calculation methodology.



# CARING FOR OUR EMPLOYEES

Profile of our employees based on employment type, in Singapore, China and Malaysia



Profile of our employees based on employment type in FY2021 has been restated

## GRI 404-1 Training and Development

We recognise that consistent and ongoing education is critical to maintaining a competitive, skilled, productive and motivated workforce. The training is targeted based on the employees’ job scopes and skills set requirements. Training topics range from soft skills development in areas such as communications and leadership, to technical programmes covering project management and office productivity tools.

In FY2022, our employees received fewer training hours due to COVID-19 safe distancing measures. However, where possible, we have conducted training through virtual means and employees also attended online courses. On average, each employee attended approximately 0.4 hours of training in FY2022. With the rapid integration of technological and digital transformation in the workplace, we recognise the need to keep up with rapid innovation in the workplace and plan to increase the number of hours of training attended by our employees in FY2023.

Average training hours per employee in Singapore, China and Malaysia

		FY2021	FY2022
By Employee Category	Senior Management	17.8	14.9
	Managerial	11.4	2.1
	Non-Managerial	1.7	0.1
By Gender	Male	3.7	0.6
	Female	1.1	0.2

## CARING FOR OUR EMPLOYEES

**GRI 403-1 Occupational Health and Safety Management System, GRI 403-2 Hazard Identification, Risk Assessment, and Incident Investigation, GRI 403-3 Occupational Health Services, GRI 403-4 Worker Participation, Consultation, and Communication on Occupational Health and Safety GRI 403-5 Worker Training on Occupational Health and Safety, GRI 403-6 Promotion of Worker Health, GRI 403-7 Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships, GRI 403-9 Work Related Injuries**

The nature of our business, as well as our diverse operations, inevitably create health and safety risks. Our aim is to limit those risks as much as possible so as to provide our employees a safe working environment. To do this, each of our sites in Singapore and Malaysia has a Health and Safety representative to drive positive safety culture and oversee implementation of health and safety practices in the respective facilities. Before starting any activity, we perform a risk assessment to identify potential hazards and do everything possible to eliminate them before commencing. If this is not feasible, we put measures in place to minimise the potential impacts. Such risk assessments are the responsibility of our individual sites and are therefore conducted by them. In FY2022, Forefront Medical Investment Pte. Ltd. and Vicplas Holdings Pte. Ltd. in Singapore attained ISO 45001 certification. These certifications provide parameters to monitor and measure our health and safety performance and continually improve safety in the workplace.

At our manufacturing facilities, new employees are required to undergo a safety orientation before they start work. This safety orientation covers hazardous activities at the workplace, safe work procedures and emergency response procedures. Safe work practices are also reinforced during daily morning briefings. All visitors and contractors at our facilities are required to undergo a safety briefing before they start work,



and those who are conducting hazardous work are also required to show that they have the necessary permits and licenses required to carry out the work. Any person or employee who finds themselves in a hazardous situation has the right to stop their work and report the situation to their supervisor. In the event of an accident or incident, an investigation will be carried out by the supervisor together with the Health and Safety representative to identify the root cause.

In FY2022, we had a total of 67 lost days arising from 1 reportable accident which took place at our customer’s site in Singapore. Our employee was moving materials at our customer’s premises and was hit by a steel plate on the ground, resulting in a foot injury. To prevent reoccurrence of similar accident, our employees are constantly reminded to observe the surrounding environment for objects or factors which could potentially be a work hazard.

	FY2021	FY2022
No of injuries	4	1
Lost days	230	67
Workplace injury rate	353*	87
Accident Frequency Rate	2.45	0.28
Accident Severity Rate	141	19

\* Workplace Injury Rate for FY2021 has been restated

## SUPPORTING OUR COMMUNITY

We believe in giving back to society and contributing to the community through our CSR programmes. In FY2022, we have provided both donations and donations-in-kind to various charities and organisations in Singapore and Malaysia. As part of our ongoing effort to strengthen the CSR programmes, we will continue to reach out to charities or organisations in other regions where we have an operational footprint.



# PERFORMANCE DATA

## GRI 102-8

### Total employees by gender

	FY2019	FY2020		FY2021*		FY2022	
	No. of employees	No. of employees	YoY Change (%)	No. of employees	YoY Change (%)	No. of employees	YoY Change (%)
Males	397	410	+3.3	461	+12.4	480	+4.1
Females	630	602	-4.4	653	+8.5	673	+3.1
<b>Total employees</b>	<b>1,027</b>	<b>1,012<sup>7</sup></b>	<b>-1.5</b>	<b>1,114</b>	<b>+10.1</b>	<b>1,153</b>	<b>+3.5</b>

\*FY2021 figures have been restated.

### Total employees by employment contract and gender

	FY2020		FY2021				FY2022			
	Males	Females	Males	YoY Change (%)	Females	YoY Change (%)	Males	YoY Change (%)	Females	YoY Change (%)
<b>Full time (permanent contract)</b>	<b>373</b>	<b>469</b>	<b>356</b>	<b>-4.6</b>	<b>416</b>	<b>-11.3</b>	<b>362</b>	<b>+1.7</b>	<b>384</b>	<b>-7.7</b>
Singapore	138	71	140	+1.4	110	+54.9	138	-1.4	86	-21.8
China	190	374	178	-6.3	284	-24.1	188	+5.6	277	-2.5
Malaysia	45	24	38	-15.6	22	-8.3	36	-5.3	21	-4.5
<b>Part time (temporary contract)</b>	<b>37</b>	<b>133</b>	<b>105</b>	<b>+183.8</b>	<b>237</b>	<b>+78.2</b>	<b>118</b>	<b>+12.4</b>	<b>289</b>	<b>+21.9</b>
Singapore	0	1	0	0	0	-100.0	0	+0.0	0	+0.0
China	37	132	105	+183.8	237	+79.5	118	+12.4	289	+21.9
Malaysia	0	0	0	0	0	0	0	+0.0	0	+0.0

\*FY2021 figures and YoY Change have been restated

## GRI 401-1

### New employees hire and employees turnover in Singapore, China and Malaysia

Full Time Employees		FY2020				FY2021*				FY2022			
		New Hires		Employee Turnover		New Hires		Employee Turnover		New Hires		Employee Turnover	
		No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
By Age Group	Under 30 yrs	102	10.1	148	14.6	114	10.2	137	12.3	139	12.1	134	11.6
	30-50 yrs	126	12.5	139	13.7	139	12.5	193	17.3	116	10.1	134	11.6
	Over 50 yrs	6	0.6	1	0.1	8	0.7	16	1.4	5	0.4	17	1.5
By Gender	Male	93	9.2	89	8.8	99	8.9	122	11.0	127	11.0	121	10.5
	Female	141	13.9	199	19.7	162	14.5	224	20.1	133	11.5	164	14.2
<b>Overall Total</b>		<b>234</b>	<b>23.1</b>	<b>288</b>	<b>28.5</b>	<b>261</b>	<b>23.4</b>	<b>346</b>	<b>31.1</b>	<b>260</b>	<b>22.5</b>	<b>285</b>	<b>24.7</b>

\*FY2021 figures have been restated.

<sup>7</sup> The employee headcount for FY2020 has been restated.

# PERFORMANCE DATA

Part Time Employees		FY2020				FY2021*				FY2022			
		New Hires		Employee Turnover		New Hires		Employee Turnover		New Hires		Employee Turnover	
		No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)	No.	Rate (%)
By Age Group	Under 30 yrs	835	82.5	670	66.2	710	63.7	550	49.4	944	81.9	919	79.7
	30-50 yrs	364	36.0	307	30.3	300	26.9	285	25.6	385	33.4	351	30.4
	Over 50 yrs	0	0.0	0	0.0	0	0.0	2	0.2	5	0.4	1	0.1
By Gender	Male	374	37.0	299	29.5	317	28.5	248	22.3	410	35.6	398	34.5
	Female	825	81.5	678	67.0	693	62.2	589	52.9	924	80.1	873	75.7
<b>Overall Total</b>		1199	118.5	977	96.5	1010	90.7	837	75.1	1334	115.7	1271	110.2

\*FY2021 figures have been restated.

Hiring rate is calculated by taking total number of persons who left / total number of employees as at end of FY.  
Turnover rate is calculated by taking total number of persons who left / total number of employees as at end of FY.

## GRI 403-9

### Workplace safety and health statistics for our operations in Singapore, China and Malaysia

Data for earlier periods has not been included as this data was not collected previously

	FY2021	FY2022
No of injuries	4	1
Lost days	230	67
Workplace injury rate*	353	87
Accident Frequency Rate <sup>^</sup>	2.45	0.28
Accident Severity Rate <sup>®</sup>	141	19

The workplace injury rate for FY2021 has been restated.

\*Workplace injury rate: Number of reportable injuries per 100,000 employed persons

<sup>^</sup>Accident frequency rate: Reportable accidents per million man-hours

<sup>®</sup>Accident severity rate: Number of man days lost per million man-hours

# PERFORMANCE DATA

## GRI 404-1

Average number of training hours per employee

		FY2021	FY2022
By Employee Category	Senior Management	17.8	14.9
	Managerial	11.4	2.1
	Non-Managerial	1.7	0.1
By Gender	Male	3.7	0.6
	Female	1.1	0.2

## GRI 302-1

Energy consumption within the organisation from non-renewable sources (in MJ)

Business Unit	Entity	Energy consumed from non-renewable sources (MJ)					
		FY2020		FY2021		FY2022	
		Fuel	Electricity	Fuel	Electricity	Fuel	Electricity
Pipes & Pipe Fittings	Rimplas Industries Sdn. Bhd.	-	4,746,132	-	6,162,851	533,694	5,921,978
	Vicplas Holdings Pte. Ltd.	2,631,559	13,749,826	3,245,917	14,910,062	3,058,682	14,743,472
	Vicplas Investment Pte. Ltd.	-	-	-	-	-	-
	<b>Sub-Total</b>	<b>2,631,559</b>	<b>18,495,958</b>	<b>3,245,917</b>	<b>21,072,913</b>	<b>3,592,376</b>	<b>20,665,451</b>
	<b>Annual Subtotal</b>	<b>21,127,517</b>		<b>24,318,830</b>		<b>24,257,826</b>	
Medical Devices	Forefront Medical Technology (Pte) Ltd	-	-	-	-	-	-
	Forefront Investment Pte. Ltd.	-	-	-	-	-	-
	Forefront (Xiamen) Medical Devices Co., Ltd.	83,004	9,484,088	86,577	11,667,996	80,213	11,124,626
	Forefront Medical Investment Pte. Ltd.	-	4,078,620	-	5,008,244	-	4,593,650
	Forefront Medical Technology (Jiangsu) Co., Ltd.	163,910	22,507,200	89,233	21,725,640	217,678	21,845,808
	XentiQ (Pte) Ltd	NA	NA	-	262,649	-	182,311
	<b>Sub-Total</b>	<b>246,914</b>	<b>36,069,908</b>	<b>175,810</b>	<b>38,664,529</b>	<b>297,890</b>	<b>37,746,396</b>
<b>Annual Subtotal</b>	<b>36,316,822</b>		<b>38,840,340</b>		<b>38,044,286</b>		
<b>Total from Business Segments</b>		<b>2,878,473</b>	<b>54,565,866</b>	<b>3,421,727</b>	<b>59,737,442</b>	<b>3,890,266</b>	<b>58,411,847</b>
<b>Grand Total</b>		<b>57,444,339</b>		<b>63,159,169</b>		<b>62,302,113</b>	

# PERFORMANCE DATA

## GRI 305-1, GRI 305-2

### Direct (Scope 1) emissions & energy indirect (Scope 2) GHG emissions

Business Unit	Entity	GHG Emissions (kgCO <sub>2</sub> e)					
		FY2020		FY2021		FY2022	
		Scope 1	Scope 2	Scope 1	Scope 2	Scope 1	Scope 2
Pipes & Pipe Fittings	Rimplas Industries Sdn. Bhd.	-	883,308	-	1,146,975	39,781	1,102,146
	Vicplas Holdings Pte. Ltd.	196,154	1,560,223	241,947	1,691,878	227,991	1,672,975
	Vicplas Investment Pte. Ltd.	-	-	-	-	-	-
	<b>Sub-Total</b>	<b>196,154</b>	<b>2,443,531</b>	<b>241,947</b>	<b>2,838,853</b>	<b>267,772</b>	<b>2,775,121</b>
	<b>Annual Subtotal</b>	<b>2,639,685</b>		<b>3,080,800</b>		<b>3,042,893</b>	
Medical Devices	Forefront Medical Technology (Pte) Ltd	-	-	-	-	-	-
	Forefront Investment Pte. Ltd.	-	-	-	-	-	-
	Forefront (Xiamen) Medical Devices Co., Ltd.	5,789	2,244,568	6,038	2,761,426	5,573	2,632,828
	Forefront Medical Investment Pte. Ltd.	-	462,810	-	568,297	-	521,252
	Forefront Medical Technology (Jiangsu) Co., Ltd.	11,431	5,326,704	6,223	5,141,735	15,892	5,170,175
	XentiQ (Pte) Ltd	NA	NA	-	29,803	-	20,687
	<b>Sub-Total</b>	<b>17,220</b>	<b>8,034,082</b>	<b>12,261</b>	<b>8,501,261</b>	<b>21,464</b>	<b>8,344,942</b>
	<b>Annual Subtotal</b>	<b>8,051,302</b>		<b>8,513,522</b>		<b>8,366,406</b>	
<b>Total from Business Segments</b>	<b>213,374</b>	<b>10,477,613</b>	<b>254,208</b>	<b>11,340,114</b>	<b>289,236</b>	<b>11,120,062</b>	
<b>Grand Total</b>	<b>10,690,987</b>		<b>11,594,322</b>		<b>11,409,299</b>		

Conversion factors for the above table are based on Emission Factors for Cross Sector Tools March 2017.

Grid emission factors for Singapore are sourced from Singapore Energy Market Authority (EMA). Grid emission factors for China and Malaysia are sourced from IGES Institute for Global Environmental Strategies (2021). List of Grid Emission Factors, version 10.10.

Global warming potential values from the IPCC Fifth Assessment Report, 2014 (AR5) were used.

## GHG Emissions Intensity (GRI 305-4)

Business Segment	FY2020		FY2021		FY2022	
	GHG Intensity (tCO <sub>2</sub> e/million revenue)	% Change (Y-o-y)	GHG Intensity (tCO <sub>2</sub> e/million revenue)	% Change (Y-o-y)	GHG Intensity (tCO <sub>2</sub> e/million revenue)	% Change (Y-o-y)
Pipes and Pipe Fittings Segment	96.0	N.A.*	91.2	-5.2	79.6	-12.7
Medical Devices Segment	131.1	N.A.*	106.2	-19.1	90.3	-15.0

\*N.A: Not applicable as data was not collected prior to FY2020

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	102-2	Activities, brands, products, and services	AR 2022, pg. i	
	102-3	Location of headquarters	AR 2022, pg. i	
	102-4	Location of operations	AR 2022, pg. i	
	102-5	Ownership and legal form	AR 2022, pg. 10	
	102-6	Markets served	AR 2022, pg. i	
	102-7	Scale of the organization	AR 2022, pg. 10	
	102-8	Information on employees and other workers	18-20	
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	102-11	Precautionary Principle or approach	AR 2022, pg. 23-24	
	102-12	External initiatives	9	
	102-13	Membership of associations	Singapore Business Federation Singapore Plastic Industry Association	
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	102-16	Values, principles, standards, and norms of behaviour	AR 2022, pg. i	
	102-18	Governance structure	4	
	102-40	List of stakeholder groups	5	
	102-41	Collective bargaining agreements	None	
	102-42	Identifying and selecting stakeholders	6	
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	102-44	Key topics and concerns raised	6	
	102-45	Entities included in the consolidated financial statements	2	
	102-46	Defining report content and topic Boundaries	2	
	102-47	List of material topics	6	
	102-48	Restatements of information	18-19	
	102-49	Changes in reporting	None	
	102-50	Reporting period	2	
	102-51	Date of most recent report	2	
	102-52	Reporting cycle	Annual	
	102-53	Contact point for questions regarding the report	2	
102-54	Claims of reporting in accordance with the GRI Standards	2		
102-55	GRI content index	22-24		
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# Vicplas International Ltd

Company Registration No. 199805362R

35 Joo Koon Circle Singapore 629110

Tel: 65-6262 3888

Fax: 65-6349 3877

Email: [vicplas@vicplas.com.sg](mailto:vicplas@vicplas.com.sg)

Website: [www.vicplas.com](http://www.vicplas.com)