

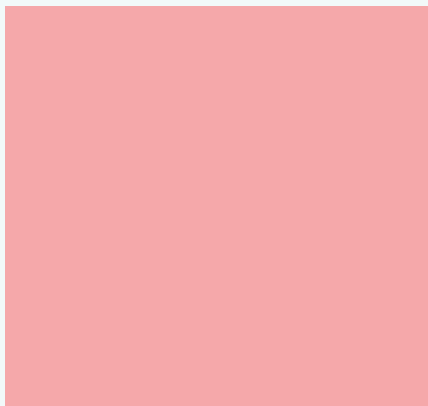


*Focusing on*  
**OUR CORE**

SUSTAINABILITY REPORT 2023

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# BOARD STATEMENT

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We are pleased to present Cordlife Group Limited's ("Cordlife") Sustainability Report (the "Report") for the financial year ended 31 December 2023 ("FY2023").

Our commitment to excellence has enabled us to become one of the pioneering and leading private cord blood banks in Asia. In the face of an ever-evolving operating environment, we believe comprehensive considerations for environmental, social and governance ("ESG"), as well as climate-related risks and opportunities relevant to our business, are vital in realising excellence in the long run. We are committed to integrating considerations for sustainability into our business decisions to help us better serve our customers and stakeholders.

The Board considers sustainability issues in Cordlife's business and strategy, supported by the Sustainability Steering Committee ("SSC"), which is composed of key management team, in our efforts to monitor our ESG performance. The Board oversees the management and monitoring of ESG factors material to the continuity of our business. The SSC monitors and updates the Board on sustainability progress and assists in formulating strategies to address sustainability and climate-related issues, as well as determining material ESG factors. The Board acknowledges its responsibility for Cordlife's sustainability reporting. Existing Board members have completed the requisite sustainability training in accordance with SGX-mandated requirements, and newly appointed Board members will complete this training as soon as practicable.

The Board further acknowledges the potential areas of non-compliance identified by the Ministry of Health ("MOH") during their inspection of our Singapore facility. Despite these challenges, the Board remains committed to serving our customers and recognises the importance of maintaining their trust while preserving their baby's cord blood, cord lining and cord tissue. The Board will work closely with management to put in place measures to prevent nonconforming issues. We remain committed to strictly complying to stringent legal and regulatory standards, as well as managing our operations and facilities meticulously, in order to restore our customers' trust in Cordlife and to be their dependable choice.

We look forward to sharing our pursuit of creating sustainable value with you.

Board of Directors  
Cordlife Group Limited

## ABOUT THIS REPORT

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This Report covers Cordlife's sustainability practices and performance during FY2023, with a focus on describing our management approach towards ESG issues material to our business and stakeholders. The scope of the Report is selected based on the significance and materiality to Cordlife's operations and encompasses our cord blood, cord lining and cord tissue banking operations in Singapore.

This Report has been prepared in line with the sustainability reporting requirements as defined in the SGX-ST Listing Manual (Rules 711A and 711B) and with reference to the Global Reporting Initiative ("GRI") Standards.

This report references the following GRI Standards and topic-specific Disclosures:

- Disclosure 201-1 from GRI 201: Economic Performance 2016
- Disclosures 302-1 from GRI 302: Energy 2016
- Disclosures 305-1 and 305-2 from GRI 305 Emissions 2016
- Disclosure 403-2 from GRI 403: Occupational Health and Safety 2018
- Disclosure 418-1 from GRI 418: Customer Privacy 2016
- Disclosure 419-1 from GRI 419: Socioeconomic Compliance 2016

Cordlife recognises the importance of climate-related disclosures in mitigating the effects of climate change. We are in the midst of formulating an approach to determining climate-related risks, opportunities and targets that would be relevant to our stakeholders, which will be incorporated into future reports. In the coming years, where appropriate, we will progressively adopt the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") on climate-related financial information.

All information is disclosed in good faith and to the best of our knowledge. We will report on our sustainability performance annually.

We look forward to receiving your feedback on our sustainability practices and reporting at [investor.relations@cordlife.com](mailto:investor.relations@cordlife.com).

# OUR APPROACH TO SUSTAINABILITY

At Cordlife, we believe considerations for ESG risks and opportunities will enable us to create value for our stakeholders in the long run. Guided by ESG factors that are most relevant to our business and stakeholders, we have formulated four key pillars that are imperative to the sustainability of our business.

## BEING THE ONE RIGHT CHOICE



Our business is rooted on governance excellence to be the one right choice for our customers. We uphold the utmost standards of integrity in our business and proactively monitor key risks to ensure business continuity.

## CARING FOR OUR CUSTOMERS



Our business is built on the trust of our customers and we endeavour to meet their needs. We do so by safeguarding their privacy, ensuring excellence in quality, and proactively engaging them through various channels and initiatives.

## CARING FOR OUR EMPLOYEES



Our employees are instrumental to the success of our business. We work to safeguard our employees' health and safety by providing a safe working environment.

## CARING FOR THE ENVIRONMENT



We pay attention to the resources our operations require, and we aim to do our part to minimise the environmental impact our operations may cause.

# FY2023 HIGHLIGHTS

1

Incidents relating to non-compliance with regulatory standards.



2

All facilities<sup>1</sup> are AABB<sup>2</sup> accredited.



3

Achieved zero formal claims by customers concerning breaches of customer privacy and loss of customer data.



4

Conducted a total of 13 initiatives to enhance clinical awareness and utility of stem cells.



5

Achieved a rating of 4.91 (out of 5) for all customer satisfaction surveys.



6

Achieved 100% compliance with the Personal Data Protection Act ("PDPA").



<sup>1</sup> Conditional accreditation status for Cordlife's facility in Singapore.







<sup>2</sup> Association for the Advancement of Blood & Biotherapies ("AABB") is an international, not-for-profit association representing individuals and institutions involved in the fields of transfusion medicine and biotherapies.

## MANAGEMENT STRUCTURE

Our sustainability governance structure is led by the Board. The Board determines the direction of our sustainability agenda, including our material ESG factors. The SSC supports the Board in realising the sustainability agenda set forth and reports to the Board regularly, considering feedback from both internal and external stakeholders to determine material issues to be addressed. The SSC assists the Board in implementing the sustainability agenda and provides regular reports to the Board, taking into account feedback from both internal and external stakeholders to identify significant issues that require attention. Composed of the Group Chief Executive Officer, Group Chief Financial Officer, Group Directors of key business divisions, and country heads, the SSC meets regularly to develop sustainability strategies and targets, drive initiatives, monitor and manage our performance in sustainability.

## STAKEHOLDER ENGAGEMENT

Our stakeholders play an important role in shaping our success. We believe understanding our stakeholders' needs and meeting their expectations will ensure long-term viability of our business. We engage our key stakeholders regularly through the methods and channels listed below, and we are committed to maintaining transparent mutual communications.

KEY STAKEHOLDERS	ENGAGEMENT METHODS	ENGAGEMENT FREQUENCY
 <p><b>Customers</b></p>	<ul style="list-style-type: none"> <li>Information pack</li> <li>Customer service hotline</li> <li>Online customer centre and feedback form</li> <li>Consultation booths at hospitals and clinics</li> <li>News updates, events and seminars</li> <li>Customer satisfaction surveys for services and events</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Throughout the year</li> <li>Throughout the year</li> <li>Throughout the year</li> <li>Throughout the year</li> <li>Throughout the year</li> </ul>
 <p><b>Employees</b></p>	<ul style="list-style-type: none"> <li>Performance appraisals</li> <li>Training and development programmes, including company-wide talks on industry updates</li> <li>Internal communications via emails and intranet</li> <li>Employee feedback channel</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Throughout the year</li> <li>Throughout the year</li> <li>Throughout the year</li> </ul>
 <p><b>Healthcare Professionals</b></p>	<ul style="list-style-type: none"> <li>Trainings on cord blood, cord tissue and cord lining cord lining and cord tissue collection procedures</li> <li>Updates on industry news and services</li> <li>Continuing medical education on related research and updates</li> <li>Partnerships for clinical trials</li> </ul>	<ul style="list-style-type: none"> <li>Annually</li> <li>Throughout the year</li> <li>Annually/Semi-annually</li> <li>Throughout the year</li> </ul>
 <p><b>Suppliers</b></p>	<ul style="list-style-type: none"> <li>Procurement processes, including supplier evaluation and qualification</li> <li>Supplier reviews</li> <li>Constant feedback and communication</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Annually</li> <li>Throughout the year</li> </ul>
 <p><b>Government / Regulators</b></p>	<ul style="list-style-type: none"> <li>Meetings, discussions and consultations</li> <li>Compliance with reporting requirements</li> <li>Assessment audits from regulators</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Throughout the year</li> <li>As required</li> </ul>
 <p><b>Investors / Shareholders</b></p>	<ul style="list-style-type: none"> <li>Financial result briefings</li> <li>Annual General Meeting</li> <li>Timely updates, announcements and press releases on key business decisions and developments via SGXNet and corporate website</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>Throughout the year</li> </ul>

# MANAGING SUSTAINABILITY

## MATERIALITY ASSESSMENT

Guided by the GRI Standards' Materiality Principle, we conducted a materiality assessment to identify and prioritise the material ESG factors that are significant to our business and key stakeholders. We have taken a three-step approach to the materiality assessment process as shown below:



The following sources were considered in the process of identifying potential material ESG factors:

- ESG issues and trends pertinent to the healthcare industry
- ESG issues and concerns identified by our peers
- Risks that have the most impact on our operations and success

A total of 10 material ESG factors have been identified from the assessment, which has been reviewed and approved by the Board.

We will continue to review the list of material ESG factors annually to ensure their pertinence and priority to our business and key stakeholders.

ESG Classification	Material ESG Factors	Materiality to Cordlife	Corresponding Topic-Specific GRI Standard	Section
<b>Economic</b>	Economic Performance	As a listed company, we strive to maximise the wealth of our shareholders. It is critical to ensure the growth of our economic performance and our economic sustainability.	GRI 201: Economic Performance 2016	Annual Report <sup>3</sup>
<b>Environmental</b>	Emissions	While energy consumption from our operations may be relatively small, there can be a significant amount of embodied greenhouse gas ("GHG") emissions associated with air travel, medical courier activities and the production of medical supplies, such as liquid nitrogen. We strive to monitor and manage not only our own emissions, but also emissions from our supply chain.	GRI 302: Energy 2016 GRI 305: Emissions 2016	Sustainability Report page 19
<b>Social</b>	Product Quality and Reliability	The quality and viability of the cord blood, cord lining, and cord tissue will impact our customers' health. It is critical to safeguard the quality of the cord blood, cord lining and cord tissue collected, processed and stored.	Not applicable (non-GRI topic)	Sustainability Report page 12
	Customer Privacy	We have access to sensitive personal information about our customers, including medical records, personal identification information, genetic and biological information in the form of cord blood, cord lining, or cord tissue. To ensure legal compliance and to maintain public trust, it is critical for Cordlife to safeguard customer privacy.	GRI 418: Customer Privacy 2016	Sustainability Report page 14
	Customer Satisfaction	The ability to acquire and retain customers is one of the salient factors that determine our success. We are committed to ensuring that our customers' needs are met.	Not applicable (non-GRI topic)	Sustainability Report page 15
	Occupational Health and Safety	Our laboratory personnel are faced with inherently high occupational health and safety risks as they need to work with blood samples and liquid nitrogen. It is critical to properly train our laboratory personnel and ensure the safety of our working environment.	GRI 403: Occupational Health and Safety 2018	Sustainability Report page 17 to 18
	Clinical Awareness and Utility of Stem Cell Application	We are committed to communicating the benefits of our products and services by raising clinical awareness and utility of stem cells. We engage different stakeholders to enhance public understanding of stem cell applications.	Not applicable (non-GRI topic)	Sustainability Report page 16
	Demographic Shift	Stagnant or decreasing birth rates directly affect demand for our products and services. We regularly monitor birth rates and demographic data to help us craft our approach to the market.	Not applicable (non-GRI topic)	Sustainability Report page 13
<b>Governance</b>	Compliance with Law and Regulations	Healthcare is a heavily regulated industry. It is essential for us to comply with all relevant laws and regulations to maintain our licence to operate.	GRI 419: Socioeconomic Compliance 2016	Sustainability Report page 10
	Security of Storage Facilities	We are responsible for storing our customers' cord blood, cord lining and cord tissue for an extended period. We are committed to protecting our storage facilities to ensure the availability of cord blood, cord lining, and cord tissue when needed in the future.	Not applicable (non-GRI topic)	Sustainability Report page 11

<sup>3</sup> Please refer to our Annual Report for the financial year ended 31 December 2023 ("Annual Report 2023") for further details.



# SGX CORE ESG METRICS

We have disclosed our responses to the Core ESG Metrics proposed by SGX, which is consistent (where applicable) with the TCFD recommendations. The scope of this Report is selected based on the significance and materiality to our operations and encompasses our cord blood, cord lining and cord tissue banking operations in Singapore. Where a core ESG metric is not material to its operations, we have disclosed the reason accordingly.

Topic	Framework Alignment	Metric	Unit	Response
<b>Environment</b>				
<b>GHG Emissions</b>	GRI 305-1, GRI 305-2, GRI 305-3, TCFD, SASB 110, WEF core metrics	Absolute emissions by: (a) Total	tCO <sub>2</sub> e	112
		(b) Scope 1		0
		(b) Scope 2		112
		(c) Scope 3, if appropriate		Not applicable
	GRI 305-4, TCFD, SASB 110	Emissions intensities by: (a) Total	tCO <sub>2</sub> e/ organisation-specific metrics	We are still in the midst of identifying a suitable intensity metric that reflects our business nature and growth.
		(b) Scope 1		
(b) Scope 2				
(c) Scope 3, if appropriate				
<b>Energy Consumption</b>	GRI 302-1, TCFD, SASB 130	Total energy consumption	MWhs	264.9
	GRI 302-3, TCFD	Energy consumption intensity	MWhs or GJ/ organisation specific metrics	We are still in the midst of identifying a suitable intensity metric that reflects our business nature and growth.
<b>Water Consumption</b>	GRI 303-5, SASB 140, TCFD, WEF core metrics	Total water consumption	ml or m <sup>3</sup>	Not applicable; we do not have significant water consumption.
	TCFD, SASB IF-RE-140a.1	Water consumption intensity	ml or m <sup>3</sup> / organisation specific metrics	
<b>Waste Generation</b>	GRI 306-3, SASB 150, TCFD, WEF expanded metrics	Total waste generated	t	Not applicable; we do not generate a significant amount of waste.

Topic	Framework Alignment	Metric	Unit	Response
<b>Social</b>				
<b>Gender Diversity</b>	GRI 405-1, SASB 330, WEF core metrics	Current employees by gender	Percentage (%)	Male: 31% Female: 69%
	GRI 401-1, WEF core metrics	New hires and turnover by gender	Percentage (%)	<u>New Hires</u> Male: 40% Female: 60% <u>Turnover</u> Male: 31% Female: 69%
<b>Age-based Diversity</b>	GRI 405-1, WEF core metrics	Current employees by age groups	Percentage (%)	Under 30 years old: 19% 30-50 years old: 68% Above 50 years old: 13%
	GRI 401-1, WEF core metrics	New hires and turnover by age groups	Percentage (%)	<u>New Hires</u> Under 30 years old: 43% 30-50 years old: 51% Above 50 years old: 6% <u>Turnover</u> Under 30 years old: 39% 30-50 years old: 55% Above 50 years old: 6%
<b>Employment</b>	GRI 401-1, SASB 310, WEF core metrics	Total turnover	Number & Percentage (%)	36 35%
	Commonly reported metric by SGX issuers	Total number of employees	Number	112
<b>Development &amp; Training</b>	GRI 404-1, WEF core metrics	Average training hours per employee	Hours	4.9
	GRI 404-1, WEF core metrics	Average training hours per employee by gender	Hours	Male: 12.3 Female: 4.8

Topic	Framework Alignment	Metric	Unit	Response
<b>Social</b>				
<b>Occupational Health &amp; Safety</b>	GRI 403-9, WEF core metrics, Ministry of Manpower ("MOM") Employment Act (Singapore), SASB 320	Fatalities	Number of cases	0
	GRI 403-9, WEF core metrics, MOM Employment Act (Singapore)	High-consequence injuries	Number of cases	0
	GRI 403-9, WEF core metrics, MOM Employment Act (Singapore)	Recordable injuries	Number of cases	1
	GRI 403-10, WEF expanded metrics, MOM Employment Act (Singapore)	Recordable work-related ill health cases	Number of cases	0

Topic	Framework Alignment	Metric	Unit	Response
<b>Governance</b>				
<b>Board Composition</b>	GRI 102-22, WEF core metrics	Board independence	Percentage (%)	Please refer to the Board Composition information on pages 25 to 26 of the Annual Report 2023.
	GRI 401-1, WEF core metrics	Women on board	Percentage (%)	
<b>Management Diversity</b>	GRI 102-22, GRI 405-1, WEF core metrics, SASB 330	Women in the management team	Percentage (%)	100%
<b>Ethical Behaviour</b>	GRI 205-1, GRI 205-2 and GRI 205-3	Anti-corruption disclosures	Discussion and number of standards	Corruption is not assessed to be a material ESG factor of the Company.
	GRI 205-2, WEF core metrics	Anti-corruption training for employees	Number & Percentage (%)	Nevertheless, the Company has in place a whistleblowing policy which covers corruption as one of the reportable incidents. Please refer to page 37 of the Annual Report 2023 for the overview of the whistleblowing policy.
<b>Certifications</b>	Commonly reported metric by SGX issuers	List of relevant certifications	List	<ul style="list-style-type: none"> <li>AABB Certificate of Accreditation for Cell Therapy Activity: Cord Blood - Collection, Processing, Storage and Distribution</li> <li>Good Distribution Practice for Medical Devices SS620</li> <li>Foundation for the Accreditation of Cellular Therapy ("FACT") for NetCord-FACT standards for Cord Blood Banking</li> <li>Health Science Authority Form A Poisons Licence</li> <li>Cord Blood Banking Service Licence under the Healthcare Services Act ("HCSA")</li> <li>Clinical Laboratory Service Licence under HCSA</li> </ul>
<b>Alignment with Frameworks</b>	GRI 403-9, WEF core metrics, MOM Employment Act (Singapore), SASB 320	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6	GRI/ TCFD/ SASB/ SDGs/ others	
<b>Assurance</b>	GRI 403-9, WEF core metrics, MOM Employment Act (Singapore)	SGX-ST Listing Rules (Mainboard) 711A and 711B, Practice Note 7.6	Internal/External/None	Refer to page 2 of this Report.

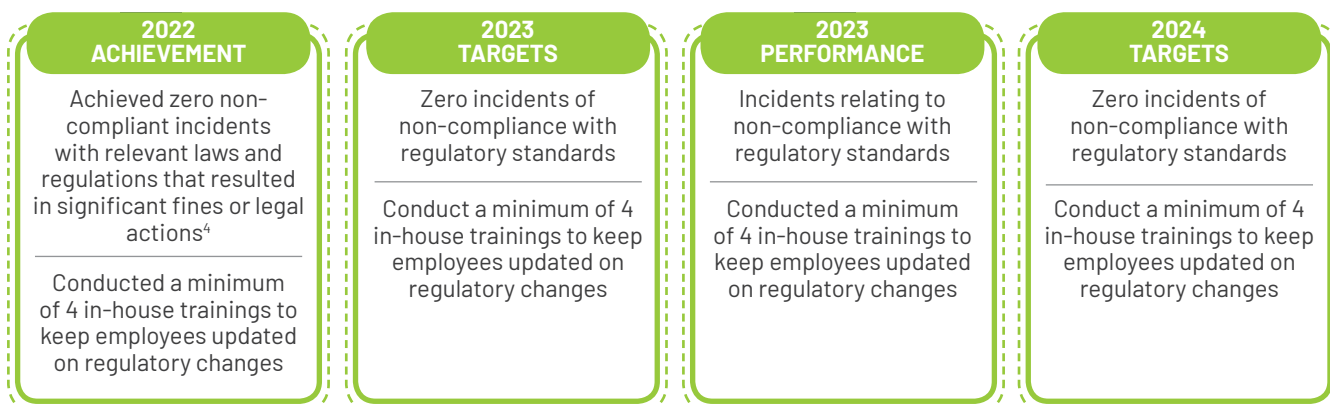
# BEING THE ONE RIGHT CHOICE

As an established leader in private cord blood banking in Asia, we recognise the importance of addressing the challenges facing our Singapore facility and restoring the trust of our valued customers.

On 15 December 2023, we received a notification from Ministry of Health (“MOH”) directing us to stop, for a period of up to six months, the collection, testing, processing, and/or storage of any new cord blood and human tissues, or the provision for any new types of tests to customers in Singapore. Subsequently, on 22 January 2024, the Company received a letter from MOH outlining potential areas of non-compliance (“Potential Non-Compliance”) with the Healthcare Services (General) Regulations and the Healthcare Services (Cord Blood Banking Service) Regulations, as identified by MOH during its inspections.

Despite these challenges faced by our Singapore facility, our dedication to serving our customers remains resolute. We recognise the importance of maintaining our customers’ trust and to preserving their baby’s cord blood, cord lining, and cord tissue. Therefore, we are committed to implementing measures such as strengthening our standard operating procedures, providing comprehensive staff training, implementing a more robust laboratory monitoring system, and fortifying all fail-safe protocols to prevent nonconforming incidents. We are also committed to adhering closely to stringent legal and regulatory standards and managing our operations and facilities meticulously. This is to restore our customers’ confidence in us and be their dependable choice.

## COMPLIANCE WITH LAWS AND REGULATIONS



Following directives from MOH and in alignment with HCSA, we are committed to bolstering our Standard Operating Procedures (“SOPs”) and Emergency Operating Procedures (“EOPs”). This includes rigorous adherence to regulatory standards, ensuring that all processes meet the criteria outlined by HCSA. We carefully craft our human resource policies to comply with Ministry of Manpower Employment Act, demonstrating our commitment to regulatory compliance.

Our employees undergo thorough induction and on-the-job training programmes, which we continuously refine to ensure they receive comprehensive and up-to-date sessions. Furthermore, we aim to provide more comprehensive quality training to enhance our employees’ understanding of maintaining quality standards. This training will focus on improving their ability to identify and implement corrective and preventive measures to resolve the issues promptly, in line with the latest regulatory requirements.

We have a whistleblowing policy in place that aims to provide an avenue for employees and external parties to raise concerns. The policy provides reassurance from reprisals or victimisation for those who report such concerns in good faith. To ensure continuous improvement, we are implementing stricter guidelines for SOPs and conducting more stringent internal audits on critical business functions. In addition to having inspectors from MOH and various quality standards come in for inspections, we will be subjecting lab operations to internal audit by the outsourced internal auditor of the Group to identify potential risks and areas of concern. This initiative is geared towards conducting a comprehensive review of our lab operations with the goal of identifying further areas for improvement.

<sup>4</sup> The 2022 achievement was based on data collected at the time of reporting, and non-compliance with HCSA was identified during MOH inspections in August and November 2023.

## SECURITY OF STORAGE FACILITIES

### 2022 ACHIEVEMENT

Achieved zero facility security or malfunction incidents on the premises<sup>5</sup>

Conducted monthly inspection of storage tanks

Carried out safety protocols as required by A'Posh BizHub management. Fire evacuation drill was conducted in June 2022 by A'Posh Bizhub management

### 2023 TARGETS

Zero facility security or malfunction incidents on the premises

Inspect storage tanks every month and ensure they are well maintained

Carry out fire drills and other such safety protocols as required by A'Posh BizHub management

### 2023 PERFORMANCE

Temperature excursions were noted in certain cryogenic storage tanks and Potential Non-compliances were outlined by MOH after its inspection

Carried out safety protocols as required by A'Posh BizHub management. Fire evacuation drill was conducted in December 2023 by A'Posh Bizhub management

### 2024 TARGETS

Zero facility security or malfunction incidents on the premises

Inspect storage tanks every month and ensure they are well maintained

Carry out fire drills and other such safety protocols as required by A'Posh BizHub management

The directive to halt the collection, testing, processing, and storage of any new cord blood and human tissues, along with the provision of any new types of tests to patients, stemmed from the discovery that seven of our cryogenic storage tanks and one dry shipper, which are used for cord blood storage, had recorded temperature excursions outside of their normal range.

Apart from the seven tanks and the dry shipper, the remaining 15 cryogenic storage tanks that house our customers' cord blood units, have remained below the acceptable temperature threshold of  $-150^{\circ}\text{C}$  set by the Association for the Advancement of Blood & Biotherapies ("AABB") and the Foundation for the Accreditation of Cellular Therapy ("FACT") standards. We understand the trust our customers have placed in us, and we recognise the shortcomings in our efforts to uphold our commitment to safeguarding our customers' cord blood units.

To prevent a similar occurrence in the future, we have been working closely with MOH to implement stringent measures aimed at enhancing our SOPs. Here are some of the initiatives we have undertaken to strengthen our SOPs and EOPs:

- Enlisting the expertise of FACT to provide guidance and reinforce our procedures and organisational structure;
- Implementing a more advanced digitalised lab monitoring system to enhance real-time monitoring of our Singapore laboratory facility, both remotely and on-site;
- Fortifying our fail-safe measures to ensure uninterrupted operations even under adverse conditions;
- Providing extensive training for our staff to explain the rationale and importance of every SOP and EOP while also cultivating a stronger sense of accountability and responsibility;
- Increasing the number of experienced technical personnel to improve laboratory expertise and processing capabilities.



<sup>5</sup> The 2022 achievement was based on data collected at the time of reporting, and non-compliance with HCSA was identified during MOH inspections in August and November 2023.

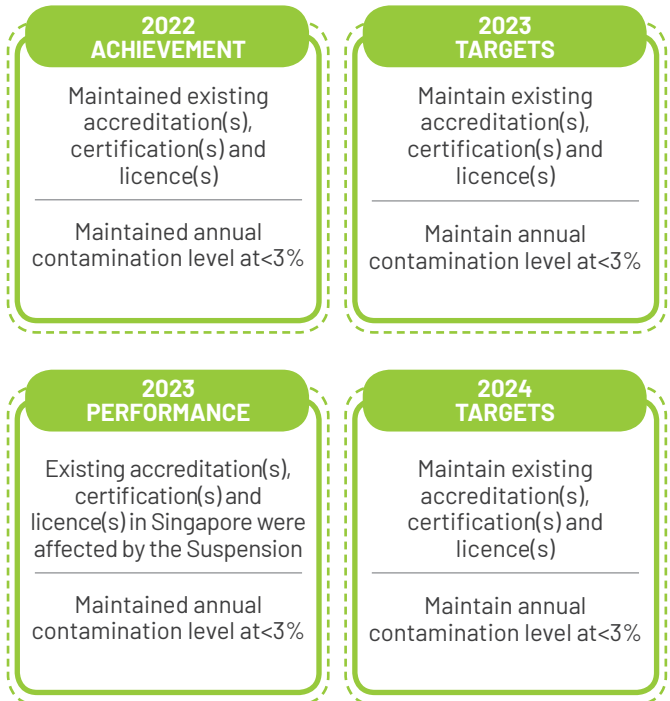
# BEING THE ONE RIGHT CHOICE

## PRODUCT QUALITY AND RELIABILITY

We are dedicated to enhancing our SOPs to improve the robustness of our quality system to safeguard our customers' biological samples while under our care until they are released for transplantation or infusion. To achieve this goal, we will further enhance our monitoring of nonconforming incidents to ensure that our employees promptly document any deviations using our Corrective and Preventive Action ("CAPA") system. We also encourage both our employees and external parties to use our whistleblowing policy to report any violations of established processes and regulatory standards. These initiatives enable us to quickly identify, investigate, and address issues stemming from our processes or services. The CAPA system serves as a centralised platform for monitoring and recording, ensuring that relevant process owners complete assigned tasks. This process entails conducting root cause analysis, implementing corrective actions, and taking preventive measures to prevent the recurrence of nonconforming issues.

We understand the importance of our services and the urgency of resolving the situation in Singapore as soon as possible. We are working in full compliance with MOH to understand the issues at hand and take the appropriate remedial steps thereafter. As we address this, we will ensure that all corrective actions taken are sustainable and that these good practices continue beyond the rectification exercise.

This collaborative effort underscores our dedication to resolving challenges and maintaining the highest quality standards that Cordlife is renowned for. By working together with MOH, we strive to ensure that our operations align with the most stringent quality measures to protect the integrity



and viability of all biological samples entrusted to our care. Our dedication to maintaining the highest standards of quality and safety not only benefits our customers but also contributes to a more sustainable future.

To ensure the consistent quality of our operations, we have established SOPs for tasks carried out by external stakeholders. For example, we conduct regular training sessions for healthcare professionals who collect cord blood, cord lining, cord tissue, and maternal blood samples. We closely monitor their proficiency and performance, providing re-training as needed. Additionally, we hold annual training sessions for nursing staff and caregivers at our partnering hospitals.

Our Supplier Management SOP outlines the process for qualifying, reviewing, and selecting suppliers, ensuring that we only engage with reputable and qualified vendors. Critical suppliers are subject to stricter qualification criteria because they have a direct impact on the quality of our products and services. We conduct annual supplier reviews to maintain an updated list of approved suppliers who meet our standards.



## DEMOGRAPHIC SHIFT

Demographic trends, such as stagnating or decreasing birth rates, impact demand for our products and services and may suggest a shift in customer needs. We proactively analyse demographic trends in our operational locations as part of our risk management approach to better serve and meet customer expectations.

We conduct an annual assessment and review of our risk matrix, and demographic shift is one of the risks we evaluate and monitor. Our market intelligence team compiles and reviews demographic data and intelligence on a quarterly basis, while our account managers collect and review birth rate data on a monthly basis. Trends and shifts in demographic structure and birth rate are discussed and examined to obtain insights into potential market shifts, which form the foundation for our analysis.

### 2022 ACHIEVEMENT

Conducted monthly and quarterly monitoring of delivery rates and demographic data, respectively

Completed annual risk management report, where risks and opportunities associated with demographic shifts were assessed and discussed

### 2023 TARGETS

Continue to monitor trends in demographic shift in our operating countries through Cordlife's risk assessment process, monthly delivery rates reports and quarterly demographic data reports

### 2023 PERFORMANCE

Conducted monthly and quarterly monitoring of delivery rates and demographic data, respectively

Completed annual risk management report, where risks and opportunities associated with demographic shifts were assessed and discussed

### 2024 TARGETS

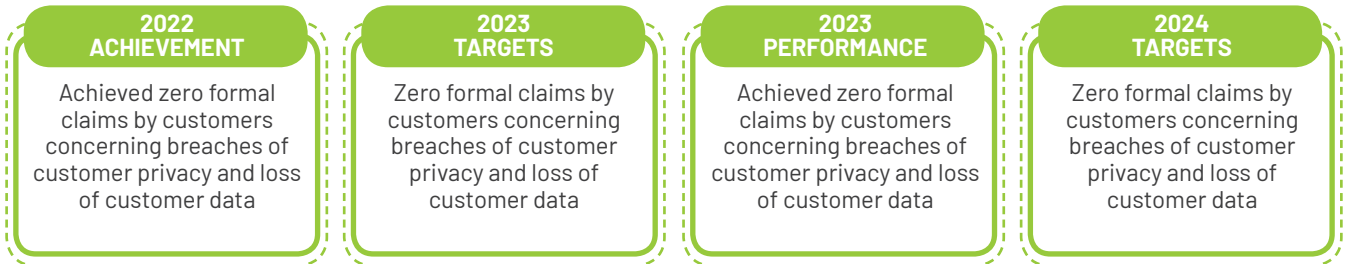
Continue to monitor trends in demographic shift in our operating countries through Cordlife's risk assessment process, monthly delivery rates reports and quarterly demographic data reports



# CARING FOR OUR CUSTOMERS

Our mission is to provide reliable healthcare solutions through innovation, technological advancement and commitment to quality. We value the trust that our customers have placed in us, and we care for them by protecting their personal data, continuously engaging them, and keeping them informed on developments in stem cell utility.

## CUSTOMER PRIVACY



Our customers entrust us with sensitive personal information and we are committed to protecting their privacy. We have established a Privacy Policy in accordance with the Singapore PDPA. The Policy outlines how we collect, store, use, transfer and manage our customers' personal data. All our contracts and lead acquisition programmes contain confidentiality terms to assure customers and prospects that their personal information is safeguarded. To ensure that our employees and our business partners uphold the same standards, we have included confidentiality obligations in employment contracts for our employees and service agreements for suppliers and third-party service providers.

We regularly monitor internal access to personal information and the efficacy of our Information Technology ("IT") system in protecting personal data in conformity with our customer privacy policy and guidelines. To reduce the risks associated with excessive data access, we designate and restrict user access roles for our employees with annual reviews. Annual IT general control audits ensure the integrity of data and operations supported by our IT system. We periodically patch our security software to address potential vulnerabilities that hackers could exploit. We regularly monitor the security of our systems to prevent data breaches.

In FY2023, we organised regular security awareness training for all employees to prevent phishing and social engineering attacks against the organisation. The online training concluded with assessments to ensuring that staff comprehended the risks of cyberattacks and were proficient in responding to them. We also send simulated phishing attempts to employees on a regular basis to ensure that they are up-to-date with the training exercises.

Furthermore, we conduct regular training on data protection and risk management to ensure our employees understand relevant guidelines and impart good practices for handling personal data. We have implemented two-factor authentication to reinforce IT and cybersecurity.

We have designated a Data Protection Officer for our customers to contact in order to gather feedback on data confidentiality. We log all complaints and incidents related to customer privacy breaches into our CAPA system to ensure corrective and preventive action.



## CUSTOMER SATISFACTION

2022 ACHIEVEMENT	2023 TARGETS	2023 PERFORMANCE	2024 TARGETS
<p>Achieved a rating of 4.97 (out of 5) for all customer satisfaction surveys</p> <p>Monitored customer and healthcare practitioner satisfaction and reviewed the effectiveness of our monitoring mechanisms</p>	<p>Achieve at least an average rating of 3 (out of 5) for all customer satisfaction surveys</p> <p>Continue to monitor customer and healthcare practitioner satisfaction, and review effectiveness of our monitoring mechanisms</p>	<p>Achieved a rating of 4.91 (out of 5) for all customer satisfaction surveys<sup>6</sup></p> <p>Monitored customer and healthcare practitioner satisfaction and reviewed the effectiveness of our monitoring mechanisms</p>	<p>Achieve at least an average rating of 3 (out of 5) for all customer satisfaction surveys</p> <p>Continue to monitor customer and healthcare practitioner satisfaction, and review effectiveness of our monitoring mechanisms</p>

At Cordlife, we regularly evaluate and monitor customer satisfaction at several operational stages and customer touchpoints to ensure we are meeting their needs. External stakeholders, including healthcare professionals are also tracked regularly to assess their satisfaction with various aspects of our operations. We implement a suite of satisfaction surveys to gather feedback from our key stakeholder groups, including customers and business partners. These surveys seek to obtain a better understanding of the perception and service journey of our stakeholders so that we can improve our service standards accordingly.

The monthly customer-centric meeting serves as a platform for reviewing the results of customer satisfaction surveys. All departments in direct contact with customers and external stakeholders are required to set and meet the respective Customer Delight Index metrics and

targets, including target ratings for customer satisfaction surveys. The meeting also reviews customer feedback and complaints to pinpoint potential areas for enhancement. The monthly customer-centric meetings seek to improve service provision standards across all departments for both our internal and external customers.

After receiving customer feedback and complaints, we promptly initiate improvement initiatives. We also ensure that our client service agreements are reviewed regularly to provide clear and accurate information to prospective clients.

In addition to establishing various customer feedback channels, we also conduct customer nurturing initiatives to engage and strengthen our relationship with customers. These initiatives include offering discounted paediatric vision screening, sending birthday cards and birthday vouchers, providing educational materials and updates every quarter.



<sup>6</sup> Data was compiled before 30 November 2023.



# CARING FOR OUR CUSTOMERS

## CLINICAL AWARENESS AND UTILITY OF STEM CELLS

2022 ACHIEVEMENT	2023 TARGETS	2023 PERFORMANCE	2024 TARGETS
Conducted a total of 10 outreach initiatives to enhance clinical awareness and utility of stem cells	Continue to review reach and effectiveness of initiatives related to clinical awareness and utility of stem cells and ensure follow-up plans are carried out	Conducted a total of 13 outreach initiatives to enhance clinical awareness and utility of stem cells	Continue to review reach and effectiveness of initiatives related to clinical awareness and utility of stem cells and ensure follow-up plans are carried out

Enhancing awareness and understanding of stem cell applications is one key way we engage with and care for our customers. We believe in keeping our prospective and existing customers informed so that they are aware of the potential treatments, which may be useful for them or their loved ones.

We provide our prospective and existing customers with regular updates on stem cell applications through the following channels:

- Weekly updates on cord blood, cord lining and cord tissue banking related news and other services via digital platforms;
- Quarterly updates on stem cell utility development and relevant industry news;
- Virtual events and seminars.
- Engagement in consumer education and interaction through physical roadshows and events.

In FY2023, we held 13 outreach initiatives with expectant parents and families to raise awareness about the benefits of stem cell banking and other related services. Throughout the year, a series of hybrid and physical events and initiatives were conducted to engage new parents and the community to enhance their knowledge about stem cell banking and other related services.

Simultaneously, we continued to forge strategic partnerships with corporate entities and healthcare professionals to introduce our service offerings and conduct refresher training to keep them abreast of the latest developments relevant to the products and services they are working with:

- Regular stem cell related topics for hospital staff;
- Regular updates and detailing aids on latest white papers for doctors;
- Annual or semi-annual medical education consisting of educational talks on topics related to stem cell utility or related Cordlife services for doctors;
- Partnerships with hospital caregivers and medical institutions to conduct clinical trials to increase the applications of stem cells.
- Exclusive corporate rates for the healthcare employees.

We also hold similar educational talks and trainings within our company to keep our employees updated.

Our external engagement initiatives are monitored to ensure efficient message delivery and reach to targeted stakeholders. We closely monitor our external engagement initiatives to ensure effective message delivery and engagement with targeted stakeholders. Prospect return rate statistics are used to analyse the effectiveness of our digital outreach operations efforts. Our marketing and business intelligence departments gather and analyse survey data from prospects and leads. Additionally, feedback from hospital caregivers regarding the educational activities we provide is collected. We review all of the feedback we received at our weekly task force meeting to improve our approach and tactics for raising awareness about stem cell banking.



Our employees are the foundation of our business. We maintain the highest standards by providing them with adequate training and a safe work environment.

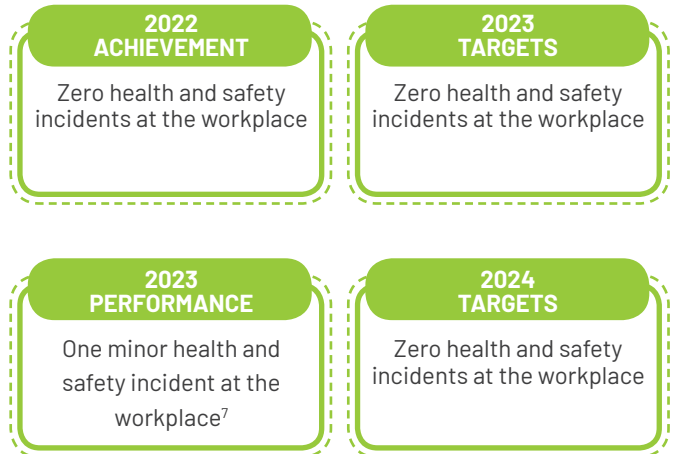
## OCCUPATIONAL HEALTH AND SAFETY

To ensure a safe working environment for our employees, especially our laboratory personnel, we have established policies and SOPs to manage occupational risks and safety. All laboratory personnel must receive a Hepatitis B vaccination before they can work in the laboratory, according to our Employee Handbook. Our Safety Manual encompasses the safety aspects of laboratory operations. We also have SOPs that stipulate the safety measures for specific work procedures, such as the handling of liquid nitrogen and any spillage, as well as the relevant first aid measures.

Our Safety Committee oversees and regularly reviews risk assessments and safety-related issues, and updating the Safety Manual as needed. Our risk assessment team and safety team are responsible for implementing risk assessments and safety exercises.

Safety incidents are reported in the monthly quality meeting for review and logged into our CAPA system to ensure that corrective and preventive actions are implemented. Furthermore, any needle-prick incident must be reported to MOM accordingly, and follow-up checks and medical reviews must be performed.

Other than putting relevant governance mechanisms and policies in place, we also conduct trainings to prevent accidents from occurring. Risk assessment plans and safety instructions are introduced to all employees during induction training. All training completed are recorded, reviewed, and endorsed by the respective heads of departments. Laboratory personnel are trained on the



safety aspects of their work during on-the-job training, which is recorded and reviewed. We have also conducted relevant safety courses for our safety team, including risk assessment training to help them identify hazards, evaluate risks, and implement appropriate risk control measures in our day-to-day operational activities. The risk assessment template review, which is conducted once every three years, was last carried out in FY2023. Two of our employees have been designated as first-aiders for the organisation, and they have completed their first-aid course. Their licences are valid from 2021 to 2023. In the coming year, we will continue to conduct relevant safety courses for new Safety Committee members.

<sup>7</sup> One of our employees sustained a sprain due to prolonged processing of umbilical cord lining (UCL).

# CARING FOR OUR EMPLOYEES

Performance for FY2023<sup>8</sup>

	FY2022			FY2023		
	Male	Female	Total	Male	Female	Total
<b>Total number of workplace fatalities</b>	0	0	0	0	0	0
<b>Accident frequency rate (AFR)<sup>9</sup></b>	17.02	0	17.02	0	5.97	5.97
<b>Accident severity rate (ASR)<sup>10</sup></b>	34.04	0	34.04	0	17.9	17.9
<b>Occupational disease incidence rate<sup>11</sup></b>	0	0	0	0	0	0
<b>Absentee rate<sup>12</sup></b>	7.13	10.16	17.29	3.96	7.96	11.92



<sup>8</sup> All employees covered in this report are located in Singapore.

<sup>9</sup> AFR = Total number of workplace accidents reported / Total number of man hours worked x 1,000,000

<sup>10</sup> ASR = Total number of man days lost to workplace accidents / Total number of man hours worked x 1,000,000

<sup>11</sup> Occupational disease incidence rate = Total number of occupational disease incidents / Total number of employees

<sup>12</sup> Absentee rate = Total number of absentee days / Total number of employees

# CARING FOR THE ENVIRONMENT

We are mindful of the environmental impact of our business, and we are committed to doing our part by reducing our GHG emissions.

## EMISSIONS

Energy supply is key to our business continuity. We work to ensure that our operations are energy-efficient and resilient to outages. Therefore, our Code of Conduct mandates that all employees engage in environmental conservation and use all facilities and equipment in the most energy-efficient manner.

We conduct regular and timely maintenance on all our equipment, laboratories and electrical facilities to ensure that they are in optimal working condition and continue to be energy efficient. We also monitor our facilities' electricity

consumption on a monthly basis to identify abnormal spikes or increases in usage trends so that we can analyse, investigate and remediate any possible inefficient use of energy.

During the pandemic, the implementation of work-from-home arrangements and the subsequent adoption of hybrid work setups led to significant electricity savings. We notably attributed this reduction in electricity usage to a decreased reliance on office amenities like air conditioning. Moreover, transitioning to digital record-keeping practices helped diminish the carbon footprint associated with printing and photocopying.

## FY2023 Performance

Energy Consumption	FY2022	FY2023	FY2024 Target
Diesel (kWh) <sup>13,14</sup>	3.8	3.76	Maintain per FY2023
Electricity (MWh)	241.4	264.9	Maintain per FY2023
<b>Total Energy Consumption (MWh)</b>	241.4	264.9	Maintain per FY2023

GHG Emissions <sup>15</sup>	FY2022	FY2023	FY2024 Target
Scope 1 emissions (tCO <sub>2</sub> e)	0	0	Maintain per FY2023
Scope 2 emissions (tCO <sub>2</sub> e)	102	112	Maintain per FY2023
<b>Total GHG emissions (tCO<sub>2</sub>e)</b>	102	112	Maintain per FY2023

In line with our aim to reduce energy consumption, we have replaced all fluorescent lights with energy-saving LED lights for our offices and facilities in Singapore. We will continue to encourage our employees to adopt and implement energy-saving initiatives.

<sup>13</sup> We calculate the diesel consumption based on the amount our emergency generator uses during its annual 10-minute maintenance exercise. Operating at a 100% Prime Running Power (PRP) setting during this maintenance, the generator consumes 0.377 litres of diesel per minute.

<sup>14</sup> Conversion factor to kWh is derived from 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

<sup>15</sup> GHG emissions for diesel consumption are computed based on emission factor derived from 2006 IPCC Guidelines for National Greenhouse Gas Inventories and GHG emissions for electricity consumption are computed based on electricity grid emission factor published in Singapore Energy Statistics 2018.



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