PASTURE HOLDINGS LTD.
(COMPANY REGISTRATION NO.: 201731601W)
(INCORPORATED IN THE REPUBLIC OF SINGAPORE ON
3 NOVEMBER 2017)

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Pasture® Holdings

SUSTAINABILITY REPORT 2024

CONTENTS

We are pleased to present the first Sustainability Report of Pasture Holdings Ltd ("**Pasture**", or the "**Company**", and together with its subsidiaries, the "**Group**"). This report provides an overview of Pasture's performance related to material environmental, social, and governance ("**ESG**") issues for financial year starting from 1 July 2023 and ending 30 June 2024 ("**FY2024**"). Together with our Annual Report for FY2024 ("**AR FY2024**"), the information in this report provides our stakeholders with a comprehensive view of the Company's overall performance in FY2024.

1.0
ABOUT PASTURE

Pasture redefines what it means to be a pharmaceutical and medical supply company, leading with a people-first approach grounded in agility, care, and a commitment to community.

Since the Group's founding in 1996, Pasture has grown steadily, expanding from Singapore into over 50 countries. While our reach is now global, we stay grounded in our values, putting people and their health first. We focus on providing lean, effective solutions that meet the needs of our partners, from distributors and governments, to institutional customers such as hospitals, pharmacies, and healthcare providers.

In contrast to the traditional pharmaceutical model, we remain adaptable, constantly exploring new ways to improve healthcare access and meet the needs of evolving markets. This includes ventures into B2C segments such as the pet pharmaceuticals market.

Our three wholly owned subsidiaries, Pasture Pharma Pte Ltd, Pacific Biosciences Pte Ltd, and Pasture PharmaHub Pte Ltd, work together to offer a comprehensive range of products and services. From our innovative Hart-S ODS oral disintegrating strips to our pet health app and community, furlife, we are constantly driven by the desire to improve lives – be it human or pet.

Pasture Holdings Ltd (Registration No. 201731601W) was incorporated in Singapore on 3 November 2017 under the Companies Act as a private limited company, under the name of "**Pasture Holdings Pte. Ltd.**" On 28 March 2023, the Company was converted into a public limited company and changed its name to "**Pasture Holdings Ltd.**" and was listed on the Catalist Board ("**Catalist**") of the Singapore Exchange Securities Trading Limited ("**SGX**")as Pasture Holdings Ltd. (SGX: UUK.SI) on 9 June 2023.

The principal activities of the Company and its subsidiaries are as follows:

(a) Wholesale of medicinal and pharmaceutical products (western);
(b) Wholesale of medical, professional, scientific and precision equipment; and
(c) Veterinary activities.

Head Office

Pasture Holdings Ltd
2 Corporation Road
#03 – 04/05, Corporation Place
Singapore 618494

SUSTAINABILITY REPORTING FRAMEWORK

This report has been prepared with reference to the Global Reporting Initiative ("**GRI**") Standards. We use the GRI Standards for preparing our sustainability report due to their international recognition and acceptance by stakeholders. We report on disclosures recommended by the Task Force on Climate-related Financial Disclosures ("**TCFD**"). The report aligns our activities with the United Nations ("**UN**") Sustainable Development Goals ("**SDGs**") and follows the SGX Catalist Rules (711A and 711B), detailing our ESG strategies, targets and achievements.

2.1 SUSTAINABILITY POLICY

At Pasture, we are committed to playing a role in improving global health while minimising our environmental and social impact. We have adopted a comprehensive sustainability policy which outlines our commitment to sustainable practices in the pharmaceutical industry and guides our employees, partners, and stakeholders towards a sustainable future. Please refer to our sustainability framework in Section 4.1 Sustainability Strategy of this report to learn more about our policy commitments.

2.2 REPORTING SCOPE

The Sustainability Report of Pasture for FY2024 covers the material ESG factors across the operations of Pasture Group and its three wholly owned subsidiaries, Pasture Pharma Pte Ltd, Pacific Biosciences Pte Ltd and Pasture PharmaHub Pte Ltd.

On occasions where data is incomplete or unavailable, we have provided disclosure with supporting explanations and rationales where required.

For comparison, we have included the historical data for financial year ended 30 June 2023, unless stated otherwise. Our latest audited financial statements for FY2024 are available in the AR FY2024.

2.3 REPORTING PROCESS

We follow GRI standards and guidance to identify, assess, prioritise, and validate material ESG topics. The report reflects our stakeholders' expectations, our understanding of the sustainability context, ESG risks and opportunities, and sustainability trends. The report also aligns with TCFD disclosures.

In preparing the report, we have applied GRI's principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability to ensure report quality. The data in this report is sourced directly from our primary official records to ensure both accuracy and consistency. For ease of comparison across different years, we have incorporated historical ESG performance data. All financial information is presented in United States Dollars, except where indicated otherwise.

Standards, Frameworks and Guidelines

GRI Standards
SGX Catalist Rules (711A and 711B) – Sustainability Reporting
TCFD Recommendations
UN SDGs
Greenhouse Gas ("**GHG**") Protocol

SGX Primary Components

The report comprises the six primary components, as required by the SGX sustainability reporting rules, covering Material ESG factors, Climate-related disclosures, policies, practices and performance, targets, Sustainability reporting framework and Board statement.

2.4 RESTATEMENTS

This is Pasture's first Sustainability Report and therefore does not contain any restatements.

2.5 ASSURANCE

We maintain an internal control system to validate the accuracy and reliability of our ESG data. We reviewed the overall data collection process internally to ensure data quality and accuracy.

The Sustainability Report for FY2024 has been reviewed by GreenCo ESG Advisory Pte Ltd. for compliance with the disclosure requirements of SGX-ST Catalist Rules 711A and 711B (version 1 Jan 2023 to 31 Dec 2024) and the GRI Standards 2021 - with reference to level of commitment, the 11 recommendations of TCFD and the alignment with the Company's selected UN SDGs.

We have not obtained external assurance for the sustainability information in this report. The possibility of obtaining external verification for our ESG data for future reports remains under consideration.

2.6 AVAILABILITY

The report is available on our website (www.pasturegroup.com) and the SGX website (www.sgx.com).

2.7 FEEDBACK AND CONTACTS

We value and welcome all feedback from stakeholders as they are integral to the continuous improvement of our sustainability actions and reporting.

For comments or questions about this report, please contact us at contact@pasturegroup.com.

This report is published on 22 January 2025.

3.0
BOARD STATEMENT

At Pasture, the Board of Directors is dedicated to maintaining the highest standards of accountability and transparency. The Board of Directors (the "**Board**"), supported by the Executive Chairman & Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**"), Audit Committee ("**AC**"), and Sustainability Committee ("**SC**"), integrates sustainability into corporate strategy and oversees the management of material ESG factors. These factors play a critical role in balancing profitability, environmental stewardship, employee success, and the well-being of the communities we serve.

Our inaugural sustainability report outlines how Pasture identifies and manages its material ESG impacts to create long-term value for stakeholders. The Board has reviewed and endorsed this report, reaffirming its commitment to responsible governance and sustainable growth.

As a leading pharmaceutical and medical supply company, sustainability is deeply embedded in our operations. We integrate sustainable practices into our business strategy, risk management, and governance, ensuring we deliver quality products and services while protecting the environment and advancing access to effective healthcare solutions. Pasture is committed to enabling positive outcomes for both people and the planet.

Pasture is committed to strengthening the integration of sustainability into our operations by aligning ESG initiatives with organizational objectives. The Board has considered sustainability issues in Pasture's business and strategy, determined the material ESG factors and overseen the management and monitoring of the material ESG factors.

Sustainability and value creation go hand in hand. As we adapt to the challenges of today and tomorrow, our approach continues to evolve. The Board extends its gratitude to stakeholders for supporting Pasture on journey towards responsible corporate citizenship and a sustainable future.

4.0
OUR APPROACH

4.1 SUSTAINABILITY STRATEGY

Our sustainability strategy aligns closely with the core focus of our operations: delivering safe, cost-effective solutions to customers while minimizing environmental impact. We strive to track developments and innovations in the pharmaceutical industry to remain at the forefront of progress and create value across our material ESG topics. This includes engaging with stakeholders to understand their expectations, upholding strong corporate governance, reducing environmental impact, and driving positive contributions to the economy and our communities.

4.2 SUSTAINABILITY GOVERNANCE STRUCTURE

The Board oversees the Group's sustainability strategy, ensuring effective management of material ESG issues, risks, impacts, and opportunities. While the Board holds ultimate responsibility, the management implements the strategy, monitors performance, and provides timely updates.

The SC supports the Board by reviewing ESG impacts, practices, performance, and stakeholder engagement to address expectations and concerns. The AC further assists by reviewing the adequacy of internal controls and compliance with SGX sustainability reporting requirements.

Sustainability is integral to both our business strategy and long-term success. The Board, in collaboration with management, identifies material ESG risks and opportunities, integrating them into the Group's strategic direction. The Board regularly reviews the Group's sustainability performance and approves all related reporting.

4.3 SUSTAINABILITY COMMITTEE

The SC is responsible for assisting the Board in identifying and prioritizing material ESG factors. The SC also manages and monitors climate-related risks and opportunities, the implementation of material ESG factors, setting and achieving ESG targets, and preparing the annual sustainability report.

Led by the CFO and chaired by the CEO, the SC comprises the Chief Operating Officer, Corporate Communications and Marketing Manager, Chief Pharmacist, and Human Resource and Administrative Manager. The SC reports directly to the CEO.

The SC ensures alignment between the Group's sustainability strategy, policies, and targets, ensuring these align with the Board's strategic direction. This involves regular engagement with stakeholders to integrate their perspectives into the sustainability strategy and business decisions. The SC also maintains reliable data controls, monitors ESG performance, and reports achievements to the Board using key performance indicators.

REPORTING COMMITTEE STRUCTURE

Board of Directors (BOD)

Audit Committee (AC)

Executive Chairman & CEO

Chief Financial Officer (CFO)

Chief Operating Officer (COO)

Corporate Communications & Marketing Manager

Chief Pharmacist

Human Resources & Admin Manager
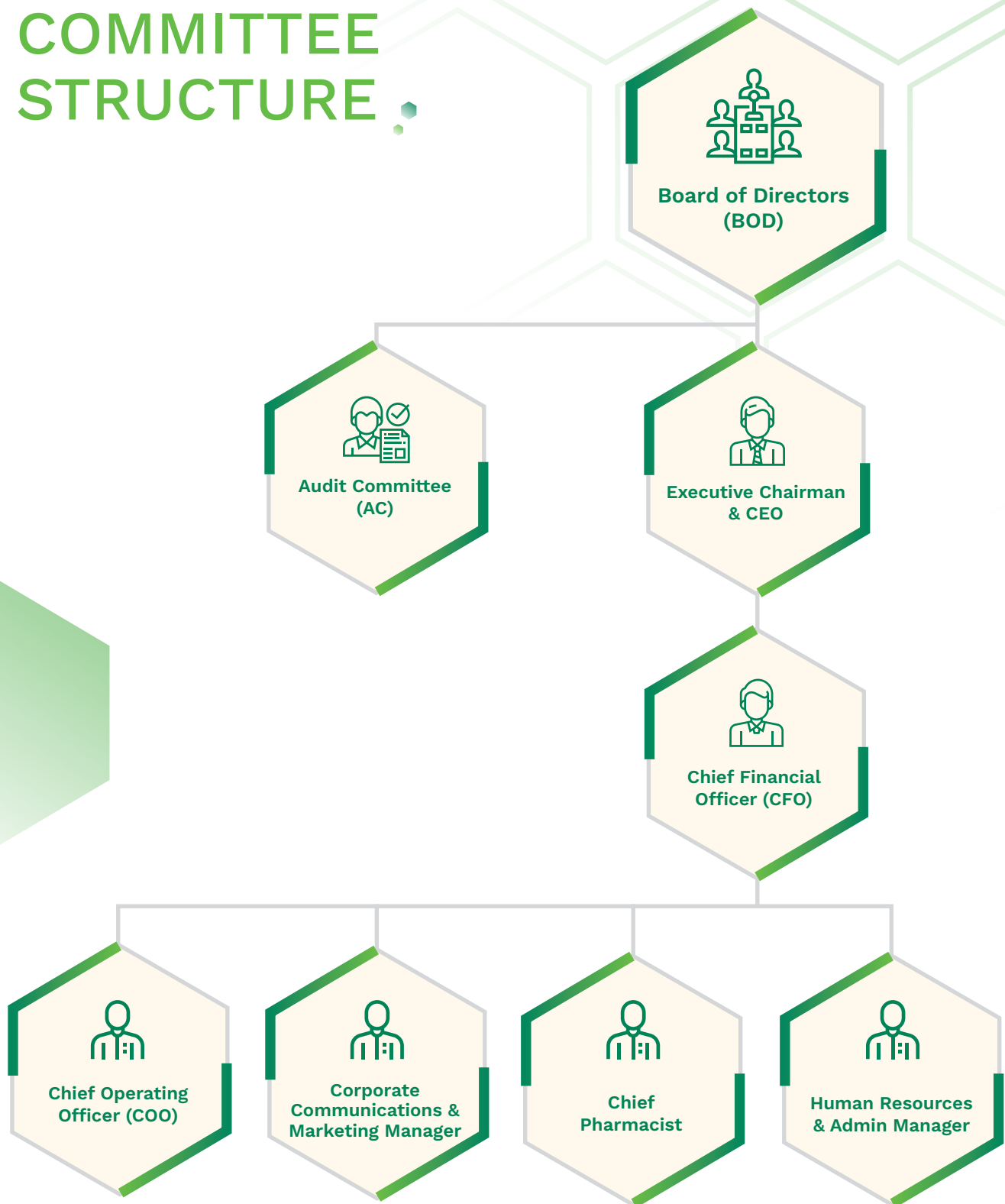
4.4   DIRECTORS' TRAINING

The Board keeps itself updated on sustainability trends and developments through training, expert briefings, webinars and self-studies. The Board has also attended training as mandated by the SGX, with modules covering Environmental, Social and Governance essentials.

4.5   SUSTAINABILITY RISKS AND OPPORTUNITIES

The Group has developed an enterprise risk management ("**ERM**") framework based on the Committee of Sponsoring Organisations of the Treadway Commission ("**COSO ERM Integrated Framework**") and risk categories derived from the insights by Gartner Risk Management Council, and the World Economic Forum Global Risk Report. The Risk Management Policy comprises a risk organisation structure with clearly defined roles and responsibilities. Additionally, a Risk Management Process has been implemented to enable the Group to continuously assess, manage, report, and monitor risks. An annual review of the ERM framework is conducted by an external risk advisory firm.

Our ERM framework and internal control systems, which references financial, operational, compliance and information technology controls, includes formal instructions, standard operating procedures and financial authority limit policies. Our Board and SC regularly review the risks, industry trends and regulatory updates. Together with a materiality assessment following the GRI Standards, our listed risks and challenges help us identify our key material topics on an ongoing basis.

TOPICS	RISKS AND CHALLENGES	OPPORTUNITIES
Compliance with applicable laws and regulations pertaining to occupational health and safety, and the environment	To keep abreast and to ensure full compliance of the new laws and regulations applicable to the Group.	• To comply with applicable Quality, Environment, Health and Safety ("**QEHS**") standards, legal and other requirements. • To continuously improve QEHS performance through monitoring and reviewing of the set objectives and targets.
Climate Change	To understand the policy, legal, and market changes in response to climate change.	• To start disclosing our sustainability strategies, targets and performances with our stakeholders. • Changing customers' expectations and demands for more sustainable services and solutions. • To develop policies and procedures to reduce greenhouse gas emissions.
Talent management, including diversity consideration	To attract and retain experienced talent.	• To attract, retain and grow professionals who are passionate and share the same values and enthusiasm in growing the business. • To make more efforts to groom and train more young people into the business at the start of their careers through fair employment practices. • To create an inclusive culture in workplace that values both cultural and gender diversity, fostering collaboration and encouraging positive outcomes.

4.6   STAKEHOLDER ENGAGEMENT

Our stakeholders comprise individuals or groups who are affected by the Group's activities or those who have the potential to impact or influence our performance. Understanding their expectations and engaging them on an ongoing basis allow us to determine our strategic priorities, evaluate our approach towards the stakeholders and make informed decisions on ESG material topics.

We conducted a mapping exercise to identify our key stakeholders across the Group's value chain. This process was based on GRI's key concepts and their approach to stakeholder engagement. The internal stakeholders, including the senior management, provided their insights based on their experience of engaging respective stakeholders and their understanding of stakeholder expectations in arriving at the list. We seek to ensure meaningful engagement with stakeholders through a wide range of ongoing communication channels.

STAKEHOLDERS	METHOD OF ENGAGEMENT	STAKEHOLDER'S EXPECTATIONS	OUR RESPONSES
Employees	• Annual performance appraisals • Staff orientation • Festive celebrations • Teambuilding activities • Training & Coaching • Regular communication (emails, company newsletters, town halls)	• Benefits and rewards • Work-life balance • No gender biasness • Personal growth, learning and development • Occupational health and safety ("**OHS**")	• Improved employee welfare and benefits • Robust OHS systems • Fair employment and equal opportunities for career progression • Strengthening capabilities through training and development
Customers	• Regular meetings • On-going communication via various channels (calls / messages / emails) • Customer satisfaction survey • Corporate website	• Meeting contractual specifications (quality, time and performance) targets	• Minimum 'satisfactory' feedback for completed orders • Striving to receive zero negative feedback
Government Agencies / Regulators	• Government websites • Regulation updates via training and seminars • Correspondences • Periodic discussions with government agencies and departments • Actively seek guidance from Sponsor	• Good corporate governance • Compliance with applicable laws and regulations • Ethics and integrity • Anti-corruption • Ensure alignment with SGX regulations	• Full compliance with SGX Catalist Rules for transparent reporting • Independent whistle-blowing platform for reportable incidents • Targeting zero corruption Incident • Regulatory compliance • Timely reporting and resolution of issues

STAKEHOLDERS	METHOD OF ENGAGEMENT	STAKEHOLDER'S EXPECTATIONS	OUR RESPONSES
Shareholders and Investors	• General meetings • Annual reports • SGXNet portal • Press release • Corporate website • Designated Investor Relations Emails	• Transparent reporting of the financial information • Sustainable financial performance that meets expectations • Financial returns such as return on investments and dividends	• Corporate updates through corporate website and linkedin webpages • Full compliance with SGX Catalist Rules for transparent reporting
Suppliers	• Regular meetings • Site visits • Supplier evaluation • Corporate website	• Smooth communication, dealing and delivery throughout • Fair competition • Anti-corruption • Adherence to agreement terms • Meeting timely payment obligations	• Performance monitoring and improve efficiency throughout supply chain • Compliance with Pasture governance, environmental and social policies which include code of conduct, fair competition and anti-corruption. • Performing periodic supplier evaluation & update Approved Vendor List
Communities / Public	• Corporate website • Internship opportunities • Local employment	• No negative environmental and social impacts • Job opportunities	• Fair employment • Compliance with health and safety, environment regulations • Internship offers to students
Banks / Financiers	• Regular meetings • Annual reports • SGXNet portal	• Transparent and truthful financial information • Compliance with bank covenants • Repayment obligations	• Compliance with bank covenants • Meet repayment obligations
Business Partners	• Strategic business planning meetings with joint venture partners	• Marketing strategy and plan • Increased trade flows	• Improve business and investment performance • Partnership for opportunities and growth

4.7 MATERIALITY ASSESSMENT

Our materiality assessment has been conducted based on GRI's guidance on the process to determine material topics, including understanding the organisation's context, identifying actual and potential, negative and positive impacts on the economy, environment, and people, and assessing significance of these impacts. The internal stakeholders, including the senior management, provided their views and insights which informed the identification and assessment of the impacts. Subsequently, most significant impacts have been prioritised.

Assisted by the management and the SC, the Board has reviewed and approved the material ESG topics for reporting.

STEP 01
Understand the organization's context

STEP 02
Identify actual and potential impacts

STEP 03
Assess the significance of the impacts

STEP 04
Prioritize the most significant impacts for reporting
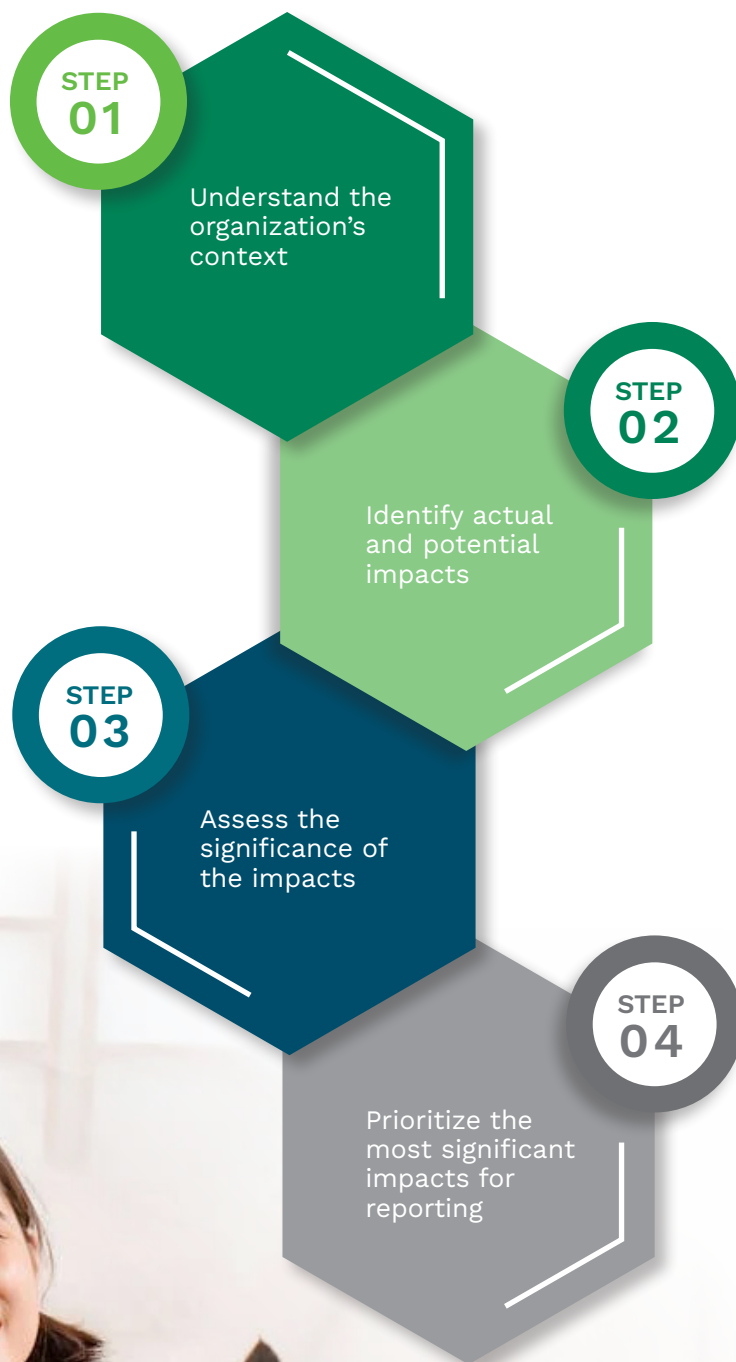
The assessment also took into consideration the GRI Reporting Principles, GRI topic-specific standards, and UN SDGs. The table below provides the list of material topics determined.

MATERIAL TOPICS

MATERIAL TOPICS	MANAGEMENT APPROACH	OUR TARGETS
ECONOMIC		
Economic Performance	• To generate sustainable economic value for our stakeholders	• To achieve total economic value distributed of at least USD 12 Million
ENVIRONMENT		
Energy Consumption	• To conserve energy through various energy savings initiative • To have in place an Environmental and Climate Change Policy • To have in place a QEHS Management System and Policy	• To keep energy consumption intensity within 50 GJ per USD Million revenue
Greenhouse Gas Emissions ("**GHG**")	• To reduce our carbon intensity through internationally recognised environmental management standards • To have in place an Environmental and Climate Change Policy • To have in place a QEHS Management System and Policy	• To keep GHG emissions intensity within 7.0 tCO2e / per USD Million revenue
SOCIAL		
Employment	• To attract and retain employees through merit-based and fair employment practices • To have in place a Group Diversity and Inclusion Policy	• To achieve less than 35% turnover rate
Training and Education	• To provide training programmes based on the needs of the individual employees	• Average training hours of at least 8 hours per employee
Non-Discrimination	• To recruit, promote, reward, and provide career advancement and development opportunities without discrimination • To have in place a Human Rights Policy	• To maintain zero incidents of discrimination
Anti-corruption	• To uphold the highest standards of professional conduct and accountability • To have in place a Group Anti-bribery and Corruption Policy • To have in place a Business Code of Conduct and Ethics • To have in place a Whistleblowing Policy	• To maintain zero incidents and public cases concerning corruption
Diversity	• To embrace diversity at workplace in line with Singapore's Tripartite Guidelines • To achieve board diversity in line with regulatory requirement • To have in place a Board Diversity Policy • To have in place a Group Diversity and Inclusion Policy	• To achieve the percentage of female employees of at least 35% to achieve a balanced workforce
Regulatory Compliance	• To comply with all applicable laws and regulations • To have in place a QEHS Management System and Policy	• To maintain zero incidents of noncompliance
Customer Health and Safety	• To fully comply with product health and safety regulations and codes • To have in place a QEHS Management System and Policy	• To maintain zero incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our products

4.8 UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Endorsed by all 193 United Nations Member States in 2015, the 2030 Agenda and its Sustainable Development Goals focus global efforts and attention on 17 pressing issues. The private sector can play a critical role in providing practical solutions that can contribute to solving these challenges while also generating new business opportunities. Pasture is committed to this meaningful pursuit of sustainable development. We have integrated the SDGs into our sustainability strategy and reporting process to reflect our contribution to sustainable development.

CONTRIBUTING TO THE UN SUSTAINABLE DEVELOPMENT GOALS

MATERIAL ESG TOPICS	SDGS SUPPORTED
Economic Performance	8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Energy Consumption	3 GOOD HEALTH AND WELL-BEING · 8 DECENT WORK AND ECONOMIC GROWTH · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION
GHG Emissions	3 GOOD HEALTH AND WELL-BEING · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION
Employment	3 GOOD HEALTH AND WELL-BEING · 5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES
Training and Education	4 QUALITY EDUCATION · 5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES
Non-Discrimination	5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH
Anti-corruption	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Diversity	5 GENDER EQUALITY · 8 DECENT WORK AND ECONOMIC GROWTH
Regulatory Compliance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Local Communities	3 GOOD HEALTH AND WELL-BEING · 4 QUALITY EDUCATION
Customer Health and Safety	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

5.0
GOVERNANCE

5.1   CORPORATE GOVERNANCE

At Pasture, we recognize that strong corporate governance and transparency are essential to a company's long-term sustainability. We adhere to the highest standards of professional conduct and accountability, aligning our practices with the Singapore Code of Corporate Governance 2018. Our operations are guided by key policies and processes that are clearly defined and communicated to all employees. For further details, please refer to our Corporate Governance Report in our FY2024 Annual Report.

5.2   CODE OF CONDUCT

The Group's Business Code of Conduct and Ethics, referred to as the "Code", is readily accessible on our website at www.pasturegroup.com. The Code outlines the expected conduct for all employees, emphasising the necessity for high standards of personal and corporate integrity. This expectation extends to all interactions, whether with customers, suppliers, competitors, fellow employees, or the wider community. New employees undergo training as part of onboarding that covers the Group's Code, corporate values, ethical principles and policies.

Pasture's Code of Conduct covers the following:

| Compliance with the law | Conflict of interest | Prohibition on bribery and corruption |

| Gifts, favours and concessionary offers | Workplace harassment | Workplace health and safety | Company property and assets |

| Confidential information | Proprietary information & intellectual property | Insider trading | Enforcement & reporting violations of the Code of Conduct |

5.3 ANTI-CORRUPTION POLICY

The Group adopts a strict zero-tolerance policy against corruption, bribery, fraud and money-laundering, recognising that these practices can undermine stakeholder trust, damage our reputation, and lead to significant legal and financial risks. To protect our stakeholders' interests and ensure the smooth operation of our Group, we have implemented an anti-corruption policy. Our anti-corruption policy applies to all employees, directors, suppliers and business partners. Any unethical behaviour or misconduct relating to corruption and fraud by employees may result in formal disciplinary action including dismissals. We periodically review our practices and performance to identify areas for continuous improvement.

Our anti-corruption policy has been communicated to all of Pasture's employees and our Board of Directors. All directors have also attended anti-corruption training.

MATERIAL TOPIC	FY2024 TARGET	FY2024 PERFORMANCE	FY2025 TARGET
Anti-Corruption	To maintain no incidents of corruption	Target met – No incidents of corruption	To maintain no incidents of corruption

5.4 WHISTLEBLOWING POLICY

In line with our commitment to transparency, accountability, and integrity, we have implemented a robust Whistleblowing Policy. This policy is a critical component of our governance framework, offering both employees and external parties a secure avenue to report concerns regarding financial reporting irregularities or other types of malpractice. These whistleblowing channels are designed to protect the confidentiality of the whistleblower and guarantee that there will be no retaliation for raising concerns. Our Whistleblowing Policy is accessible through our website at www.pasturegroup.com. Read more about our Whistleblowing Policy in the Corporate Governance section of AR FY2024.

We are pleased to report the following in FY2024:

There were no confirmed incidents and public legal cases related to corruption

No employees of Pasture have been dismissed or disciplined for corruption

No contracts with business partners were terminated or not renewed due to violations related to corruption

No whistle blowing reports were received.

Our target is to maintain zero track record for the aforementioned four points.

5.5   REGULATORY COMPLIANCE

At Pasture, we are dedicated to adhering to all applicable laws and regulations in the regions where we operate. Regulatory compliance forms a critical foundation for the sustainable growth of our business and the delivery of value to our shareholders and stakeholders. Our approach involves taking proactive measures to mitigate legal risks and continuous performance monitoring.

The Group's regulatory policies and procedures are regularly reviewed to ensure alignment with applicable legislative and regulatory requirements. Comprehensive training programmes are provided to familiarize employees with these policies.

For transparency, we publicly disclose significant instances of non-compliance. An incident is classified as significant if it involves a fine exceeding S$50,000 or leads to the suspension of business operations.

MATERIAL TOPIC	FY2024 TARGET	FY2024 PERFORMANCE	FY2025 TARGET
Regulatory Compliance	To maintain no incidents of non compliance involving significant fines or non-monetary sanctions	Target met - No incidents of non compliance involving significant fines or non-monetary sanctions	To maintain no incidents of non compliance involving significant fines or non-monetary sanctions

5.6   BOARD DIVERSITY POLICY

Pasture's Board Diversity Policy emphasizes a balanced mix of skills, knowledge, and experience among its members. This approach prevents groupthink, fosters constructive debate, and ensures the Group benefits from the collective expertise of its Board.

An effective Board consists of individuals with complementary professional qualifications, regional and global business experiences, industry knowledge, and diverse backgrounds in gender, geography, nationality, tenure, seniority, and other unique characteristics. These factors are carefully considered to achieve balanced representation whenever possible.

Recognizing the importance of of gender diversity, we aim to maintain at least one female director on the Board. Presently, two or 40% of the five directors are female. Additionally, three or 60% of the directors are above the age of 50.

To maintain gender diversity, we have implemented key measures:

External search consultants are mandated to include female candidates in their search criteria when identifying Board candidates

The Nomination Committee prioritizes diversity and representation when evaluating and selecting new directors.

By adhering to these practices, Pasture ensures diversity remains a key consideration in shaping its Board composition.

Our target for FY2025 is to maintain at least one female director on the Board.

ECONOMIC

MATERIAL TOPICS	SDG GOALS
Economic Performance	

6.1 ECONOMIC PERFORMANCE

Good economic performance and continued value creation for our stakeholders are essential to our business. They are also primary concerns for our investors and shareholders. Detailed disclosure of our financial performance is provided in the financial section of our AR FY2024.

MATERIAL TOPIC	FY2024 TARGET	FY2024 PERFORMANCE	FY2025 TARGET
Economic Performance	To achieve total economic value distributed of at least USD 12 Million	Target met – Total economic value distributed of USD13.6 Million	To achieve total economic value distributed of at least USD 14 Million

The following is a summary of the direct economic value generated and distributed in FY2024 in comparison with previous year.

Please refer to the Financial Statements section of AR FY2024 for detailed information.

ECONOMIC PERFORMANCE INDICATORS	PAYMENT TO	FY2024 (USD'000)	FY2023 (USD'000)
1. Revenue (economic value generated)	N/A	14,063	9,704
2. Cost of goods sold[1]	Suppliers	10,597	7,978
3. Profit / (Loss) before income tax	N/A	643	(1,263)
4. Total operating expenses[2]	Other suppliers	1,292	2,096
5. Employee wages and benefits	Employees	1,577	1,084
6. Tax expenses	Government	84	35
7. Finance costs	Banks	85	15
8. Dividends declared to shareholders	Shareholders	–	–
9. Total economic value distributed[3]		13,635	11,208

[1] Excluding employee wages and benefits recorded under cost of goods sold.
[2] Excluding depreciation expense and employee wages and benefits recorded under general and administrative expenses.
[3] This term is aligned with GRI 201-1 and calculated based on the computation of Items 2 and 4 - 8.

6.2 PRODUCT AND SERVICE QUALITY

Since the Group's founding in 1996, Pasture has steadily expanded from Singapore to serve over 50 countries. Delivering excellent product and service quality remains a top priority, with our commitment to quality embedded throughout our operations. We strive to meet contractual specifications on quality and time, enabling our customers to fulfil their commitments.

To meet these objectives, we maintain ongoing communication with our customers through multiple touchpoints. Customer feedback is actively collected and used to evaluate and enhance our performance. Our targets are to achieve minimum "satisfactory" feedback from the customers. In FY2024, 100% of our customers expressed "satisfactory" feedback with regards to Pasture's performance.

ENVIRONMENT

MATERIAL TOPICS

- Energy Consumption
- GHG Emissions

SDG GOALS

Environmental sustainability has always been core to our business of providing lean, effective solutions that meet the needs of our partners, from distributors and governments, to institutional customers such as hospitals, pharmacies, and healthcare providers.

As a Group primarily focused on the marketing, wholesale and distribution of specialty pharmaceuticals, medical supplies and related products, we recognise that our operational carbon footprint is comparatively modest. Nevertheless, we are committed to contributing to the national and global endeavours of climate change mitigation. In this spirit, we have adopted a climate policy, which encompasses commitments to reducing greenhouse gas emissions and embracing responsible packaging practices.

To reduce our carbon footprint, we focus on initiatives such as improving energy efficiency, utilizing renewable electricity where possible, and adopting sustainable packaging materials, like recyclable boxes. Additionally, we strive to operate within a green building and continuously assess the most efficient routes for freight and transportation to minimize environmental impact.

Our strategy prioritizes addressing short-term climate-related risks and opportunities, while also monitoring medium- and long-term risks to develop appropriate responses. In the short term, we are focused on compliance with mandatory climate-related reporting and aligning with the TCFD Recommendations.

In alignment with our climate commitment, we are committed to progressively implementing the Recommendations of the TCFD to assess, manage and report climate-related risks and opportunities for the Group. This report adheres to the TCFD's structured framework, which is categorised into four core areas: governance, strategy, risk management, and metrics and targets. The details of each category are set out in the sections that follow.

Our Group has put in place various environmental operation control procedures, which set out clear directions to ensure proper control measures across these companies. These procedures cover a wide range of environmental topics such as air pollution, chemical handling, waste management, vector control, noise pollution, chemical spillage and ozone depletion.

We also understand that making a difference begins with communicating our values with stakeholders. At Pasture, recycling is strongly advocated. This is done through continuous promotion of 3R: Reduce, Reuse and Recycle amongst employees.

Our planned environmental targets are:

MATERIAL TOPIC		FY2024 TARGET	FY2024 PERFORMANCE	FY2025 TARGET
Energy Consumption	Intensity (GJ per USD Million revenue)	To keep energy consumption intensity within 50 GJ per USD Million revenue	Target met – 24.3 GJ per USD Million revenue	To keep energy consumption intensity within 30 GJ per USD Million revenue
GHG Emissions	CO_2 Intensity (kg per USD million revenue)	To keep GHG emissions intensity within 7.0 tCO_2e per USD million revenue	Target met – 3.4 tCO_2e per USD million revenue	To keep GHG emissions intensity within 4.0 tCO_2e per USD million revenue

Our Group reports consolidated energy consumption and carbon emissions for all the entities within the Group as all these entities are under the Group's operational and financial control.

7.1 ENERGY CONSUMPTION

Our energy consumption is comparatively low, primarily utilised for essential operations such as lighting, powering administrative office equipment, and transport for product distribution. Despite this relatively small footprint, we track and monitor our energy usage, consistently striving for greater energy efficiency in all aspects of our operations.

In FY2024, the Group moved to a new office and cold chain warehouse in April 2024. This move was in line with our long-term growth strategy and with our sustainability efforts to reduce energy consumption. The new premise has been awarded Building Construction Authority ("**BCA**") Green Mark Platinum. Despite having a combined floor area of approximately 13,800 square feet, double the size of our previous premises, the Group's electricity purchased in FY2024 has reduced due to this move.

	FY2024	FY2023
Electricity Purchase (kWh)	94,925	159,992
Fuel Consumption (Petrol) from Motor Vehicles (litres)	3,805	3,941
Energy Consumption (GJ)	483	723
Revenue (USD Million)	14.1	9.7
Energy Consumption Intensity (GJ per USD Million revenue)	34.3	74.5

7.2 GREENHOUSE GAS EMISSIONS

Carbon emissions at Pasture mainly come from our consumption of electricity and fuel consumption from motor vehicles. We use globally recognised GHG Protocol guidelines to measure and disclose our carbon emissions. We currently report our scope 1 and scope 2 GHG emissions associated with our operations. Measuring and reporting our Scope 3 emissions remains under consideration for future reports.

CARBON EMISSIONS SUMMARY (tCO$_2$e)

	FY2024	FY2023
Direct (Scope 1) GHG emissions		
Mobile Combustion – Petrol	8.8	9.1
Energy indirect (Scope 2) GHG emissions		
Purchased Electricity	39.6	66.7
Total Carbon Emissions (Scope 1 + Scope 2)	48.4	75.8
Carbon Emission Intensity (tCO$_2$e per USD Million Revenue)	3.4	7.8

OUR PEOPLE

MATERIAL TOPICS

- Employment
- Training and Education
- Non Discrimination
- Diversity

SDG GOALS

At Pasture, our people are crucial for our long-term success and growth. Our goal is to be a company that our employees are proud to work for.

MATERIAL TOPIC	FY2024 TARGET	FY2024 PERFORMANCE	FY2025 TARGET
Employment	Below 35% turnover rate	Target met – 29% turnover rate	Below 30% turnover rate
Training and Education	At least 8 hours of training per employee per year	Target not met – Not all employees received 8 hours of training per year	At least 8 hours of training per employee per year
Non-discrimination	To maintain no incidents of discrimination	Target met – No incidents of discrimination	To maintain no incidents of discrimination
Diversity	To have at least 35% of female employees to achieve a more balanced workforce	Target met – Percentage of female employees: Total workforce: 67% Senior Management: 40% Board of Directors: 40%	To have at least 35% of female employees to achieve a more balanced workforce

8.1 OUR EMPLOYEES

At the close of FY2024, Pasture has 24 employees on its payroll. 100% were permanent employees with full-time employees making up 88% of this total workforce. Singapore accounted for 100% of our total number of employees.

During the reporting period of FY2024, there were no workers who were not employees of the Group.

Pasture has a re-employment policy of extending employment to staff who have reached the mandatory retirement age but are still able and willing to continue contributing to the Group. This policy is applicable to all staff. In FY2024, there were two staff above the retirement age who are still hired and contributing to the Group.

8.2 DIVERSITY

At Pasture, we are committed to building a diverse and inclusive environment where all employees, regardless of their race, gender, age, sexual orientation, disability, religion, or ethnic background, are respected, valued, and given equal opportunity to realise their full potential. Our policies promote diversity, equality, and inclusion in the workplace and support a dynamic, innovative, and respectful environment.

In FY2024, 50% of our employees were aged 30-50, with 29% under 30 and 21% over 50. Women made up 67% of our workforce, representing 100% of middle management and 40% of senior management positions. This figure surpasses the 2022 World Bank Gender Data Portal statistic, which reported women's representation in senior and middle management at 40.6%.[1]

	FY2024		FY2023	
	Male	**Female**	**Male**	**Female**
Number of Employees	8	16	5	14
Gender Diversity by Employment Category				
Senior Management	3	2	2	2
Middle Management	0	2	0	4
Others	5	12	3	8
Employees by Age Group				
Below 30		7		7
30 – 50		12		8
Above 50		5		4
Employees by Nationality				
Singapore Citizens		19		16
Other Nationalities		5		3

[1] WorldBank, Singapore. World Bank Gender Data Portal. https://genderdata.worldbank.org

8.3 PARENTAL LEAVE

We are committed to promoting a supportive, family friendly workplace culture. Our employees are eligible for parental leave. We believe that offering parental leave is vital as it supports employees' work-life balance and contributes to their overall well-being and job satisfaction.

Our parental leave-related disclosures are presented in the table below.

	FY2024			FY2023		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**
Total no. of employees that were entitled to parental leave	0	4	4	0	3	3
Total no. of employees that took parental leave	0	4	4	0	3	3
Total no. of employees returning to work after taking parental leave	0	4	4	0	3	3
Total no. of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	0	2	2	0	3	3
Return to work rate	N/A	100%	100%	N/A	100%	100%
Retention rate	N/A	50%	50%	N/A	100%	100%

8.4 EMPLOYEE BENEFITS

We are committed to ensuring the welfare of our employees. We offer access to essential health services for our employees as we believe that healthy employees are the foundation of a healthy organisation. Our full-time employees receive a range of benefits including life insurance, disability and invalidity coverage, healthcare, retirement plans, and parental leave, all in compliance with local laws and statutory regulations.

8.5 EMPLOYEE DEVELOPMENT

We invest in developing our people by providing regular training opportunities. The training topics covers amongst others health and safety, cold chain management for pharmaceuticals and medical devices. In FY2024, we provided a total of 232 hours of training. The hours of training for male and female employees were 108 and 124. On average male employees received 13.5 hours of training per person while female employees received 7.8 hours of training per person in FY2024.

We have provided 136 hours of training to senior executives and 96 hours of training to other mid-level executives and operation employees. On average senior executives received 27 hours of training per person while other mid-level executives and operation employees received 8 hours of training per person in FY2024.

Average hours of training per employee amounted to 9.7 hours. However we have not met our targets to provide at least 8 hours of training per employee per year as not all employees received the same number of training hours. The Group notes that there is a need for focused employee development strategies and shall work towards providing relevant training courses that align with our employees' job responsibilities and career development objectives.

Our target for FY2025 is to provide at least **8 hours** of training per employee per year in FY2025.

8.6 PERFORMANCE MANAGEMENT

We have implemented performance management measures to support our employees' personal and professional development. We conduct annual performance appraisals for all employees to assess their performance in a fair and objective manner. In FY2024, all 100% of the employees participated in the performance appraisal process.

Our target for FY2025 is to have all 100% of the employees participated in the performance appraisal process.

8.7   NEW HIRES AND TURNOVER

Our goal is to attract diverse talent to support our business growth. In FY2024, we hired 9 new employees. The total hiring or employment rate of the Group in FY2024 was 38%. Women accounted for 67% of the new hires. The number and percentage of new hires by age group were as follows: 3 were under 30 years old (33%), 5 were aged between 30-50 years (56%) and 1 was over 50 years old (11%).

Our goal is to minimise employee turnover by implementing retention strategies, including competitive compensation, career development opportunities, positive workplace culture, and employee recognition programs.

In FY2024, the overall employee turnover rate was 29%. Our Group's attrition rate, standing at 29%, exceeds the average of 16% for ASEAN countries in 2023[1]. The Group noted the higher rates following the restructuring of the Group's operations and the move to a new operational premise. Notwithstanding this, the Group notes that there is also a need for focused retention strategies and a closer examination of factors contributing to turnover within our organisation.

	FY2024	FY2023
EMPLOYMENT RATE	**29%**	**16%**
New Hires by Gender		
Male	3	1
Female	6	7
New Hires by Age Group		
Below 30	3	3
30 – 50	5	4
Above 50	1	1
EMPLOYEE TURNOVER RATE	**29%**	**42%**
Employee Turnover by Gender		
Male	2	0
Female	5	3
Employee Turnover by Age Group		
Below 30	2	0
30 – 50	3	1
Above 50	2	2

8.8   HUMAN RIGHTS POLICY AND NON DISCRIMINATION

Pasture is committed to upholding internationally recognised human rights principles as outlined by the United Nations' Universal Declaration of Human Rights and the International Labour Organization's (**"ILO"**) core labour standards in our operations and supply chains. We prohibit child labour, forced labour, and modern slavery. We are committed to maintaining fair and respectful workplaces, free from discrimination and harassment. We respect our employees' rights to join unions and engage in collective bargaining in accordance with national laws. Currently, our employees are not covered by a collective bargaining agreement. However, we strive to pay competitive wages and benefits to our employees. Our HR policies ensure equal opportunities for all employees, irrespective of their race, gender, religion, ethnicity, nationality, cultural background, sexual orientation, or any other characteristic.

Pasture has a zero-tolerance approach against child labour, forced labour and unlawful discrimination. There were no incidents of discrimination in the reporting period. There were no staff below the age of 16.

Our target is maintain the zero incidents of discrimination and child labour.

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[1] https://www.aon.com/apac/in-the-press/asia-newsroom/2023/aon-survey-projects-increase-in-salaries-in-southeast-asia-in-2024-defying-economic-slowdown-concerns

OUR COMMUNITIES

MATERIAL TOPICS

👥 Local Communities

SDG GOALS

9.1   Local Communities

We believe that thriving businesses need thriving and supporting community, both internal and external. Pasture believes in creating positive impact in the community where it operates.

In FY2024, we organized and implemented several local community and employee engagement activities to foster team building and staff cohesion and to give back to community.

We also provided internship roles for six students in FY2024. Internship opportunities are a powerful tool in achieving inclusive and equitable quality education and promoting lifelong learning. By providing hands-on experience, building industry-relevant skills, expanding professional networks, and fostering an inclusive environment for diverse learners, internships help ensure that all students, regardless of background, have the opportunity to succeed and continue their educational journeys.

Pet ownership has a profound impact not only on the well-being of individuals but also on the health and cohesion of the community. Pets promote physical health, emotional well-being, and social connections, creating a healthier, more connected, and supportive environment for all.

Pasture supports the initiative by helping and educating pet owners and potential pet owners to better care for their pets and be responsible pet owners. Through content supported by the Animal & Veterinary Service ("**AVS**"), we disseminate announcements, guidelines, and educational content to the pet community via our furlife platform; www.healthfurlife.com. By providing a platform for factually correct information, we contribute to the well-being of pets and their owners everywhere.

Read more about our community engagement initiatives in Appendix A.

10.0
OUR CUSTOMERS

MATERIAL TOPICS	SDG GOALS
♡ Customer Health and Safety	

10.1 CUSTOMER HEALTH AND SAFETY

Pasture is committed to maintaining the quality and safety of our health products and services, ensuring compliance with all relevant laws and regulations in the markets where we operate. We strictly adhere to the Health Sciences Authority's ("**HSA**") standards for Good Distribution Practice ("**GDP**") and are certified with Good Distribution Practice for Medical Devices. This includes wholesale, distribution, and both primary and secondary assembly of these products.

Recognising the importance of proper handling, storage, and distribution of our products, we place a strong emphasis on quality control within our internal operations and throughout our supply chain. We have strict processes to oversee the quality of incoming bulk materials, packaging, and printed materials, segregating any non-conforming items. All materials are rigorously tested against specific product specifications before approval for use.

Our vendor qualification program assesses vendors for compliance with international standards, including GDP, GMP, and other good practices relevant to the pharmaceutical industry. In our warehouse and production areas, we utilise an enterprise resource system ("**ERP**") for real-time inventory management, ensuring efficient and precise handling of inventories.

To guarantee that our products meet all safety and quality standards, we engage independent, accredited third-party labs for product testing. Regular audits by both internal teams and health authorities like HSA help maintain our high standards.

Our ongoing target continues to be to sustain a record of zero incidents of non-compliance with regulations and industry-wide voluntary codes. There were no audit findings related to product quality and safety in FY2024. Also, there were no incidents of noncompliance concerning the health and safety impacts of products and services in the reported period.

MATERIAL TOPIC	FY2024 TARGET	FY2024 PERFORMANCE	FY2025 TARGET
Customer and Health and Safety	To maintain no incidents of non-compliance	Target met – No incidents of non-compliance	To maintain no incidents of non-compliance

10.2 CUSTOMER PRIVACY

At Pasture, we are committed to protecting the privacy of our customers and employees. We have implemented policies and measures to ensure we handle personal data responsibly and securely, in line with the Personal Data Protection Act of Singapore.

The Board of directors, supported by management, oversee our data protection policies and is responsible for dealing with any issues of non-compliance or data breaches. Management receive annual training to ensure they are equipped with the skills and knowledge to perform their duties effectively.

We have introduced a Data Protection policy to educate our employees on the correct ways to handle personal data. Staff who work with customer data are regularly trained and reminded about our data protection policies.

There were no substantiated complaints of customer privacy breaches in FY2024. Our ongoing target is to always maintain zero incidents of customer privacy breaches.

11.0

OUR SUPPLY CHAIN

We are committed to embedding social and environmental principles in our sourcing decisions. We adhere to procurement practices that minimise the environmental impact of our products and services. We expect our suppliers to uphold the same ethical standards as we do. Our rigorous vendor selection process involves verifying each supplier's accreditations, regulatory compliance, service quality, and reputation. We conduct regular due diligence checks on suppliers to ensure they meet industry standards, including GMP, required ISO standards, and Hazard Analysis and Critical Control Points ("**HACCP**") certifications. We periodically evaluate approved vendors to ensure they meet our criteria for cost-effectiveness and operational efficiency.

We collaborate with contract manufacturers to produce our proprietary brands and oversee the sourcing of raw materials. Additionally, we receive finished goods from our pharmaceutical principals, which primarily originate from Europe and the United States. We establish long term development and distribution relationships with these principals, with the main portion of costs disclosed under the cost of goods sold under our Profit and Loss statement.

12.0

ASSOCIATIONS AND MEMBERSHIPS

We participate in industry organisations such as Singapore Business Federation focusing on issues that are material to the business and to our stakeholders. Our participation allows us to keep abreast with industry developments and network with our industry peers.

13.0

CERTIFICATIONS AND ACCREDITATIONS

Pasture has received multiple international standard certifications and accreditations from various industry authorities in respect of quality of our processes and products.

Read more about our certifications and accreditations in the Certifications and Accreditations section of our AR FY2024.
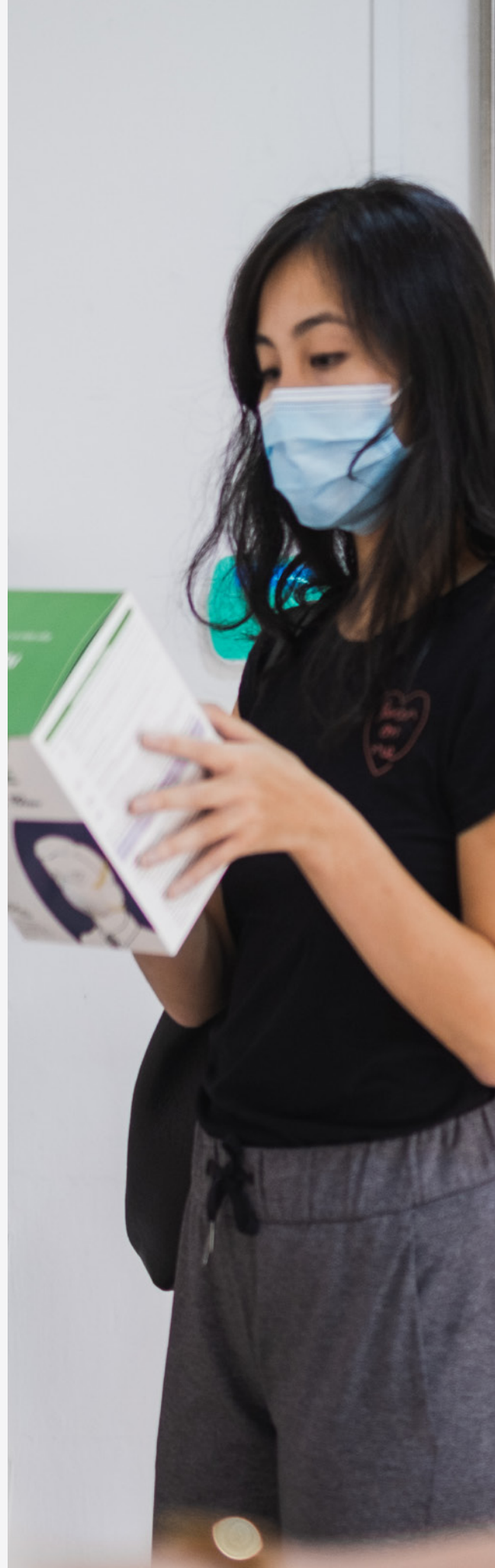
TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES REPORT

For planning purposes, we consider 0-5 years to be short-term, 6-10 years as mid-term and more than 10 years to be a long-term horizon. Our strategic approach over these time horizons to address climate-related risks and opportunities identified through scenario analysis is described below.

Short Term

We expect an increase in regulatory demands and a heightened expectation from stakeholders for comprehensive reporting of GHG emissions, as well as detailed disclosure regarding climate-related risks and opportunities and their potential financial impact on our business in the short, medium, and long term. Our short-term strategic plan involves measuring and reporting a comprehensive inventory of our GHG emissions. This inventory will include scope 1 and scope 2 emissions across all our business segments, and will be aligned with the standards set by the GHG Protocol. At present, our sustainability report already includes scope 1 and scope 2 emissions. Measuring and reporting scope 3 emissions remain under consideration for future reports. In addition, we plan to establish emission reduction goals along with a defined timeline for achieving these reductions.

Medium Term

We will explore potential roadmaps for the decarbonisation of our operations. Scope 2 emissions, arising from purchased electricity, account for more than 80% of our combined scope 1 and scope 2 emissions. We would explore options for switching to renewable electricity to reduce our scope 2 emissions. Scope 1 emissions, which were less than 20% of the total, originate from the use of petrol in our company vehicle. We will examine the feasibility of transitioning to electric or hybrid vehicles to minimise the scope 1 emissions.

We will also continue to enhance our understanding of anticipated new diseases born out of climate change to source supplies from our brand partners to meet demands for medication.

Long Term

Our long-term strategy would be to achieve net-zero emissions for our direct operations and establish Pasture as a low-emissions, climate-resilient Group.

Climate Change and Healthcare

At Pasture, we are keenly aware of climate change as a major 21st-century challenge with significant health impacts. As part of our commitment towards improving the quality of life for patients and community, we are dedicated to aiding in climate change mitigation, ensuring our business is sustainable and resilient, while caring for the health of patients and communities who may be affected by illnesses and diseases caused by extreme climatic shifts.

Climate change can have a profound impact on healthcare and wellbeing of societies. Rising global temperatures may cause a surge in the incidence of mosquito-borne diseases, including dengue, malaria, chikungunya and Zika, necessitating the development and distribution of more effective vaccines and medicines. Climate change is expected to cause heavy rains, storms and cyclones and flooding, and subsequent runoff contamination.

The Intergovernmental Panel on Climate Change ("**IPCC**") in its Assessment Report 6 ("**AR6**") states that cascading and compounding risks affecting health due to extreme weather events have been observed in all inhabited regions, and risks are expected to increase with further warming. The report says that the burdens of several climate-sensitive food-borne, water-borne, and vector-borne diseases are projected to increase under climate change, assuming no additional adaptation.

Moreover, we recognise the mental health impacts potentially stemming from exposure to extreme weather events, displacement, migration, famine, malnutrition, degradation or destruction of health and social care systems, and climate-related economic and social losses and anxiety and distress associated with worry about climate change.

To ensure a proactive and scalable response to meet the burgeoning market needs for medical supplies, it will be critical for the Group to strategically align and synergise with its brand partners.

Furthermore, we acknowledge the vulnerabilities within the pharmaceutical industry's global supply chains due to climate change. Volatile weather conditions can interfere with the flow of products and create supply bottlenecks, impacting everything from raw material sourcing to end-product distribution. This includes delays in raw material supply, unplanned production downtime, transportation delays, and cold chain storage breakdowns. Difficulty in diversifying our supply chain may result in the unavailability of stocks and affect our revenue.

Scenario Analysis

As part of our commitment to understanding and mitigating the potential impact of climate change on our business over the short, medium, and long term, we have conducted a qualitative analysis based on two climate scenarios as recommended by TCFD, one of them aligned with a below 2°C warming future.

For this analysis, we have referred to the Shared Socioeconomic Pathways ("**SSP**") based climate scenarios used in the IPCC's AR6 focusing on SSP1-2.6 and SSP3-7.0 scenarios. SSP1-2.6, a low warming scenario, follows a very stringent pathway requiring severe carbon dioxide ("**CO2**") emissions cuts to keep warming below 2°C compared with pre-industrial levels reaching net-zero in the second half of the century. SSP3-7.0, a medium to high warming scenario, doubling CO2 emissions and temperatures from the current level by 2100, average temperature rising by 3.6°C.

SSPs depict shifts in factors such as population, economic growth, education, urbanisation, and technological advancement that could influence future greenhouse gas emissions, offering narratives of potential pathways to various levels of warming.

We have also considered the corresponding Representative Concentration Pathways ("**RCP**") scenarios used in the IPCC's fifth Assessment Report ("**AR5**") which focus solely on atmospheric greenhouse gas concentrations. Together, SSPs and RCPs offer a more comprehensive understanding of plausible futures.

SSP1 - 2.6 corresponds to RCP 2.6 while SSP3-7.0 corresponds to somewhere between RCP 6.0 and RCP 8.5. We find SSP1 - 2.6/RCP 2.6 useful for assessing climate-related transition risks and SSP3-7.0/RCP 6.0 more appropriate for assessing climate-related physical risks.

SSP Scenario Narratives

The SSPs provide a narrative of how the world could reach certain levels of warming, and outline how shifts in population, economy, education, urbanisation, and technology could impact greenhouse gas emissions and influence global warming levels. The two SSP narratives we have examined are summarised below.

SSP	SSP NARRATIVES
SSP1-2.6	**Sustainability:** In this scenario, global CO_2 emissions are significantly reduced, though slower, achieving net-zero post-2050 by following socio-economic shifts towards sustainability, stabilising temperatures at about 1.8°C higher by century's end.
SSP3-7.0	**Regional Rivalry:** In this scenario, emissions and temperatures consistently rise, with CO_2 emissions doubling by 2100. Nations focus more on competitiveness, emphasising national security and self-sufficiency in food. Average temperatures increase by 3.6°C by century's end.

The above mentioned SSP climate scenarios used in the IPCC's AR6 lead to the following warming futures:

SSPS	SSP DESCRIPTION	NEAREST RCPS	RCP DESCRIPTION	BEST ESTIMATE (°C)		
				NEAR TERM (2021–2040)	MID-TERM (2041–2060)	LONG TERM (2081–2100)
SSP1-2.6	**Sustainability**	RCP 2.6	Global Warming Slowing Down	1.5	1.7	1.8
SSP3-7.0	**Regional Rivalry**	RCP 6.0	Global Warming increasing	1.5	2.1	3.6

Source: IPCC AR6 (Climate Change 2021, The Physical Science Basis)

Impact of Changing Climate on Human Health

The IPCC's AR6 report provides useful insights into the potential impacts of climate change on human health that are relevant to the healthcare sector, and valuable to us as a pharmaceutical and consumer healthcare company positioned within the industry.

The IPCC's AR6 report (Working Group II: Impacts, adaptation and vulnerability) states that climate change has increased wildlife diseases. Temperature rise and more brutal extreme weather events have played a role in the emergence of new diseases in new areas, according to experimental studies. The report adds that there is evidence that climate change has helped vector-borne diseases that infect humans to expand in countries close to the Arctic.

In Asia, climate change is increasing risks to human health by increasing exposure and vulnerability to extreme weather events such as heatwaves, flooding and drought, and air pollutants, increasing vector and water-borne diseases, undernutrition, mental disorders and allergic diseases. Waterborne diseases, such as diarrhoea, leptospirosis and typhoid fever, can increase in incidence following heavy rainfall, tropical cyclones and flooding events.

One of the more obvious impacts of climate change on human health is extreme heat – which is linked to severe dehydration, organ failure, cardiovascular disease and even death, the report says. Although, the impacts of heat stress are not spread equally across the world. Weather conditions have been linked to negative impacts on mental health. The report says that increasing temperatures are linked to higher hospital admissions for mood and behavioural disorders, "experiences of anxiety, depression, and acute stress" and suicide rates.

Climate change is "increasingly hindering efforts" to meet the nutritional and calorific needs of humanity. In addition to the risk of reduced agricultural yields due to climate change, the report highlights that increased CO_2 levels have been found to diminish key nutrients such as protein, iron, and zinc in numerous plants, with the extent of this reduction varying across different species. Continued increases in CO_2 levels are projected to cause reductions "in a wide range of minerals and nutrients" of 5-10%, depending on the crop. The report states that South and Southeast Asia are projected to be among the regions at highest risk for reduced dietary iron intake among women of childbearing age and children under five years due to elevated CO_2 concentrations.

The climate is also a driving factor in the spread of a range of diseases, the report says. For example, the range of mosquitoes is expanding as temperatures rise, allowing mosquito-borne diseases such as dengue fever and malaria, to spread to new areas. The report projects that climate change will increase the risk of dengue fever in all continents. It also indicates that rising temperatures combined with an increase in heavy rainfall and flooding is already increasing the incidence of diarrheal diseases such as cholera.

Pasture acknowledges the necessity of decisive mitigation and adaptation measures, especially those enacted by policy makers, in reducing GHG emissions to minimise the adverse effects of climate change.

14.1   CLIMATE-RELATED RISKS AND OPPORTUNITIES

Our initial, qualitative scenario analysis is based on the above-mentioned pathways. An overview of the analysis relevant to our business is presented below.

CLIMATE-RELATED RISKS

RISK TYPE	POTENTIAL FINANCIAL IMPACTS	FINANCIAL IMPACT CATEGORY	TIME HORIZON
PHYSICAL RISK			
Acute Increased severity of extreme weather events such as cyclones and floods	• A higher risk of severe weather events such as floods and cyclones can disrupt our supply chains and the supply chain and manufacturing operations of our brand partners. These can affect our stock levels, and delay deliveries resulting in loss of revenue and customer dissatisfaction. • Our distribution logistics operations in Singapore may be affected by disruptions caused by extreme weather events that interrupt our deliveries to customers. • Extreme weather events such as floods and cyclones can impact our suppliers and brand partners' manufacturing sites and disrupt or delay the supply of products to us.	Revenue	Long term
Chronic Rising sea levels, rising average temperatures	• Pharmaceuticals and medications often need strict temperature control for quality preservation. As temperatures rise and heatwaves intensify, it's essential for us, as a distributor, to assess and mitigate risks to ensure safe, efficient delivery while maintaining product integrity. Stricter measures for controlling temperature could also raise the costs associated with managing temperatures during the storage and transportation of medicines. • A warming climate can affect brand partners and suppliers located in coastal flood risk zones, affecting product deliveries.	Revenue	Long term
TRANSITION RISK			
Policy and Legal	• Mandatory climate reporting regulations, higher energy efficiency requirements, and carbon tax could increase the cost of operations. • Stricter regulations to reduce packaging waste can increase compliance requirements for us, escalating legal risk and compliance costs. • Regulatory non-compliance can increase the cost of operations.	Expenditure	Short to Medium term
Market	• Consumers may increasingly expect eco-friendly packaging in our products. Not meeting these expectations may affect our reputation and affect our brand equity.	Assets: Intangibles	Long term
Reputation	• An increasing number of stakeholders, including investors, may expect detailed disclosures about climate-related risks. Inadequate disclosure about our climate risks and strategy and lower ESG ratings can affect our reputation.	Assets: Intangibles	Short to Medium term

CLIMATE RELATED OPPORTUNITIES

Resource Efficiency	• Enhancing energy efficiency in our operations can reduce costs. The savings could be substantial in a high energy price environment.	Expenditure	Short to Medium term
Energy Sources	• Adopting renewable energy such as solar power could enhance our energy resilience and reduce our energy cost and carbon footprint.	Expenditure	Short to Medium term
Products and Services	• Increased demand for healthcare products for treatment of diseases induced by warming temperatures and other extreme weather conditions such as heat stress, mosquito borne diseases and water-borne diseases.	Revenue	Medium to Long term

14.2   RISK MANAGEMENT

At Pasture, the Board is responsible for managing risks, including ESG and climate-related risks. The Board is assisted by the AC, which helps oversee the Group's risk management framework and policies. The Board acknowledges the critical need for a robust system of risk management and internal controls, essential for protecting the interests of shareholders and the assets of the Group.

The Group has developed an ERM framework based on the COSO ERM Integrated Framework and the risk categories were derived from the insights by Gartner Risk Management Council, and the World Economic Forum Global Risk Report. This has involved the creation of a Risk Management Policy and a risk organisation structure with clearly defined roles and responsibilities. Additionally, a Risk Management Process has been implemented to enable the Group to continuously assess, manage, report, and monitor risks. An annual review of the ERM framework is conducted by an external risk advisory firm.

Looking ahead, our aim is to enhance the ERM by incorporating ESG and climate-related risks, thereby strengthening our overall approach to risk management.

Identifying and Managing Climate-related ESG Risks

We use materiality assessment, to identify, evaluate, and prioritise our ESG impacts and risks. In addition, we have initiated a progressive climate scenario analysis, guided by the TCFD recommendations. The scenario analysis is crucial for enhancing our understanding of climate-related risks and their potential financial repercussions on our business operations, including those of our brand partners and suppliers. We recognise that climate risks could potentially impact various aspects of our business, such as revenue streams, operational processes, supply chain dynamics, stakeholder engagement, and investor communication. Beyond physical risks, we anticipate facing challenges such as stricter emission reporting regulations, mandatory climate risk reporting, and increased energy costs stemming from carbon taxes. In light of these considerations, it is imperative for our business strategy, both in the medium and long term, to focus on reducing our carbon footprint, preparing for the impacts on our brand partners and supply chains, and seizing emerging opportunities in the transition to a low-carbon economy.

Read more about our Risk Management in the Corporate Governance section of our AR FY2024.

14.3   TCFD METRICS AND TARGETS

We currently report our scope 1 and scope 2 GHG emissions associated with our operations. Measuring and reporting our Scope 3 emissions remains under consideration for future reports.

Read more about our Energy Usage and GHG Emissions in section 7.0 Environment of this Sustainability Report.

Next Steps

We are committed to deepening our knowledge and understanding of climate-related risks and opportunities and their potential financial impacts on our business. We plan to conduct further scenario analysis to assess potential physical and transition risks, as well as opportunities, for our business. Concurrently, we plan to bolster climate literacy at both the Board and management levels through climate related training.

GRI CONTENT INDEX

Pasture Holdings Ltd has reported with reference to the GRI Standards for the period 1 July 2023 to 30 June 2024.

GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	Not applicable as a GRI sector standard is not available for our industry

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: GENERAL DISCLOSURES 2021		
Organisational Details and Reporting Practices		
GRI 2-1	Organisational details	Section 1.0 – About Pasture
GRI 2-2	Entities included in the organisation's sustainability reporting	Section 2.2 –Reporting Scope
GRI 2-3	Reporting period, frequency and contact point	Section 2.2 –Reporting Scope Section 2.7 – Feedback and Contacts
GRI 2-4	Restatements of information	Section 2.4 – Restatements
GRI 2-5	External assurance	Section 2.5 – Assurance
Activities and Workers		
GRI 2-6	Activities, value chain and other business relationships	Section 1.0 – About Pasture
GRI 2-7	Employees	Section 8.0 – Our People Section 8.1 – Our Employees Section 8.2 – Diversity
GRI 2-8	Workers who are not employees	Section 8.1 – Our Employees
Governance		
GRI 2-9	Governance structure and composition	AR FY2024 – Corporate Governance Report (Pg 18-37) Section 4.2 – Sustainability Governance Section 5.6 – Board Diversity Policy
GRI 2-10	Nomination and selection of the highest governance body	AR FY2024 – Corporate Governance Report
GRI 2-11	Chair of the highest governance body	AR FY2024 – Corporate Governance Report
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	AR FY2024 – Corporate Governance Report Section 4.3 – Sustainability Committee
GRI 2-13	Delegation of responsibility for managing impacts	AR FY2024 – Corporate Governance Report Section 4.3 – Sustainability Committee

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2-14	Role of the highest governance body in sustainability reporting	Section 4.2 – Sustainability Governance Section 4.3 – Sustainability Committee Section 4.7 – Materiality Assessment
GRI 2-15	Conflicts of interest	AR FY2024 – Corporate Governance Report Section 5.0 – Governance
GRI 2-16	Communication of critical concerns	Section 5.0 – Governance
GRI 2-17	Collective knowledge of the highest governance body	AR FY2024 – Corporate Governance Report
GRI 2-18	Evaluation of the performance of the highest governance body	AR FY2024 – Corporate Governance Report
GRI 2-19	Remuneration policies	AR FY2024 – Corporate Governance Report
GRI 2-20	Process to determine remuneration	AR FY2024 – Corporate Governance Report
GRI 2-21	Annual total compensation ratio	We do not disclose this due to confidentiality constraints relating to compensation. In order to provide a macro perspective of the remuneration patterns of directors and key management personnel, while maintaining confidentiality, the remuneration of the Group for FY2024 are presented in bands of S$250,000 in the AR FY2024 – Corporate Governance Report
Strategies, Policies and Practices		
GRI 2-22	Statement on sustainable development strategy	Section 3.0 – Board Statement
GRI 2-23	Policy commitments	Section 4.8 – United Nations Sustainable Development Goals Section 5.0 – Governance Section 8.8 – Human Rights Policy and Non Discrimination
GRI 2-24	Embedding policy commitments	Section 4.8 – United Nations Sustainable Development Goals Section 5.0 – Governance Section 8.0 – Our People
GRI 2-25	Processes to remediate negative impacts	Section 8.8 – Human Rights Policy and Non Discrimination
GRI 2-26	Mechanisms for seeking advice and raising concerns	Section 5.4 – Whistle Blowing Policy
GRI 2-27	Compliance with laws and regulations	Section 5.0 – Governance
GRI 2-28	Membership associations	Section 12 – Associations and Memberships

GRI STANDARD	DISCLOSURE	LOCATION
Stakeholder Engagement		
GRI 2-29	Approach to stakeholder engagement	Section 4.6 – Stakeholder Engagement
GRI 2-30	Collective bargaining agreements	Section 8.8 – Human Rights Policy and Non Discrimination
Material Topics		
GRI 3-1	Process to determine material topics	Section 4.6 – Stakeholder Engagement Section 4.7 – Materiality Assessment
GRI 3-2	List of material topics	Section 4.7 – Materiality Assessment
ECONOMIC TOPICS		
Economic Performance		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 6.1 – Economic Performance
GRI 201: Economic Performance 2016	Direct economic value generated and distributed	Section 6.1 – Economic Performance
ENVIRONMENT TOPICS		
Energy		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 7.0 – Environment
GRI 302: Energy 2016	302-1 Energy Consumption within the organisation 302-3 Energy Intensity	Section 7.1 – Energy Consumption
Emissions		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 7.0 – Environment
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG Emissions 305-2 Energy Indirect (Scope 2) GHG Emissions 305-4 GHG Emission Intensity	Section 7.2 – Greenhouse Gas Emissions
SOCIAL TOPICS		
Employment		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 8.0 – Our People
GRI 401: Employment 2016	401-1 New employee hires and employee turnover 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees 401-3 Parental leave	Section 8.7 – New Hires and Turnover Section 8.4 –Employee Benefits Section 8.3 – Parental Leave

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
Training and Education		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 8.0 – Our people
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee 404-3 Percentage of employees receiving regular performance and career development reviews	Section 8.5 – Employee Development Section 8.6 – Performance Management
Diversity and Equal Opportunities		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 8.2 – Diversity Section 8.8 – Human Rights Policy and Non Discrimination
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Section 5.6 – Board Diversity Policy Section 8.2 – Diversity
Non-Discrimination		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 8.0 – Our People
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Section 4.7 – Materiality Assessment Section 8.8 – Human Rights Policy and Non-Discrimination
Local Communities		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 9.0 – Our Communities
GRI 413: Local-Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Section 9.1 – Local Communities
Customer Health and Safety		
GRI 3: Material topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 10.1 – Customer Health and Safety
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Section 10.1 – Customer Health and Safety

GRI STANDARD	DISCLOSURE	LOCATION
GOVERNANCE		
Anti-corruption		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 5.3 – Anti-Corruption Policy
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures 205-3 Confirmed incidents of corruption and actions taken	Section 5.3 – Anti-Corruption Policy
Customer Privacy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 10.2 – Customer Privacy
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Section 10.2 – Customer Privacy
OTHER NON-GRI MATERIAL TOPICS		
Regulatory Compliance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Section 4.7 – Materiality Assessment Section 5.5 – Regulatory Compliance
Incidents of non-compliance	Incidents of significant non-compliance with applicable regulations	Section 5.5 – Regulatory Compliance

TCFD CLOSURES

NUMBER	DISCLOSURES	LOCATION
GOVERNANCE		
TCFD 1(a)	Describe the board's oversight of climate-related risks and opportunities.	Section 4.2 – Sustainability Governance Section 4.3 – Sustainability Committee Section 14.2 – Risk Management
TCFD 1(b)	Describe management's role in assessing and managing climate-related risks and opportunities.	Section 4.2 – Sustainability Governance Section 4.3 – Sustainability Committee Section 14.2 – Risk Management
STRATEGY		
TCFD 2(a)	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	Section 14.1 – Climate-Related Risks and Opportunities
TCFD 2(b)	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	Section 14.1 – Climate-Related Risks and Opportunities
TCFD 2(c)	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Section 14 – TCFD Report, Climate Change and Healthcare
RISK MANAGEMENT		
TCFD 3(a)	Describe the organisation's processes for identifying and assessing climate-related risks.	Section 14.1 Climate-Related Risks and Opportunities Section 14.2 Risk Management
TCFD 3(b)	Describe the organisation's processes for managing climate-related risks.	Section 14.2 –Risk Management
TCFD 3(c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	Section 14.2 –Risk Management
METRICS AND TARGETS		
TCFD 4(a)	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Section 14.3 – TCFD Metrics and Targets
TCFD 4(b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	Section 7.2 – Greenhouse Gas Emissions
TCFD 4(c)	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Section 14.2 – Risk Management Section 7.0 - Environment

BUILDING HEALTHIER COMMUNITIES

Our commitment to healthcare is holistic – encompassing not just the products we provide, but the well-being of the people we serve.

A source of reliable information

Through content supported by the Animal & Veterinary Service (AVS), we disseminate announcements, guidelines, and educational content to the pet community. By providing a platform for factually correct information, we contribute to the well-being of pets everywhere.

www.healthfurlife.com

Investing in our communities to foster a network of care

We believe in empowering our employees to make a difference.

We support their philanthropic efforts, whether through personal initiatives or community projects, and provide flexibility for volunteering opportunities.

By fostering a culture of giving back, we encourage our team to engage with causes they care about. This creates a positive impact both within and beyond our organisation.

HEALTH FOR THE WHOLE FAMILY, PETS INCLUDED

Our monthly Pack Walks, group dog walks, bring dogs and their owners together for a shared experience in the outdoors.

Build community by bringing likeminded individuals together for shared experiences

Promote wellness through nature, encouraging active lifestyles for both pets and owners

Support responsible ownership, educating best practices in pet care

Join our walks! Follow us on Instagram: @healthfurlife

We sponsor these events are more than just an opportunity for cute photos and some laughs, they offer a chance to build community, encourage active lifestyles, and promote responsible pet ownership.

"Fostering a vibrant community of pet lovers"

By providing a space for connection and wellness, our Pack Walks embody our commitment to supporting pet health and fostering a vibrant community of pet lovers.

Fostering a highly engaging and inclusive culture

- **Gatherings**
- **Birthday Outings**
- **Team Bonding**
- **Internships**

Healthy living in and out of the office

Working with Workplace Outreach Wellness (WOW) – a program from the Health Promotion Board – to boost health and wellness at work. WOW offers a variety of fun, practical activities that encourage healthy habits and give staff the knowledge and tools they need to make positive lifestyle choices.
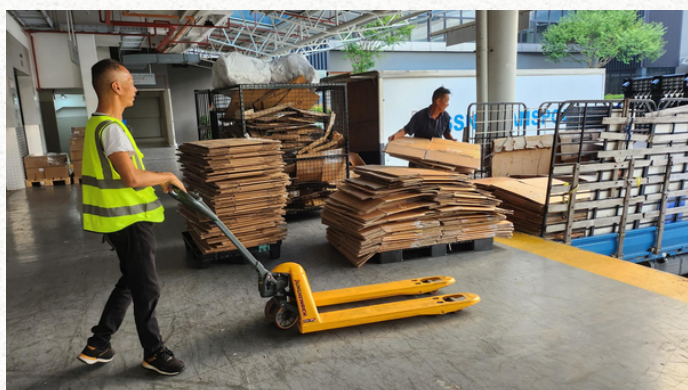
Nutrition classes

Health scans and preventative measures

Sleep management workshops

Exercise and healthy lifestyle classes

Environmentally Friendly Initiatives

Reduce, Reuse, Recycle

Creating Green Spaces for a Sustainable Future

Our decision to locate our office at a CapitaLand property was influenced by their strong commitment to sustainability.

CapitaLand's dedication to achieving Net Zero emissions, along with their focus on innovative decarbonisation, governance, and consistent environmental practices, aligns with our own sustainability values.

"This partnership allows us to operate in a space that supports both our environmental goals and sustainable future."

Open for Connections

By removing physical barriers, we create a setting where teamwork, innovation, and communication thrive.