



Uniting Generations with Healthcare

SUSTAINABILITY REPORT 2022





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BOARD STATEMENT

We are pleased to present Cordlife Group Limited's ("**Cordlife**") Sustainability Report (the "**Report**") for the financial year ended 31 December 2022 ("**FY2022**").

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.

We are supported by the Sustainability Steering Committee ("**SSC**"), composed of our key management team, in our efforts to monitor our ESG performance. The SSC monitors and updates the Board on sustainability progress and assists in the formulation of relevant strategies to address sustainability and climate-related issues. We work together to identify and manage ESG factors material to our business, and report our sustainability performance and targets to our stakeholders. The Board also acknowledges its responsibility for Cordlife's sustainability reporting and Board members have completed the requisite sustainability training in accordance with SGX-mandated requirements.

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

Board of Directors
Cordlife Group Limited

ABOUT THIS REPORT

This Report covers Cordlife's sustainability practices and performance during FY2022, 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 determine 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.

In 2022, our sustainability reporting process was subject to internal audit review by Ernst & Young Advisory Pte. Ltd., our existing outsourced internal auditor, as part of the FY2022 Internal Audit Plan, approved by the Audit and Risk Committee. We have not sought external assurance for this Report.

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.

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 our business sustainability.



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, by ensuring excellence in quality and by 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.

FY2022 HIGHLIGHTS

1

Achieved zero non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions



2

All facilities are AABB¹ accredited



3

Maintained FACT² accreditation



4

Obtained approval for the processing and cryopreservation of peripheral blood stem cells to be included in our clinical laboratory licence under Healthcare Services Act ("HCSA")



5

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



6

Conducted a total of 10 initiatives to enhance clinical awareness and utility of stem cells



7

Achieved a rating of 4.97 (out of 5) for all customer satisfaction surveys



8

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



¹ 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.







² The Foundation for the Accreditation of Cellular Therapy ("FACT"), also a non-profit corporation, is the leader in international standards for cellular therapy, used in Europe, USA, Canada, Australia and New Zealand.

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

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 as identified by our peers
- Risks that most affect 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 our key stakeholders.

ESG Classification	Material ESG Factors	Materiality to Cordlife	Corresponding Topic-Specific GRI Standard	Section
Economic	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 ³
Environmental	Emissions	While energy consumption from our operations could 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 therefore strive to monitor and manage not only our own emissions, but also emissions across our supply chain.	GRI 302: Energy 2016 GRI 305 Emissions 2016	Sustainability Report page 19
Social	Product Quality and Reliability	The quality and viability of the cord blood, cord lining and cord tissue when used, could directly impact our customers’ health. It is critical to protect 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 of 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 essential 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 vital to train our laboratory personnel adequately 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
Governance	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 the cord blood, cord lining and cord tissue when needed in the future.	Not applicable (non-GRI topic)	Sustainability Report page 11

³ Please refer to our Annual Report for the financial year ended 31 December 2022 (“Annual Report 2022”) 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
Environment				
GHG Emissions	GRI 305-1, GRI 305-2, GRI 305-3, TCFD, SASB 110, WEF core metrics	Absolute emissions by: (a) Total	tCO ₂ e	102.4
		(b) Scope 1		0
		(b) Scope 2		102.4
		(c) Scope 3, if appropriate		Not applicable
	GRI 305-4, TCFD, SASB 110	Emissions intensities by: (a) Total	tCO ₂ e/ organisation-specific metrics	We are still in the midst of identifying a suitable intensity metric that reflects its business nature and growth.
		(b) Scope 1		
(b) Scope 2				
	(c) Scope 3, if appropriate			
Energy Consumption	GRI 302-1, TCFD, SASB 130	Total energy consumption	MWhs	241.4
	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 its business nature and growth.
Water Consumption	GRI 303-5, SASB 140, TCFD, WEF core metrics	Total water consumption	ML or m ³	Not applicable, we do not have significant water consumption.
	TCFD, SASB IF-RE-140a.1	Water consumption intensity	ML or m ³ / organisation specific metrics	
Waste Generation	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
Social				
Gender Diversity	GRI 405-1, SASB 330, WEF core metrics	Current employees by gender	Percentage (%)	Male: 27% Female: 73%
	GRI 401-1, WEF core metrics	New hires and turnover by gender	Percentage (%)	<u>New Hires</u> Male: 50% Female: 50% <u>Turnover</u> Male: 31% Female: 69%
Age-based Diversity	GRI 405-1, WEF core metrics	Current employees by age groups	Percentage (%)	Under 30 years old: 17% 30-50 years old: 69% Above 50 years old: 14%
	GRI 401-1, WEF core metrics	New hires and turnover by age groups	Percentage (%)	<u>New Hires</u> Under 30 years old: 31% 30-50 years old: 54% Above 50 years old: 15% <u>Turnover</u> Under 30 years old: 14% 30-50 years old: 79% Above 50 years old: 7%
Employment	GRI 401-1, SASB 310, WEF core metrics	Total turnover	Number Percentage (%)	29 26%
	Commonly reported metric by SGX issuers	Total number of employees	Number	112
Development & Training	GRI 404-1, WEF core metrics	Average training hours per employee	Hours	6.8
	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
Social				
Occupational Health & Safety	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	0
	GRI 403-10, WEF expanded metrics, MOM Employment Act (Singapore)	Recordable work-related ill health cases	Number of cases	2

Topic	Framework Alignment	Metric	Unit	Response
Governance				
Board composition	GRI 102-22, WEF core metrics	Board independence	Percentage (%)	Please refer to the Board Composition information on pages 29 to 30 of the Annual Report 2022.
	GRI 401-1, WEF core metrics	Women on board	Percentage (%)	
Management Diversity	GRI 102-22, GRI 405-1, WEF core metrics, SASB 330	Women in the management team	Percentage (%)	100%
Ethical Behaviour	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 39 of the Annual Report 2022 for the overview of the whistleblowing policy.
Certifications	Commonly reported metric by SGX issuers	List of relevant certifications	List	<ul style="list-style-type: none"> AABB Certificate of Accreditation for Cell Therapy Activity: Cord Blood - Collection, Processing, Storage and Distribution Good Distribution Practice for Medical Devices SS620 Foundation for the Accreditation of Cellular Therapy (FACT) for NetCord-FACT standards for Cord Blood Banking Health Science Authority Form A Poisons Licence Cord Blood Banking Services-HCSA Clinical Laboratory Licence under HCSA Clinical Laboratory Licence under Private Hospitals and Medical Clinics ("PHMC") Act
Alignment with Frameworks	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	
Assurance	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 a pioneer in private cord blood banking in Asia, we are committed to being the one right choice for our customers because they have only one chance to preserve their babies' cord blood, cord lining and cord tissue. We uphold the utmost standards for compliance with laws and regulations, management of our operations and facilities, and we adopt a forward-looking approach to understanding our markets in order to continue being the dependable choice for our customers.



COMPLIANCE WITH LAWS AND REGULATIONS

2021 ACHIEVEMENT	2022 TARGETS	2022 PERFORMANCE	2023 TARGETS
<p>Achieved zero non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions</p> <p>Conducted a minimum of 4 in-house trainings to keep employees updated on regulatory changes</p>	<p>Zero incidents of non-compliance with regulatory standards</p> <p>Conduct a minimum of 4 in-house trainings to keep employees updated on regulatory changes</p>	<p>Achieved zero non-compliant incidents with relevant laws and regulations that resulted in significant fines or legal actions</p> <p>Conducted a minimum of 4 in-house trainings to keep employees updated on regulatory changes</p>	<p>Zero incidents of non-compliance with regulatory standards</p> <p>Conduct a minimum of 4 in-house trainings to keep employees updated on regulatory changes</p>

All our policies and guidelines are developed and constantly being enhanced to comply with the relevant regulations. As a clinical laboratory licensed under the PHMC Act by the Ministry of Health Singapore ("MOH"), all standard operating procedures ("SOPs") for our work activities are in strict adherence to the code of standards as stipulated in the Act. During the year, we have also obtained approval for the processing and cryopreservation of peripheral blood stem cells to be included in our clinical laboratory licence under HCSA. Our Human Resources policies, including our Employee Handbook, are prepared in accordance with the MOM Employment Act.

All our employees must adhere to company policies and guidelines and conduct business responsibly. Our Code of Conduct stipulates behaviours expected from our employees. Induction and on-the-job training related to regulations are conducted for all new employees upon commencement of their employment. A Whistleblowing Policy has also been put in place to provide well-defined and accessible channels for employees to raise concerns on matters relating to incident of improper conduct.

We review our SOPs and related documents as well as conduct internal audits systematically on critical business functions, such as laboratory and operations every year to ensure strict adherence to the latest regulatory requirements. We also conduct quarterly quality training to keep our employees updated on the latest regulatory requirements.

Any deviations from the stipulated processes and regulatory standards are captured in our Corrective and Preventive Action ("CAPA") system, which serves as a centralised monitoring and recording platform to ensure that responsibilities and tasks are assigned to the relevant cross-functional team of process owners involved. Through our CAPA process, root cause analysis is performed and the final action plan is documented, executed, and verified to prevent recurrence of the non-conforming issues.

We have migrated our CAPA system online to facilitate continuous monitoring and automation of the entire CAPA process so that our team can address issues in real-time. As operational excellence can help to reduce administrative and operational costs, information recorded in our CAPA system also serves as operational intelligence. This real-time monitoring of non-conformances allows us to implement additional preventive actions efficiently to reduce compliance issues and streamline work flows for better operational efficiency throughout our facilities.

In 2022, we have successfully completed a rigorous on-site inspection by MOH auditors. At the end of the inspection, we were determined to be in full compliance with the regulations under the PHMC Act and our licences were renewed in January 2023, expiring in January 2025.

SECURITY OF STORAGE FACILITIES

2021 ACHIEVEMENT

Achieved zero facility security or malfunction incidents on the premises

Conducted monthly inspection of storage tanks

Carried out safety protocols as required by the A'Posh BizHub management. No fire drill was conducted by A'Posh Bizhub management due to the COVID-19 pandemic

2022 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 the A'Posh BizHub management

2022 ACHIEVEMENT

Achieved zero facility security or malfunction incidents on the premises

Conducted monthly inspection of storage tanks

Carried out safety protocols as required by the 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 the A'Posh BizHub management



We take our commitment to safeguard our customers' cord blood, cord lining and cord tissue very seriously to uphold the trust our customers have placed in us. Our storage facility at A'Posh Bizhub has passed stringent audits conducted by MOH, AABB and FACT. Our laboratory is equipped with fire retardant walls and multiple backup systems to always ensure uninterrupted operation. Our storage tanks are designed to maintain optimal cryogenic storage temperatures for cell storage over long periods.

Access to the laboratory and storage areas are strictly controlled. Our Quality Manual for Safety and Facility Management and relevant SOPs dictate access restriction for specific areas of our facility. Each of our employee's scope of access is determined by their roles in the company and the access system is updated immediately whenever there are movements in staff. The access authorisation list is also reviewed annually. Our storage tanks are monitored 24 hours a day year-round and are inspected on a monthly basis. Our laboratory and storage areas are also installed with CCTV to reinforce our monitoring efforts.

We have established laboratory SOPs and disaster recovery plans to ensure the security of our customers' biological samples in the event of an emergency or disaster. All departments are required to create their respective disaster recovery plan for all identified disaster scenarios with varying levels of severity. Briefings of disaster recovery plans are conducted for all new staff with respect to their scope of work and responsibilities. We also conduct disaster recovery simulation testing annually to evaluate the robustness of the disaster recovery plans and our effectiveness in managing the simulated disaster scenarios.

BEING THE ONE RIGHT CHOICE

PRODUCT QUALITY AND RELIABILITY

Patient safety is of utmost importance to us as our customers may need to use their stored cord blood, cord lining or cord tissue for medical treatment in the future. Therefore, we are committed to putting quality measures in place to safeguard our customers' biological samples that have been placed under our care until the unit is released for transplantation or infusion.

We adhere to internationally recognised best practices and stringent protocols. We also undergo voluntary accreditation by AABB and FACT, two of the leading international authoritative bodies that accredit organisations in the field of cellular therapy and transfusion medicine. These accreditations are testament to our unwavering commitment to quality. All our policies and procedures, especially SOPs for critical operations of collection, processing, storage, and release of cord blood, follow the standards set by these accreditation bodies. Our SOPs are reviewed and updated regularly to ensure continued compliance with the latest regulatory standards, accreditation standards and industry best practices. We have also conducted quarterly quality training in FY2022 to keep our employees updated on any change in our processes, policies, or controls, relating to regulatory or standard changes.

As external stakeholders play a key role in executing part of our critical operations, we have established SOPs to ensure the same level of quality is being upheld. For instance, we have created SOPs that define trainings required for healthcare professionals as they are responsible for the collection of cord blood, cord lining, cord tissue and maternal blood samples. Regular training is provided for

2021 ACHIEVEMENT

Maintained existing accreditation(s), certification(s) and licence(s)

Maintained annual contamination level at <3%

2022 TARGETS

Maintain existing accreditation(s), certification(s) and licence(s)

Maintain annual contamination level at <3%

2022 ACHIEVEMENT

Maintained existing accreditation(s), certification(s) and licence(s)

Maintained annual contamination level at <3%

2023 TARGETS

Maintain existing accreditation(s), certification(s) and licence(s)

Maintain annual contamination level at <3%

these healthcare professionals at the hospitals to reinforce their understanding and knowledge of their responsibilities during the collection of the biological samples. We continually monitor the competency level and performance of healthcare professionals to determine if re-training is necessary. We also conduct training annually for nursing staff and caregivers at all our collaborating hospitals.

We have developed a supplier management SOP that defines the procedure to qualify, review and select suppliers to ensure that we only work with qualified and reliable vendors. Stricter qualification requirements are applied to critical suppliers as they supply materials that can directly affect the quality of our products or services. Supplier reviews are performed annually to ensure our master list of approved suppliers is up-to-date and they continue to meet our standards.

As we believe all departments play a part in upholding product and service quality, they are required to establish their respective quality objectives for the financial year. Performance against quality objectives is tracked in the monthly quality report and discussed at the monthly quality meeting. Quality-related issues or any deviation from SOPs are recorded in the CAPA system to ensure corrective and preventive actions are implemented accordingly.



DEMOGRAPHIC SHIFT

Shift in demographic trends, such as stagnant or decreasing birth rates, not only affect demand for our products and services, but also indicate potential shift in our customers' needs. As such, we monitor demographic trends of our operational locations proactively through our risk management process to anticipate how we can better serve our customers and to meet their needs.

We assess and review our risk matrix for key risks annually. Demographic shift is one of the risks assessed and monitored. Our account managers collect and review birth rate data on a monthly basis, and our market intelligence team collates and monitors demographic data and intelligence on a quarterly basis. Trends and shifts in birth rate and demographic structure are reviewed and discussed to gain insights into potential shift in market, which serve as basis for us to adjust our strategies and tactics in approaching the market. Our corporate team leverages these trends to identify suitable healthcare products and diagnostic services that can add value to the customers.

2021 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

2022 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

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



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 our customers by protecting their personal data, continuously engaging them, and keeping them informed on developments in stem cell utility.

CUSTOMER PRIVACY

2021 ACHIEVEMENT	2022 TARGETS	2022 PERFORMANCE	2023 TARGETS
Achieved zero formal claims by customers concerning breaches of customer privacy and loss of customer data	Zero formal claims by customers concerning breaches of customer privacy and loss of customer data	Achieved zero formal claims by customers concerning breaches of customer privacy and loss of customer data	Zero formal claims by customers concerning breaches of customer privacy and loss of customer data

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.

In tandem with our policy and guidelines for customer privacy, we regularly monitor internal access to personal information and the effectiveness of our Information Technology (“IT”) system in protecting the personal data that we possess. We designate and restrict user access roles for our employees, which are reviewed annually, to mitigate the risks that arise due to excessive data access. We conduct IT general control audits annually to verify the integrity of the data and processes that our IT system supports. Our security software undergoes patch management monthly to address any vulnerability that could be exploited by hackers. The security of our servers is also reviewed regularly to ensure no breach of data.

In FY2022, we organised a series of security awareness training for all employees periodically throughout the year, to promote awareness of phishing attempts and social engineering attacks, which could be directed at the organisation. These sessions also conclude with online assessments to ensure that all staff have understood both the dangers of such cyber-attacks and the measures to be taken upon encountering them. There are also regular simulated phishing attempts sent out to the employees to ensure that the trainings are effective.

Furthermore, we conduct regular training on data protection, security awareness 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 cyber security.

To capture feedback related to data confidentiality, we have designated a Data Protection Officer for our customers to reach out to. All complaints and incidents related to customer privacy breach are logged into our CAPA system to ensure corrective and preventive actions.



CUSTOMER SATISFACTION

2021 ACHIEVEMENT	2022 TARGETS	2022 PERFORMANCE	2023 TARGETS
<p>Achieved a rating of 4.95 (out of 5) for all customer satisfaction surveys</p> <hr/> <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> <hr/> <p>Continue to monitor customer and healthcare practitioner satisfaction, and review effectiveness of our monitoring mechanisms</p>	<p>Achieved a rating of 4.97 (out of 5) for all customer satisfaction surveys</p> <hr/> <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> <hr/> <p>Continue to monitor customer and healthcare practitioner satisfaction, and review effectiveness of our monitoring mechanisms</p>

At Cordlife, customer satisfaction is regularly evaluated and monitored at several operational stages and customer touchpoints to ensure that we are meeting the needs of our customers. External stakeholders, including healthcare professionals are also surveyed regularly to assess their satisfaction level 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 results of the customer satisfaction surveys are reviewed at the monthly customer-centric meeting. All departments in direct contact with customers and external stakeholders are required to set and meet the respective Customer Delight Index metrics and targets,

which include target rating for the customer satisfaction surveys. Additionally, customer feedback and complaints are reviewed at the meeting to identify potential areas for improvement. The monthly customer-centric meetings seek to improve service provision standards across all departments for both our internal and external customers.

When we receive customer feedback and complaints, we will implement improvement initiatives to ensure that our client service agreements are reviewed on a regular basis so that we can provide clear and accurate information to our prospective clients.

Other than 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 as well as furnishing educational materials and updates every quarter.



CARING FOR OUR CUSTOMERS

CLINICAL AWARENESS AND UTILITY OF STEM CELLS

2021 ACHIEVEMENT	2022 TARGETS	2022 PERFORMANCE	2023 TARGETS
Conducted a total of 21 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 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

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 regular updates on stem cell applications to our prospective and existing customers 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.

In FY2022, we held 10 outreach initiatives with expectant parents to raise awareness about the benefits of stem cell banking and other related services. Some of these initiatives were conducted online due to the restrictions caused by COVID-19 during the first half of the year. However, there was a resumption of physical outreach activities as these restrictions eased during the year. Due to the transition to physical activities, we encountered some challenges in arranging some of these outreach initiatives in FY2022,

which resulted in a decline compared to FY2021. However, we continue to review the reach and effectiveness of such initiatives to generate awareness of stem cell banking and other related services. At the same time, we continued to forge strategic partnerships with corporate entities by organising talks to introduce our services and offer corporate rates to their employees.

Furthermore, we engage with healthcare professionals through various initiatives and refresher training to keep them abreast on 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.

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

All our external engagement activities are monitored for their effectiveness in key message delivery and reach to our targeted stakeholders. Digital outreach activities are evaluated by reports on prospect return rates. Our marketing and marketing intelligence departments tabulate prospect and lead surveys and analyse survey responses. We also obtain feedback from hospital caregivers regarding the educational initiatives we have provided. These results are discussed at our weekly taskforce meeting to help fine-tune our approach and tactics to further promote the awareness of stem cell banking.



Our employees are the foundation of our business. We uphold the highest standards in ensuring that they are adequately trained and have a safe environment to work in.

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. As stipulated in our Employee Handbook, we require all laboratory personnel to be vaccinated for Hepatitis B before they are allowed to work in the laboratory. Our Safety Manual encompasses the safety aspect 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 updates the Safety Manual as necessary. Our risk assessment team and safety team are responsible for the implementation of 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. Additionally, any case of needle prick incident is to be reported to MOM accordingly and follow-up checks as well as medical reviews are to 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 trainings 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 are 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 FY2022. 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. We will continue to conduct relevant safety courses for new members of the Safety Committee in the coming year.

⁴ Two of our employees sustained minor injuries as a result of accidental falls. We have reminded staff to be more alert and careful to avoid similar occurrences.

⁵ Two of our employees sustained minor injuries due to overexertion leading to muscle strain.

CARING FOR OUR EMPLOYEES

Performance for FY2022⁶

	FY2021			FY2022		
	Male	Female	Total	Male	Female	Total
Total number of workplace fatalities	0	0	0	0	0	0
Accident frequency rate (AFR)⁷	0	10.28	10.28	17.02	0	17.02
Accident severity rate (ASR)⁸	0	359.93	359.93	34.04	0	34.04
Occupational disease incidence rate⁹	0	0	0	0	0	0
Absentee rate¹⁰	3.15	3.67	6.82	7.13	10.16	17.29



⁶ All employees covered by this report are located in Singapore.

⁷ AFR = Total number of workplace accidents reported / Total number of man hours worked x 1,000,000

⁸ ASR = Total number of man days lost to workplace accidents / Total number of man hours worked x 1,000,000

⁹ Occupational disease incidence rate = Total number of occupational disease incidents / Total number of employees

¹⁰ Absentee rate = Total number of absentee days / Total number of employees

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. As such, our Code of Conduct requires all employees to participate in environmental conservation and that all facilities as well as equipment are used in the most energy efficient manner.

We conduct regular and timely maintenance for 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 increase in usage trends so that we can analyse, investigate and remediate any possible inefficient use of energy.

There was significant saving in electricity due to work from home arrangements during the pandemic and our subsequent hybrid work arrangements, resulting in less use of electricity, for instance, air-conditioning in the office. As we switched to more online digital records, we reduced the carbon footprint generated by printing and photocopying.

FY2022 Performance

Energy Consumption	FY2021	FY2022	FY2023 Target
Diesel (kWh) ^{11,12}	3.8	3.8	Maintain per FY2022
Electricity (MWh)	241.9	241.4	Maintain per FY2022
Total Energy Consumption (MWh)	241.9	241.4	Maintain per FY2022

GHG Emissions ¹³	FY2021	FY2022	FY2023 Target
Scope 1 emissions (tCO ₂ e)	0	0	Maintain per FY2022
Scope 2 emissions (tCO ₂ e)	103	102	Maintain per FY2022
Total GHG emissions (tCO ₂ e)	103	102	Maintain per FY2022

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

¹¹ Diesel consumption is computed based on the amount of diesel consumed by our emergency generator during its 10-minute annual maintenance exercise. During the annual maintenance, the generator runs at 100% Prime Running Power (PRP) setting, which consumes 0.377 litre of diesel per minute.

¹² Conversion factor to kWh is derived from 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

¹³ 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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