

SUSTAINABILITY REPORT

1.1 Board Statement

On behalf of the Board of Directors (the “**Board**”) of Fu Yu Corporation Limited (“**Fu Yu**” or the “**Company**”, together with its subsidiaries, the “**Group**”), I am pleased to present the Sustainability Report for the financial year ended 31 December 2025 (“**FY2025**”).

As a leading provider of vertically integrated services in the design and manufacturing of precision plastic components, the Board is firmly committed to sustainable business practices, which are in line with the Group’s mission to redefine the standards of precision engineering for our customers, through innovation and excellence. In alignment with its strategic direction, the Group ceased all business activities in Fu Yu Supply Chain Solutions Pte Ltd (“**FYSCS**”), its supply chain services arm, in the last quarter of FY2024, to reallocate resources to its core manufacturing business.

The Board oversees the management and monitoring of the economic, environmental, social and governance (“**EESG**”) factors of the Company, and takes them into consideration in the determination of the Company’s strategic direction and policies. The Board has oversight of the EESG material factors which are reviewed annually and ensures that the factors are relevant and current for the business. The Board is also involved in the management and monitoring of these EESG factors through the Group’s Sustainability Steering Committee (“**SSC**”).

Acknowledging the growing significance of the impacts of climate change on business operations, the Board also has oversight over disclosures in line with Task Force on Climate-Related Financial Disclosures (“**TCFD**”) recommendations. A qualitative exercise was conducted in FY2023 to identify and assess climate-related physical and transition risks, as well as corresponding opportunities, along with assessing their financial impact and our strategic responses. The Group plans to fine-tune these findings with the use of scenario analysis in future reports keeping in mind the extended SGX timelines for non-constituent STI companies like Fu Yu with less than \$1bn market capitalisation.

The Group recognises the importance of setting targets on material topics to enable us to identify areas of improvement and provide a clear direction for the Group to work towards improving our sustainability efforts. In subsequent years, we intend to achieve a robust compilation of Scope 3 GHG data.

The Group is committed to reducing our carbon emissions as part of our broader sustainability strategy. To achieve this, we are actively exploring and implementing cleaner energy solutions including transitioning to renewable energy sources such as solar power.

We aim to strengthen our sustainability disclosures over the years, to increase transparency, enhance our stakeholders’ trust and support their sustainability efforts.

On behalf of the Board

Mr Gilbert L. Rodrigues
Independent Non-Executive Chairman
15 April 2026

SUSTAINABILITY REPORT

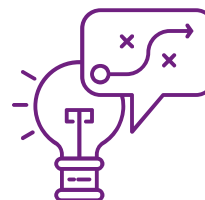
2.1 Our Business

Fu Yu is a strategic hub for advanced precision engineering and technological expertise that has a significant history dating back to 1978. Since its inception, the Group has grown to become one of the largest manufacturers of high-precision plastic parts and moulds in Asia. Today, the Group has established a strong presence in the region with manufacturing facilities located in Singapore, Malaysia and China. The Group was listed on the Main Board of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) on 14 June 1995.

The Group offers a One-Stop Solution to customers through its vertically integrated services to build value, enhance customer experience and build mutually beneficial long-term partnerships.

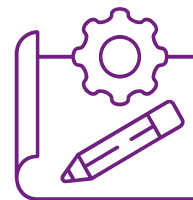
Product Design:

Fu Yu provides New Production Introduction (NPI) and Material Selection services. Our skilled engineers collaborate with customers to propose design enhancements that optimise manufacturability and performance. In addition, we also partner with customers on transition to eco-friendly alternatives, such as low-carbon or bio-natural resins.



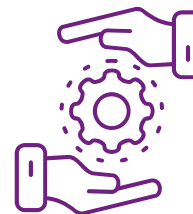
Tooling Design & Fabrication:

Fu Yu provides Innovative Expertise and Export Tooling services. Our team of experienced engineers leverages decades of tool-making expertise to create customised tools that improve efficiency, quality, and manufacturability. We also empower our customers by providing access to their customised moulds, with an option to purchase.



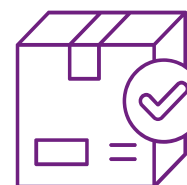
Production:

- **Plastic Injection Moulding:** Our expertise enables us to expertly mould molten plastic into intricately crafted products across a variety of applications and materials.
- **Metal Injection Moulding:** Our unique capability, suitable for producing high-precision metal components in large volumes, allows us to shape metal into intricately crafted products, delivering top-notch quality, cost-efficiency, and precision-crafted products to our customers.



Box Build Assembly:

Fu Yu provides comprehensive Secondary Processes and Product Assembly services, tailored to support your complete box-build requirements. Our extensive range of secondary processes is designed to seamlessly integrate with your project, ensuring a complete and efficient assembly solution.



SUSTAINABILITY REPORT

3.1 About the Report

Scope of the Report

The scope of this report is inclusive of the sustainability aspects related to Fu Yu, emphasising non-financial performance and the associated management approach disclosures. The reporting period covers the timeframe from 1 January 2025 to 31 December 2025, with any exceptions specified. We have included the historical data for FY2023 and FY2024 for comparison where available. The report provides a thorough response to stakeholders' concerns regarding sustainability issues stemming from the Group's business operations (refer to "Our Business", Annual Report page 17), which collectively constitute 100% of the Group's revenue. It includes our headquarters in Singapore, the manufacturing entities in Singapore, Malaysia, and China.

The Group's business operations include the following:

1. Fu Yu Corporation Limited ("**FYC**")
2. Classic Advantage Sdn Bhd ("**CA**")
3. Fu Hao Manufacturing (M) Sdn Bhd ("**FHM**")
4. Fu Yu Moulding & Tooling (Dongguan) Co., Ltd ("**FYDG**")
5. Fu Yu Moulding & Tooling (Suzhou) Co., Ltd ("**FYSZ**")
6. Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd ("**FYZH**")¹

For a comprehensive list of entities included in this report, please refer to **Appendix A**.

Reporting Standards

The report is prepared in compliance with the SGX-ST Section B: Rules of the Mainboard Listing Rule 711A and 711B ("**Mainboard Rules**") which draws on the guidance set out by the SGX-ST Practice Note 7.6 Sustainability Reporting Guide (the "**SR Guide**").

This report has been prepared with reference to the Global Reporting Initiative ("**GRI**") Standards which is recognised as a comprehensive and globally accepted framework for sustainability reporting. Please refer to **Appendix B** for the GRI content index.

Furthermore, this report is prepared in accordance with the recommendations of the TCFD (now subsumed under IFRS S2). We have adopted a phased approach in alignment with the recommendations in SGX-ST Practice Note 7.6 Sustainability Reporting Guide, focusing on specific areas of climate-related financial disclosures in our reporting. This approach enables us to address key aspects of climate risk and opportunities within the context of our operations and business activities.

Independent Verification

The data and information provided within the report have not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure accuracy.

Sustainability Contact

The electronic version of this report can be accessed on the Company's website (<https://www.fuyucorp.com/>) under the section "Sustainability".

We welcome your views and feedback on our sustainability practices and reporting, please contact sustainability@fuyucorp.com.

Footnote:

1. Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd ("**FYZH**") achieved dormant status on 29 July 2025

SUSTAINABILITY REPORT

4.1 Highlights of Achievements

Our Performance

- 114,110.4 GJ of electricity consumed in FY2025, indicating an 0.4% increase compared to 113,623.0 GJ in FY2024.
- 112.5 MegaLiter of water consumed in FY2025, indicating a 26.3% increase compared to 89.1 MegaLiter of water consumed in FY2024.
- 10.5% reduction in hazardous waste produced in FY2025 over FY2024.



Environment

- Zero forced labour or child labour.
- Zero workplace fatalities.
- Nearly 1:1 ratio of male and female employees.



Social

- Zero confirmed incidents of corruption.
- Zero incidents of non-compliance with environmental laws and regulations resulting in significant fines or sanctions.
- Zero incidents of non-compliance with data protection laws.



Governance

Our Business Memberships

Region	Entities	Membership
Singapore	FYC	<ul style="list-style-type: none"> • Singapore Institute of Directors • Singapore Chinese Chamber of Commerce & Industry • Singapore National Employers Federation • Singapore Business Federation • Singapore Precision Engineering and Technology Association • SIMTech Innovation Factory
Malaysia	FHM	<ul style="list-style-type: none"> • Federation of Malaysian Manufacturers • Malaysian Plastics Manufacturers Association • American Malaysian Chamber of Commerce
Malaysia	CA	<ul style="list-style-type: none"> • Federation of Malaysian Manufacturers • Malaysia Employer Federation

SUSTAINABILITY REPORT

United Nations Development Goals (“UNSDGs”)

Fu Yu’s support for UNSDGs underscores its commitment to addressing global challenges. By aligning with these goals, we actively contribute to sustainable development efforts.

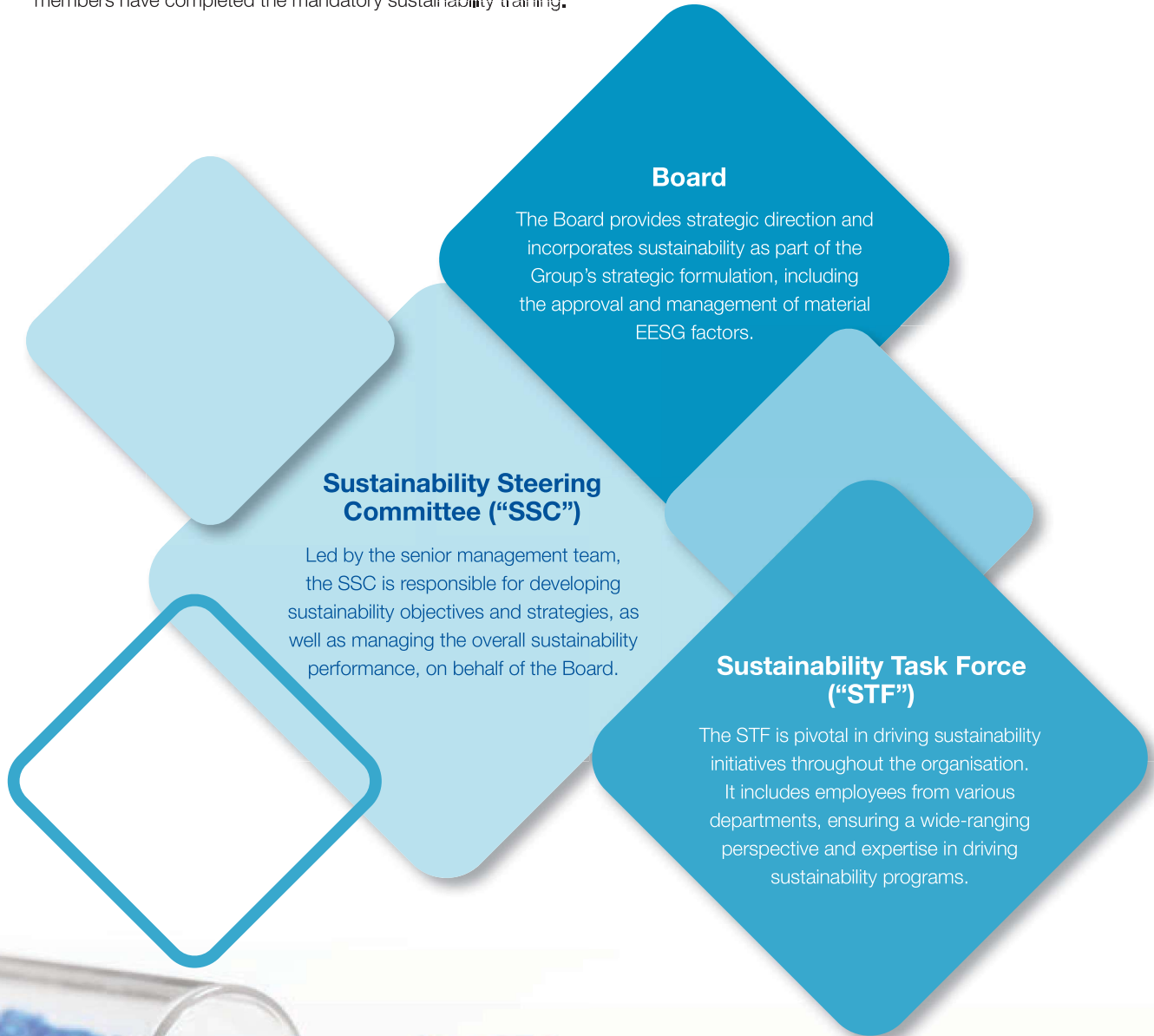
UNSDGs	How we support
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>We contribute to UNSDG Goal 3 – Good Health and Well-being by prioritising the welfare of individuals within our premises through rigorous health and safety practices. Our commitment extends to emphasising the overall well-being of our employees and fostering a workplace culture that supports physical and mental health.</p>
 <p>5 GENDER EQUALITY</p>	<p>We support UNSDG Goal 5 – Gender Equality by eliminating discrimination in our recruitment process and offering equitable promotion opportunities to all genders.</p>
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>We contribute to the achievement of UNSDG Goal 8 – Decent Work and Economic Growth by generating economic value, resulting in the creation of high-quality job opportunities that offer competitive remuneration. This, in turn, supports the overall economic well-being of our society at the national level.</p>
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>	<p>We contribute to the achievement of UNSDG Goal 9 – Industry, Innovation and Infrastructure by consistently investing in innovative manufacturing methods. Our Industry 4.0 Smart Factory is equipped with cutting-edge automation which innovatively improves our production efficiency. Additionally, the integration of 3D printing and additive manufacturing technologies ensures the precise utilisation of materials, minimising waste and concurrently enhancing efficiency.</p>
 <p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>We contribute to the achievement of UNSDG Goal 12 – Responsible Consumption and Production by collaborating with both customers and suppliers, we facilitate the transition of our products to bio-based materials, aiming to minimise environmental impact. Additionally, we proactively explore automation opportunities in our processes to enhance productivity and efficiency.</p>
 <p>13 CLIMATE ACTION</p>	<p>We contribute to UNSDG Goal 13 – Climate Action by actively mitigating climate change through initiatives such as reducing fuel and electricity consumption, investing in the installation of solar panels to harvest renewable energy, and committing to contributing to sustainable and eco-friendly business models.</p>

SUSTAINABILITY REPORT

5.1 Sustainability Strategy

Sustainability Governance Structure

Incorporating sustainability into our corporate strategy and core values is essential for attaining long-term growth. The values we generate for our stakeholders – our people, the environment, and society at large – significantly impact our financial performance. To align with our sustainability goals and values more effectively, we have established an organisational structure dedicated to advancing these initiatives. This is outlined below. In compliance with SGX-ST’s requirements, all our Board members have completed the mandatory sustainability training.



SUSTAINABILITY REPORT

Stakeholder Engagement

Fu Yu diligently considers the key concerns of its stakeholders when defining the reporting context. The table below provides a concise summary of these stakeholders' primary interests and outlines our strategies for engagement with them.

Stakeholders	Engagement Methods	Frequency	Key Topics of Interest	Responses
Investors	<ul style="list-style-type: none"> Timely updates of financial results and announcements, business developments, press releases, and other relevant disclosures via SGXNet and the Company's website Regular results briefing Annual General Meeting ("AGM") Extraordinary General Meeting ("EGM") 	<ul style="list-style-type: none"> Throughout the year At least twice a year Annually When required 	<ul style="list-style-type: none"> Sustain profitability and enhance shareholder returns Transparent reporting Sound corporate governance practices Active portfolio management 	<ul style="list-style-type: none"> Sustained growth in profit Periodic and transparent communication of financial and non-financial information Prompt response to feedback and queries
Customers	<ul style="list-style-type: none"> Customer satisfaction surveys/feedback Regular meetings and discussions with respective Project Managers Business review/ Quality score review Regular visits to customers by management Regular after-sales follow-up 	<ul style="list-style-type: none"> Annually Throughout the year Annually Throughout the year Throughout the year 	<ul style="list-style-type: none"> Delivery of affordable, quality products and services Compliance with environmental laws and regulations Responsiveness to customers' requests and feedback Compliance with EESG material factors along the supply chain Protection of confidential information (includes the Personal Data Protection Act) 	<ul style="list-style-type: none"> Yearly assessment by the third-party certification body to achieve certification for the quality standards (i.e. ISO14001, ISO 9001, IATF16949, ISO13485) Project Managers respond to their customers promptly and meet their needs and quality standards Committed to providing the best quality promptly Conduct quality audits on customers' products

SUSTAINABILITY REPORT

Stakeholders	Engagement Methods	Frequency	Key Topics of Interest	Responses
Employees	<ul style="list-style-type: none"> • Induction programme for new employees • Training and development programmes • Career development performance appraisals • Recreational and wellness activities such as dinner and dance, Corporate Social Responsibility (“CSR”) activities • Regular e-mailers and meetings • Site visits by senior and middle management to observe the work environment • Employee satisfaction surveys 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year • Annually • Annually • Throughout the year • Throughout the year • Annually 	<ul style="list-style-type: none"> • Equitable remuneration • Fair and competitive employment practices and policies • Safe and healthy work environment • Employee development and well-being include career development and training opportunities • Update on the Group’s latest strategic developments • Employee empowerment • To maintain a work-life balance • Labour and human rights 	<ul style="list-style-type: none"> • Employees’ concerns will be discussed by the management and improvement plans will be implemented • Assimilate new hires into the Group’s culture • Foster corporate conscience, corporate citizenship or responsible business • Biennial review of training needs analysis and competency framework across all job levels/category • Foster teamwork and social interaction among employees
Communities	<ul style="list-style-type: none"> • Corporate volunteering includes CSR activities such as blood donation and cash donation to charitable organisations • Open feedback channels 	<ul style="list-style-type: none"> • Annually • Throughout the year 	<ul style="list-style-type: none"> • Contributions to communities of operations • Responsible and ethical business practices • Engagement with local communities 	<ul style="list-style-type: none"> • Continue to render support to charitable organisations • Outreach community activities to serve the local community needs
Government and regulators	<ul style="list-style-type: none"> • Meetings and dialogue sessions • Membership in industry associations 	<ul style="list-style-type: none"> • Throughout the year • Throughout the year 	<ul style="list-style-type: none"> • Compliance with, and keeping abreast of ever-changing laws and regulations • Tax contribution • Government business support schemes 	<ul style="list-style-type: none"> • Keep all relevant employees abreast with changes to statutory requirements • Comply with all applicable laws and regulations • Focus on building good relationships with the government and industry associations

SUSTAINABILITY REPORT

Stakeholders	Engagement Methods	Frequency	Key Topics of Interest	Responses
Suppliers	<ul style="list-style-type: none"> Regular dialogue sessions with key suppliers and service providers Establish channels of communication Quality score review Quality on-company audits Supplier performance feedback 	<ul style="list-style-type: none"> Throughout the year Throughout the year Annually Annually Throughout the year 	<ul style="list-style-type: none"> Equitable treatment of suppliers Regular and punctual payment upon engagement of services Collaborative partnership for mutual growth Streamline procurement workflows and clearly defining expectations Good working relationship 	<ul style="list-style-type: none"> Comply with contractual terms and ensure punctual payment for goods and services rendered

Materiality Assessment Approach

In 2016, the Group initiated its inaugural formal materiality assessment to examine, prioritise, and validate the EESG issues that significantly impact business operations and are of interest to key stakeholders. This assessment process is an ongoing endeavour, with an annual review conducted to ensure the continued relevance and importance of identified factors. In FY2024, we did a peer review to assess topics that help enhance our sustainability disclosures. We will be taking the peer review into consideration for future disclosures.

Identify Material EESG Factors

- Relevant EESG factors were identified by taking reference to GRI Standards Materiality Principles.

Prioritise Material EESG Factors

- Relevant EESG factors are prioritised by evaluating the EESG impact, based on the importance to the Group and its stakeholders.

Integrate and Validate Material EESG Factors

- Validation of the EESG factors was conducted by the SSC and STF.

Review Material EESG Factors

- The EESG factors are continually reviewed for importance and relevance.

SUSTAINABILITY REPORT

Our Material EESG Factors

Upon completing the latest review, it was determined that the EESG factors reported in FY2024 retained their relevance in FY2025. Our material factors are outlined below with the relevant GRI Specific Disclosure topics are mentioned below:

SUSTAINABILITY FOCUS AREAS	MATERIAL TOPICS	GRI TOPIC SPECIFIC DISCLOSURE
Economic Performance	Economic Performance	201-1
Our Environment	Energy	302-1, 302-3
	Emissions	305-1, 305-2, 305-4
	Water and Effluents	303-1, 303-2, 303-3
	Waste	306-1, 306-2, 306-3, 306-4, 306-5
Our People	Employment and Talent Retention	2-7, 401-1
	Training & Education	404-1, 404-3
	Occupational Health and Safety	403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10
	Diversity and Equal Opportunity	405-1
Good Governance	Compliance with Laws and Regulations	2-27
	Anti-Corruption	205-1, 205-2, 205-3
	Customer Privacy	418-1

SUSTAINABILITY REPORT

6.1 Economic Performance

GRI 201-1

The Group recognises that our economic contributions play a crucial role in supporting the broader community where we operate. This support is demonstrated through the payment of taxes to governments, investments in the community, sourcing goods locally from suppliers and generating both direct and indirect employment through our operations. We are dedicated to achieving strong financial performance to ensure the delivery of sustainable value and to contribute positively to the overall economy.

The Group recorded a net loss of S\$8.1 million in FY2025, compared to S\$4.5 million in FY2024, mainly due to one-off expenses such as provision of doubtful debts, professional fees and closure costs of FYZH, and foreign exchange loss. Notwithstanding these headwinds, revenue from our manufacturing segments grew by 6.8%, and the Group remains focused on cost optimisation, operational efficiency, and strengthening its core manufacturing capabilities to drive sustainable recovery.

For FY2025, the Group generated a direct economic value of S\$126.9 million. The total economic value distributed during FY2025 amounted to S\$124.7 million. Purchases of goods and services contributed to S\$80.0 million, approximately 64.8% of the total distribution; employee salaries and benefits contributed to S\$42.5 million, approximately 34.4% of the total distribution.

The table below details the direct economic value generated by the Group through our operations, and the distribution of this value to our stakeholders including suppliers and contractors, employees, shareholders, government authorities and local communities.

Economic Value Generated and Distributed (S\$ million)²

	FY2023	FY2024	FY2025
Direct economic value generated	194.1	195.2	126.9
– Revenue	190.4	191.3	122.7
– Other income	3.7	3.9	4.2
Economic value distributed	197.4	187.2	123.4
– Purchases of goods and services	154.3	144.8	80.0
– Employee salaries and benefits	37.6	40.6	42.5
– Payments to providers of capital	5.5	0.3	0.3
– Payments to government	0.0	1.5	0.6
– Community investments/donations	0.0	0.0	0.0
Economic value retained	(3.3)	8.0	3.5
Net Loss	(10.1)	(4.5)	(8.1)

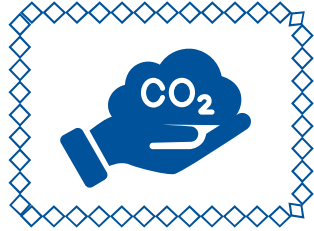
Footnote:

2. Please note that the financial data includes discontinued operation, FYSCS

SUSTAINABILITY REPORT

7.1 Protecting Our Environment

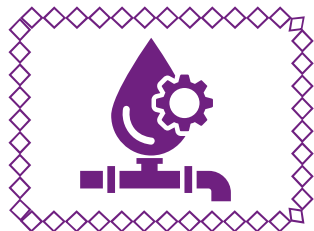
FY2025 Key Performance



GHG emissions of 21,918.6 tCO₂e, a 0.6% decrease compared to FY2024



Energy consumption of 126,264.8 GJ, a 5.3% increase compared to FY2024



Water consumption of 112.5 MegaLiter, a 26.3% increase compared to FY2024



Decreased hazardous waste production by 10.5% compared to FY2024

Climate-related Disclosures

As the impacts of a warming world intensify, climate-related disclosures become essential for guiding resilient, low-carbon decision-making. These disclosures are structured around four pillars – Governance, Strategy, Risk Management, and Metrics & Targets. They help Fu Yu understand and respond to the growing risks and opportunities posed by climate change.

Climate Governance

The Board oversees the management and monitoring of various EESG material factors which include climate-related risk management, by setting the overall strategic direction to prioritise these considerations.

Led by the senior management team, the Sustainability Steering Committee (“SSC”) is responsible for developing climate-related strategies, as well as managing the overall climate resilience, on behalf of the Board. The SSC is assisted by the Sustainability Task Force (“STF”) which drives sustainability initiatives including climate-related ones throughout the organisation, and it includes employees from various departments.


SUSTAINABILITY REPORT

Climate Resilience Strategy

We firmly believe that the disclosures provided in this report are crucial for our stakeholders to comprehend our approach to handling climate-related risks and identifying opportunities in our operations. In FY2023, we conducted a comprehensive reassessment of climate-related risks and opportunities in collaboration with the management teams of our various business units. This assessment involves a thorough evaluation that considers both the likelihood and potential impact of climate risks and opportunities on our business. These risks and opportunities are categorised into three distinct time horizons, which include Short-term (≤ 5 years), Medium-term (5 to 15 years) and Long-term (> 15 years). The Group has plans to integrate scenario analysis into our assessment of climate risks and opportunities in the future.

The following table contains forward-looking statements based on current assumptions and projections about climate-related risks and opportunities, which are subject to uncertainties and may differ from actual outcomes. Stakeholders should note that the projections and assumptions in identifying climate-related risks and opportunities and their potential financial impact are subject to change based on evolving climate-related factors and external uncertainties.

The table below summarises our climate risks and opportunities along with the timeframe, financial impact and our strategy to address these.


 Transitional Risk	Heightened regulatory oversight and reporting obligations		
	Category	Significance	Timeline
	Policy and Legal	Medium	Short-term
	Description of Risks	Potential Financial Impact	Our Strategy
We are currently navigating the dynamic business landscape, characterised by increased regulatory oversight from Exchanges, particularly regarding sustainability reporting.	Enhanced sustainability reporting requirements may lead to higher compliance costs. In addition, the cost of acquiring raw materials that have lower greenhouse gas emissions or eco-friendly, like certain plastics may also increase.	<p>We closely monitor changes in regulatory requirements through collaboration with our dedicated SSC, STF and external consultants. This proactive approach ensures that we stay aligned with evolving regulations and maintain a strong commitment to sustainability.</p> <p>Furthermore, in FY2023 we initiated a trial run of greenhouse gas emissions inventory accounting. By embarking on this accounting endeavour, we aim to gain valuable insights that will form our future sustainability strategies and contribute to our ongoing efforts in environmental stewardship.</p>	


SUSTAINABILITY REPORT

Transitional Risk	Increasing energy prices		
	Category	Significance	Timeline
	Policy and Legal	Medium	Short-term
	Description of Risks and Opportunities	Potential Financial Impact	Our Strategy
	Electricity rates in Singapore, Malaysia and China have seen a notable increase, primarily influenced by the incorporation of carbon taxes into the energy prices. This shift has been compounded by China's ongoing transition away from coal as part of its commitment to cleaner energy sources. The combined impact of these factors has led to a surge in energy prices, posing challenges for consumers and businesses alike.	Operational expenses may increase due to a surge in electricity prices.	We have completed the installation of solar panels at our Singapore facilities in FY2024. Additionally, we are actively planning to expand our solar panels projects to other locations, aiming to mitigate the impact of rising energy costs on our operations. Our solar panels in FHM was operational in the fourth quarter of FY2024, and those in CA became operational in the first quarter of FY2025.
	Disruption caused by sustainable technologies		
	Category	Significance	Timeline
	Technology	Low	Medium-term
	Description of Risks and Opportunities	Potential Financial Impact	Our Strategy
	Sustainable innovations, such as bio-based materials, biodegradable plastics, and advanced recycling techniques, have the potential to significantly reshape traditional market dynamics. As these sustainable solutions gain traction, businesses and industries accustomed to conventional practices may face challenges in adapting to these emerging technologies.	Investing in the development of new technologies impact cash flows, and there may be a need for write-offs or early retirement of existing assets or technologies that become obsolete. However, adopting new technologies can lead to reduced operational cost through reduced energy dependency.	The Group is progressively replacing hydraulic machinery with electric alternatives to enhance operational efficiency and reduce oil consumption. In addition, the incorporation of 3D printing and additive manufacturing technologies ensures precise material usage, and helps to minimise waste and improve cost efficiency.
Shift in customer preferences towards eco-friendly products			
Category	Significance	Timeline	
Market and Reputation	Low	Long-term	
Description of Risks and Opportunities	Potential Financial Impact	Our Strategy	
Growing market trends and shifting consumer preferences towards sustainable and eco-friendly products may lead to a decrease in demand for traditional plastics, potentially favouring alternative materials.	Revenue fluctuations resulting from shifts in consumer preferences towards more environmentally friendly products.	The Group is currently engaging in discussions with both its suppliers and customers regarding the utilisation of biodegradable bio-resin as a material for manufacturing disposables, consumables, and packaging caps.	




SUSTAINABILITY REPORT

 Transitional Risk	Negative perceptions among stakeholders		
	Category	Significance	Timeline
	Reputation	Low	Short-term
	Description of Risks and Opportunities	Potential Financial Impact	Our Strategy
Failure to proactively address climate risks could lead to negative perceptions among stakeholders, impacting the Group's reputation.	The potential for decreased revenue due to loss of customers from reputational damage highlights the financial risks of negative public perception. In addition, cost of manpower may increase due to poor employee attraction and retention. Furthermore, reduction in capital availability from investors may occur, as a consequence of these negative perceptions.	We prioritise open communication with our stakeholders, keeping them well-informed about the Group's commitment to sustainability. This includes regular updates on our sustainability initiatives, aiming to build trust and transparency.	

 Physical Risk	Extreme weather event – floods, heatwave and typhoons		
	Category	Significance	Timeline
	Acute or Chronic	Medium	Medium-term
	Description of Risks and Opportunities	Potential Financial Impact	Our Strategy
<p>Singapore, Malaysia and China face exposure to climate change, characterised by more extreme precipitation, rising sea levels, and significant temperature increases, leading to increased risk of flooding and heatwaves.</p> <p>Extreme weather events can disrupt the supply chain by causing damage to infrastructure, leading to delays in both production and delivery, and shortening of business hours. Such events also result in damage to the Group's assets, including factory buildings and production equipment, resulting in decreased valuation and higher insurance costs. Furthermore, these conditions can result in casualties, including injuries or fatalities among the workforce.</p>	<p>Supply chain disruptions caused by extreme weather events present a broad range of operational challenges. These include reduced production output and consequent revenue loss – direct results disruptions to the production process. The financial implications are compounded by the costs associated with the repair and replacement of damaged assets. In addition, there will likely be an increase in medical and insurance expenses, as the organisation grapples with the aftermath of such events, addressing potential injuries or health issues among employees.</p> <p>The cumulative impact of these challenges underscores the critical need for comprehensive risk management strategies to enhance resilience and mitigate potential adverse effects on both operational efficiency and financial health.</p>	<p>While our facilities are not within the flood zones, we have nonetheless established a comprehensive emergency response plan. This plan is vital for ensuring our organisation's preparedness and resilience, facilitating swift and effective responses in crisis situations to safeguard both assets and personnel.</p> <p>In addition, to fortify our supply chain resilience and reduce the risks associated with regional disruptions, we are actively diversifying our suppliers globally.</p>	

SUSTAINABILITY REPORT

 Physical Risk	Water stress due to diminishing water resources		
	Category	Significance	Timeline
	Chronic	Low	Medium-term
	Description of Risks and Opportunities	Potential Financial Impact	Our Strategy
<p>Singapore’s limited domestic water sources pose a significant risk of water stress, necessitating innovative and comprehensive strategies for sustainability. Singapore has turned to advanced technologies such as NEWater and desalination, alongside extensive water conservation efforts, to address this challenge. Despite these measures, the continuous emphasis on water conservation highlights the importance of responsible usage to mitigate potential water stress.</p>	<p>Water scarcity can disrupt water-dependent operations, lead to service suspensions from water rationing, compromise service quality due to water interruptions, and increase water prices due to resource scarcity.</p> <p>These factors can result in potential revenue loss from service disruptions and diminished service quality, alongside increased operational costs due to higher water prices.</p>	<p>To counteract these risks, we are actively enhancing water efficiency across our operations. This includes the installation of water-saving taps and the implementation of real-time water consumption monitoring systems equipped with sensors to quickly detect and address leaks.</p> <p>Additionally, we have adopted rainwater harvesting practices for washing of our facilities, reducing dependence on conventional water sources. This approach not only conserves water but also aligns with environmentally friendly practices by utilising a natural and renewable resource.</p>	


 Transitional Opportunity	Increasing government support for sustainability-related projects		
	Category	Significance	Timeline
	Policy and Legal	Medium	Short-term
	Description of Risks Opportunity	Potential Financial Impact	Our Strategy
<p>To address potential financial hurdles from the implementation of green technologies, companies now have access to an expanding array of government subsidies, grants, and sustainable financing options from banks. These incentives are designed to encourage the adoption of green technologies, and enable businesses to incorporate environmentally sustainable practices more easily.</p>	<p>Sustainability-related projects can benefit significantly from government subsidies and grants, which can greatly reduce the initial costs of investment. This financial support makes it more viable for businesses to undertake projects aimed at improving their environmental footprint.</p>	<p>We are actively exploring opportunities to leverage these incentives for potential and suitable projects that only align with the objectives and criteria of these incentives, but also contribute meaningfully to our sustainability goals. In addition, we are also exploring green financing with banks, specifically green deposits, directing our funds towards projects and initiatives that have a positive impact on the environment.</p>	

SUSTAINABILITY REPORT

Transitional Opportunity	Innovation in sustainable technologies		
	Category	Significance	Timeline
	Technology	Medium	Medium-term
	Description of Risks Opportunity	Potential Financial Impact	Our Strategy
	The introduction of new technologies aimed at reducing energy consumption and carbon footprint of plastic moulding processes present an opportunity to lower greenhouse gas emissions and advocate for more eco-friendly production methods in the plastic moulding industry.	Adopting these technologies could lead to a decrease in operational expenses by reducing energy dependency.	The Group is actively transitioning from hydraulic to electric machinery to enhance operational efficiency and reduce oil consumption. In addition, we are incorporating 3D printing and additive manufacturing technologies, which allow for precise material use, waste minimisation, and enhanced cost efficiency.
	Use of eco-friendly materials		
	Category	Significance	Timeline
	Product and Services	Medium	Long-term
	Description of Risks	Potential Financial Impact	Our Strategy
	The shift towards eco-friendly plastics allows our customers to offer end products that are more environmentally conscious, appealing to a growing segment of consumers interested in sustainability.	Introducing eco-friendly plastic components to the market can lead to an increase in revenue as consumer demand for sustainable products grows.	The Group is in discussions with both suppliers and customers about using biodegradable bio-resin for manufacturing disposables, consumables, and packaging caps, aligning our product offerings with environmental sustainability goals.
	Renewable energy integration		
	Category	Significance	Timeline
Energy source	Medium	Medium-term	
Description of Risks	Potential Financial Impact	Our Strategy	
The shift towards renewable energy sources, such as solar or wind power, is a strategic response to rising energy costs and reducing carbon footprints.	Initial transition to renewable energy may increase operational costs due to the installation and integration of new energy systems.	We are committed to integrating renewable energy into our operations. The installation of solar panels at our Singapore facilities has been completed in FY2024. We are actively planning to extend our solar panels projects to other locations, aiming to mitigate the impact of rising energy costs on our operations. Our solar panels in Fu Hao was operational in the fourth quarter of FY2024, and those in CA became operational in the first quarter of FY2025.	



SUSTAINABILITY REPORT

 Transitional Opportunity	Sustainable practices communication		
	Category	Significance	Timeline
	Reputation	Medium	Short-term
	Description of Risks	Potential Financial Impact	Our Strategy
	Companies that demonstrate strong climate-related practices not only mitigate environmental impacts but also enjoy improved access to capital, and opportunities for green financing.	Effective communication of sustainable practices leads to increased investor confidence and attract new funding sources.	We prioritise transparent and open communication with both investors and employees, keeping them well-informed about the Group's sustainability practices to foster trust and transparency. This involves providing regular updates on our ongoing sustainable initiatives.

Managing Climate-related Risk

Fu Yu acknowledges the critical need for a robust strategy and risk management framework to support our sustainability initiatives. With increasing scrutiny from regulatory bodies, investors, and stakeholders on sustainability and climate-related factors, integrating these considerations into our decision-making process has become a priority.

To effectively assess climate risks and opportunities, we have implemented a comprehensive enterprise risk management framework. This framework ensures that climate-related risks are identified, assessed, and managed appropriately. Risks are evaluated through an analysis of the likelihood and impact of each risk.

The impact of these risks is categorised into 3 tiers – **Major, Moderate and Low**. This categorisation helps us prioritise risks and initiatives based on the significance of their impact on our business, allowing us to allocate adequate resources efficiently. Likelihood is assessed as **Unlikely, Medium and Likely**. Based on this assessment, risks are managed through various strategies, including enhancing existing internal controls, or implementing new controls to mitigate and transfer risks. We also develop monitoring mechanisms to review the effectiveness of our strategies.

Recognising the interconnected nature of climate-related risks with other business risks, we integrate climate considerations into our broader risk management strategy. Our risk management framework is applied consistently to both general business risks and climate-related risks, involving the identification, assessment, and ongoing monitoring of these risks and opportunities in line with our enterprise risk management framework.

Metrics and Targets

We have identified different metrics to understand our exposure to physical and transition climate-related risks and opportunities which are outlined in the 'Energy Consumption' and 'Greenhouse Gas Emissions' sections below.

Energy Consumption

GRI 302-1, 302-3

The Group purchases electricity from the grid, and also generates solar energy. In FY2025, we consumed 114,110.4 GJ of purchased electricity, a 0.4% increase from 113,623.0 GJ in FY2024. Our overall energy consumption (excluding petrol and diesel) saw an increase of 5.3%, with the inclusion of solar energy consumption of 9,705.3 GJ.

SUSTAINABILITY REPORT

In FY2024, the Group had invested in energy-efficient electric machines to replace older hydraulic machines and upgrade existing lighting with more efficient LED lighting.

Our proactive measures to reduce energy consumption and enhance efficiency include the installation of energy-efficient LED light fixtures throughout managed properties. Other energy-saving initiatives include:

- Optimise production planning to reduce machinery idling time.
- Use of frequency conversion air compressors to reduce power utilisation.
- Transition to renewable energy with solar panel installation in our production facilities.
- Replace older machinery that consumes more energy with newer energy-efficient machinery.
- Replace older air conditioners with energy-saving units and control temperatures to be more energy-efficient.
- Regular maintenance of plant and machinery to improve productivity, prolong useful lifespan and reduce energy usage.

Besides monitoring electricity consumption, the Group also monitors diesel and petrol consumption, aiming to manage and reduce our GHG emissions.

Diesel is primarily used for forklift operations, truck deliveries and staff canteen activities. Petrol is primarily used for company cars and vehicles. Petrol consumption has increased 6.8% from 588.7 GJ in FY2024 to 628.7 GJ in FY2025. Diesel consumption has increased from 1,728.5 GJ in FY2024 to 1,820.5 GJ in FY2025 showing a 5.3% increase. The energy intensity based on energy consumption over the revenue of the manufacturing segments decreased to 1,029.1 (GJ/S\$'mil Revenue) in FY2025 from 1,044.0 (GJ/S\$'mil Revenue).

At Fu Yu, our commitment focuses on reducing our energy consumption throughout daily operations. This initiative aligns with our dedication to environmental responsibility while concurrently unlocking significant cost savings for our business. In FY2026, we aim to monitor and reduce our energy intensity by 5%.

Total Energy Consumption ³ in GJ		FY2023	FY2024	FY2025
Non-Renewable Fuel	Petrol	575.6	588.7	628.7
	Diesel	1,641.5	1,728.5	1,820.5
Energy	Electricity	116,481.6	113,623.0	114,110.4
Renewable Energy	Solar	Not applicable	4,001.8	9,705.3 ⁴
Total		118,698.7	119,942.0	126,264.8

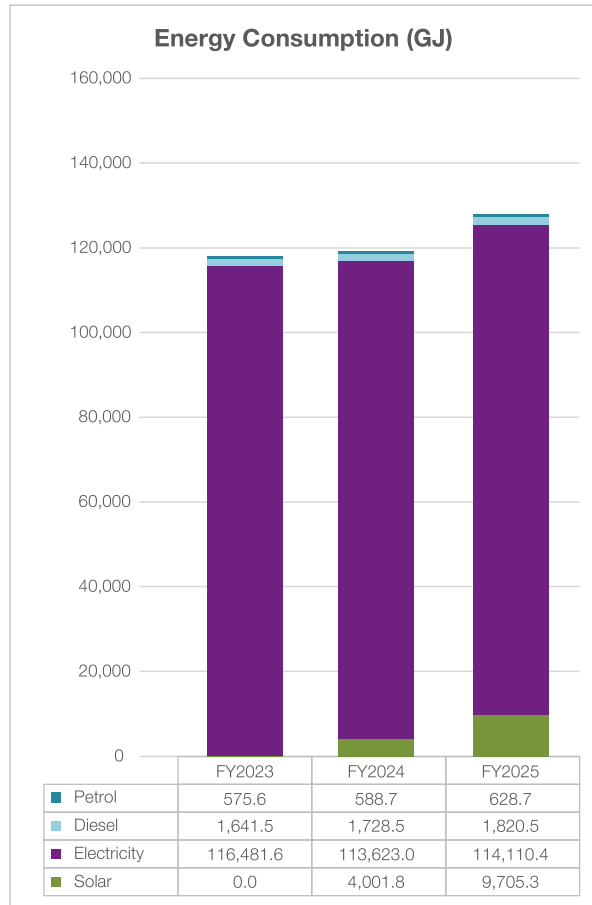
Energy Sold in GJ	FY2023	FY2024	FY2025 ⁴
Solar	Not applicable	216.1	759.0

Energy Intensity	FY2024	FY2025
Total Energy Consumed (GJ)	119,942.0	126,264.8
Revenue (S\$'mil) ⁵	114.9	122.7
Energy Intensity (GJ/S\$'mil Revenue)	1,044.0	1,029.1

Footnote:

3. Conversion factors are based on Emission Factors for Cross Sector Tools V2.0 March 2024 – IPCC 2006.
4. Two additional entities reported Solar consumption in FY2025, namely Classic Advantage Sdn Bhd and Fu Hao Manufacturing (M) Sdn Bhd.
5. Denominator for Energy Intensity is S\$ million of revenue for manufacturing sectors only.

SUSTAINABILITY REPORT



Greenhouse Gas Emissions (“GHG”)

GRI 305-1, 305-2, 305-4

In our steadfast commitment to environmental responsibility and combating climate change, we have conducted an in-depth review of our GHG emissions for FY2025.

SUSTAINABILITY REPORT

Our efforts have been focused on a detailed evaluation of both direct and indirect emissions, i.e. direct Scope 1 emissions, arising from our forklift operations and truck deliveries, and indirect Scope 2 emissions, arising from electricity used in our buildings and manufacturing facilities.

Total GHG Emissions in tCO ₂ e ⁶			FY2023	FY2024	FY2025
Scope 1	Non-Renewable Fuel	Petrol	No Data Available	41.9	44.8
		Diesel		141.4	146.8
		Total		153.6	183.3
Scope 2	Energy	Electricity	No Data Available	21,400.3	21,230.5
		Solar (REC sold from Jan – Jun 2025)		463.3	251.3 ⁷
		Solar (Estimated REC to be sold for Jul – Dec 2025)			245.2 ⁷
		Total		22,132.6	21,863.6
Grand Total			22,286.2	22,046.9	21,918.6

Emissions Intensity				
Total GHG Emission Intensity⁸	tCO₂e/S\$ million of revenue	214.4	191.9	178.6
Scope 1	tCO ₂ e/S\$ million of revenue	1.5	1.6	1.6
Scope 2	tCO ₂ e/S\$ million of revenue	212.9	190.3	177.1

The GHG emissions of the Group in absolute terms decreased by 0.6% as compared to last year. Total GHG emissions intensity has decreased to 178.6 tCO₂e/S\$ million of revenue in FY2025 from 191.9 tCO₂e/S\$ million of revenue in FY2024.

Our target for FY2026 is to monitor carbon emissions and reduce our emissions intensity by 5%.

In addition to our short-term goals, we will also be reinforcing our commitment to reduce carbon emissions in the medium to long-term.

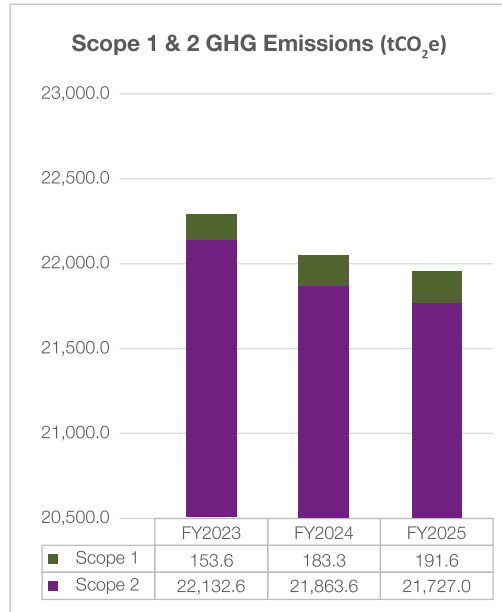
We are also committed to extending our GHG emissions computation beyond the existing Scope 1 and Scope 2 emissions, and to include Scope 3 emissions in the future. By comprehensively understanding our GHG emissions performance, we strategically position ourselves to determine the most effective approach to achieving our medium-term target and meaningfully set a long-term target.

Footnotes:

- The calculations are aligned with the principles of the GHG Protocol. Emission factors (FY2025) for the above table are based on Emission Factors for Cross Sector Tools V2.0 March 2024. Grid Emission Factors are sourced from Singapore Energy Market Authority (EMA) and IGES Institute for Global Environmental Strategies (2024), List of Grid Emission Factors, version 11.6. Grid Emission Factors consider the fact that RECs have been sold for solar energy generated.
FY2023 conversion factors used stationary combustion only whereas FY2024 used mobile combustion due to updates in the Emission Factors for Cross Sector Tools, V2.0 (updated in March 2024).
- Fu Yu's emissions data accounts for RECs sold from January to June 2025. As they have yet to receive the invoice for the RECs sold from July-December 2025, an estimate has been made to ensure emissions are not understated. When actual figures are ascertained, there is likely to be a restatement of GHG Scope 2 emission figures in the sustainability report of FY2026.
- Denominator for GHG Emissions Intensity is S\$ million of revenue for manufacturing sectors only.

SUSTAINABILITY REPORT

The following chart shows our GHG emissions profile over the last three years:



Water Consumption

GRI 303-1, 303-2, 303-3

In our continuous dedication to sustainability, Fu Yu places high priority on responsible water consumption across our facilities. Recognising water as a precious and limited resource, we are committed to implementing measures that promote water conservation and responsible use.

The Group sources all its water from municipal water supplies, operating in Singapore, Malaysia, and China. Water is primarily used in our operations for cooling towers, cooling for injection moulding and tooling machines during manufacturing, and various cleaning purposes.

We have identified that our FYSZ facility is situated in a water scarce region. As a responsible business, we understand the need to conserve water and reduce water wastage. Sustainable and efficient water usage practices are integral to our manufacturing operations, underscoring our commitment to environment conservation.

SUSTAINABILITY REPORT

Some of our key practices in our different entities as named include:

- Installation of water-saving taps and implementation of real-time water consumption monitoring systems equipped with sensors to quickly detect and address leaks (FYC)
- Adopt rainwater harvesting practices for washing of our facilities, reducing dependence on conventional water sources (FYC, CA)
- Record and monitor meter readings and cross-check with water consumption bills monthly (FYC, FHM, FYDG, FYZH and FYSZ)
- Regular maintenance of water fittings and drainage systems to minimise the risk of leakage (FYC, FYDG, FYZH, FYSZ)
- Educating employees on the importance of water conservation to influence positive behavioural changes (FYDG, FYZH, FYSZ)
- Encourage employees to report any observed water leaks to the Human Resources Department (FHM, FYDG, FYZH, FYSZ)

At our FYSZ facility, after undergoing advanced treatment at sewage facilities, wastewater is recycled for use. We have upgraded infrastructure and optimised the treatment processes to improve the efficiency of the water recycling system, enabling the reintroduction of recycled water into various applications. The water recycling system has been in use for years, with Suzhou continuously maintaining and increasing the amount of recyclable wastewater.

At our FYDG facility, we are strengthening regular inspections of water pipes to prevent the aging and leakage, ensuring early detection and proactive maintenance. In addition, the timely replacement of older water pipes with modern, more durable materials further reduces the risk of leaks and enhances the overall reliability of the water supply infrastructure.

Elsewhere, we implemented rainwater harvesting for general cleaning tasks. By capturing and storing rainwater through this eco-friendly method, we reduced our dependency on conventional water sources for cleaning, further minimising the environmental impact associated with water consumption.

Fu Yu is committed to doing our part in safeguarding the planet's water resources and ensuring sustainable water management practices.

In FY2025, our total water consumption amounted to 112.5 MegaLiter, a 26.3% increase from 89.1 MegaLiter in FY2024. The increase in water consumption was primarily due to water tank cleaning for compliance reasons, and installation of water treatment equipment. We are closely monitoring water usage. Water catchment (IBC Tank) is being implemented to optimize consumption (FYC).

Over the years, our Group's water usage has been on the decline, in line with our commitment to minimise water consumption. Moving forward, in FY2026, the Group targets to maintain/reduce our water consumption at the current level, continuing our commitment to efficient and responsible water use.

Water Withdrawn (Third-party Water)	FY2023	FY2024	FY2025 ⁹
Freshwater (MegaLiter)	98.0	89.1	112.5

Footnotes

9. Based on WRI Water Aqueduct Tool, the areas where water is withdrawn have a range of water stress levels. Singapore (Low-Medium), Johor Bahru (Low-Medium), Penang (Low-Medium), Dongguan (Medium-High), Suzhou (High), Zhuhai (Medium-High)

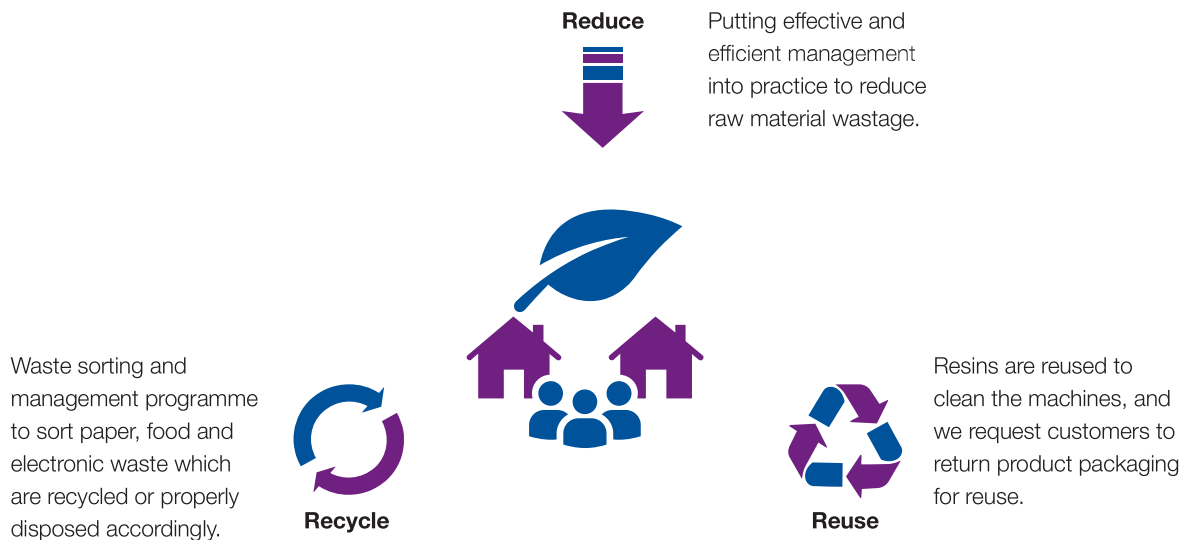
SUSTAINABILITY REPORT

Waste

GRI 306-1, 306-2, 306-3, 306-4, 306-5

At the heart of the Group's operational philosophy is our commitment to waste management, encapsulated in our "3Rs" approach – **"REDUCE, REUSE AND RECYCLE"**.

We believe that proper waste management and effective resource utilisation underpins our responsibility towards the environment and contributes to reducing our overall operating costs. Our comprehensive waste management strategy emphasises "reduction of waste" at the source, followed by "waste reuse on-site" and "material recycling". Through this structured approach, we aim to minimise our environmental footprint and promote sustainability within our operations.



Our commitment to sustainable practices includes the responsible procurement of materials, a key aspect of which involves cultivating collaborative relationships with our vendors. In this pursuit, we actively engage with our suppliers to replace harmful substances with environmentally friendly alternatives, aiming to reduce the ecological impact of our operations and products.

Furthermore, in response to growing environmental awareness and customer preferences, we proactively seek out materials that bear accredited green labels. This proactive sourcing strategy emphasises our dedication to environmentally conscious practices, ensuring that the products we manufacture not only meet high-quality standards but also align with environmentally friendly and sustainable principles.

Reuse

We promote the reuse of resins in our manufacturing processes. Resins, often used in various production stages, are systematically recycled to clean machines, contributing to the reduction of waste and minimising the environmental impact associated with their disposal. This initiative not only aligns with our dedication to resource efficiency but also reflects our commitment to a circular economy, where materials are reused and repurposed to extend their lifecycle.

Furthermore, in order to minimise packaging waste, we encourage our customers to participate in our packaging return program. This program encourages customers to send back product packaging for reuse. By doing so, we aim to reduce the overall environmental footprint associated with packaging materials.

SUSTAINABILITY REPORT

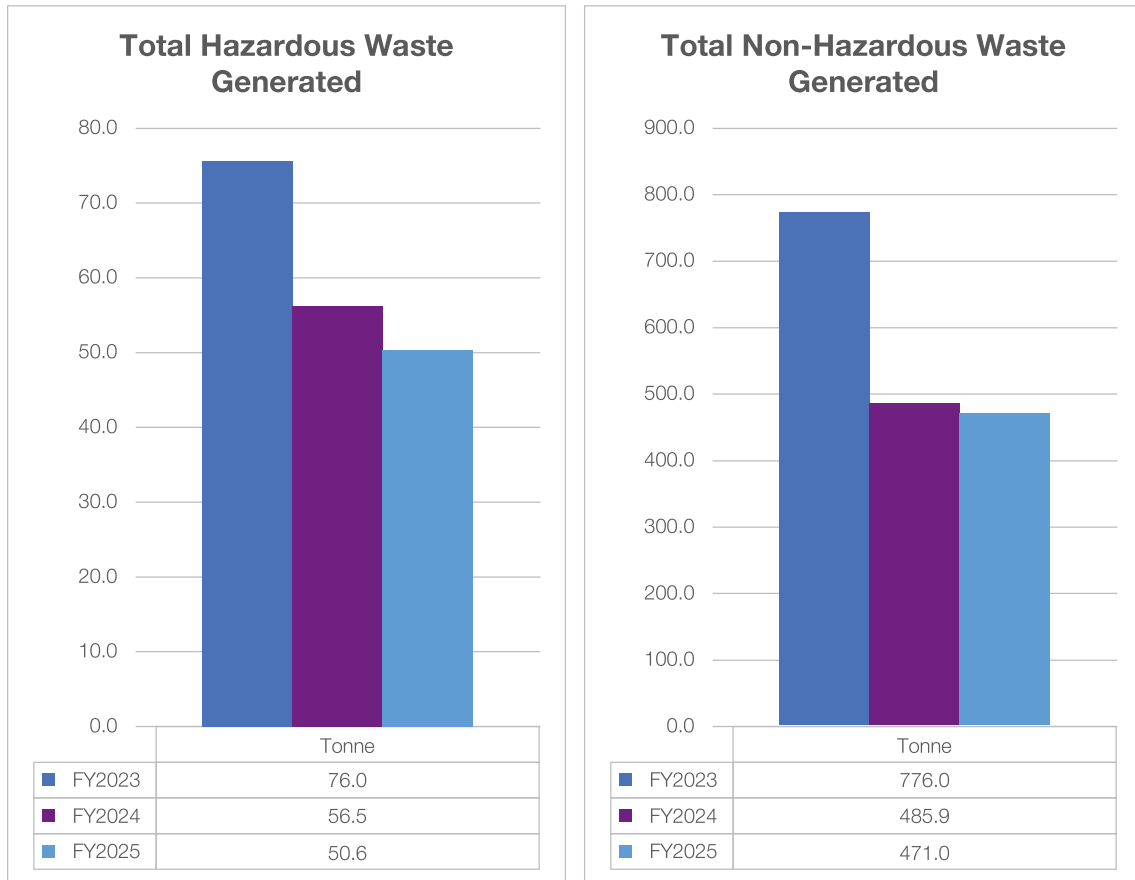
Recycle

We implemented a comprehensive waste sorting and management program that addresses various waste streams, including paper, food, and electronic waste. Through this program, we aim to promote responsible waste handling and minimise our environmental impact.

For paper waste, we prioritise recycling initiatives to ensure that paper materials are diverted from landfills and repurposed. Our commitment to sustainable practices extends to the proper disposal of food waste, where we implement eco-friendly solutions such as composting or other environmentally responsible methods.

For electronic waste, we adhere to specialised disposal practices that align with regulatory guidelines to prevent environmental harm and promote the responsible handling of electronic components.

By incorporating these measures into our waste sorting and management program, we demonstrate our commitment to sustainable and eco-conscious practices throughout our operations.



SUSTAINABILITY REPORT

Hazardous Waste (tonne)		FY2024	FY2025
Waste Diverted from Disposal	Commercial and industrial waste	34.2	35.9
	Metal – scrap metal	NA	2.8
	WEEE ¹⁰ – mixed	0.6	6.8
	Total	34.8	45.5
Waste Directed to Disposal	Commercial and industrial waste	18.8	2.0
	Metal – scrap metal	2.8	2.3
	WEEE ¹⁰ – mixed	NA	0.8
	Glass	0.1	NA
	Total	21.7	5.1
Grand Total		56.5	50.6

Non-Hazardous Waste (tonne)		FY2024	FY2025
Waste Diverted from Disposal	Commercial and industrial waste	10.1	60.3
	Plastics – PET (incl. forming)	45.2	40.9
	Paper and board – mixed	79.9	61.4
	Metal – mixed cans	0.7	1.2
	Metal – scrap metal	30.7	31.2
	Plastics – PS (incl. forming)	190.7	148.0
	Total	357.3	343.0
Waste Directed to Disposal	Commercial and industrial waste	128.6	128.0
	Total	128.6	128.0
Grand Total		485.9	471.0

In FY2025, we generated 50.6 tonnes of hazardous waste, compared to 56.5 tonnes in FY2024. This represents a 10.4% reduction, mainly due to the absence of large-tonnage of machine oil changes during the year, as oil replacement cycles vary from year to year.

The decline in non-hazardous waste can be attributed to improvement in production efficiency which reduced wastage. FYC also took initiatives to reduce wastage.

Total waste diverted from disposal amounted to 343.0 tonnes in FY2025 compared to 357.3 tonnes in FY2024 while total waste directed to disposal amounted to 128.0 tonnes in FY2025 compared to 128.6 tonnes in FY2024.

In FY2026, we intend to maintain the current level of our hazardous and non-hazardous waste for the forthcoming year.

Disposal of hazardous wastes

The Group places a strong emphasis on proper waste disposal, particularly relating to hazardous waste. To ensure environmentally responsible practices, all hazardous waste is meticulously disposed through licensed collection vendors, significantly minimising its environmental impact. In line with our 3Rs approach, we actively strive to divert waste from disposal wherever feasible.

Footnotes

10. Waste from Electrical and Electronic Equipment

SUSTAINABILITY REPORT

When recycling is not an option, we employ a systematic approach for handling non-recyclable waste. Such waste is accumulated and stored on-site, adhering to predetermined schedules for disposal as specified by the respective local collection vendors. This comprehensive waste management strategy reflects our commitment to minimising our environmental footprint and upholding responsible waste disposal practices throughout our operations.

Paper Usage Reduction

Embracing sustainability and digital innovation, our operations have undergone remarkable transformations since 2020. In Singapore, we've replaced paper carton boxes with 7,000 reusable containers, resulting in annual savings of over 300 tonnes of paper. This initiative sets the stage for our commitment to environmental stewardship. Additionally, FHM has embraced paperless documentation through a Manufacturing Execution System (**MES**) since 2021, enhancing efficiency and reducing our ecological footprint. In line with our digital evolution, CA and FYC have implemented an e-leave system and embraced e-banking in 2022, marking significant strides towards a more sustainable and digitally-driven future.

In FY2025, we continued our efforts to reduce paper usage by adopting packaging specifications designed to minimise the types of packaging in use and reduce paper waste. The total paper and board use sent for recycling in FY2025 amounted to 61.4 tonnes.

These ongoing efforts underscore our dedication to sustainable practices and continual improvement in resource efficiency.

Beyond packaging, we also actively reduce our paper usage in our administration processes. These include:

- Usage of e-signature whenever possible.
- Usage of double-sided printing whenever possible.
- Placing signage as a reminder to reduce paper usage.
- Usage of e-banking to reduce the need for cheques and the printing of telegraphic slip.
- Usage of digital solutions to eliminate the use of paper-based documents (e.g. e-leave system).

We are committed to actively exploring opportunities to reduce paper usage in both packaging and administrative processes. This includes adopting integrated packaging specifications, sourcing eco-friendly packaging materials and embracing digital solutions to minimise reliance on paper. Our commitment to these initiatives aligns with our goal of promoting sustainability and reducing our environmental impact.

Environmentally-friendly Supply Chain

In our ongoing dedication to minimising our environmental impact, we ensure that our suppliers comply with environmental laws and regulations while providing goods and services to our organisation.

Within our supply chain management framework, we conduct annual vendor evaluation assessments to appraise new vendors. Additionally, we consistently measure and monitor the performance of our existing vendors. This proactive approach aids in cost reduction, and risk mitigation, and fosters continuous improvement initiatives directed towards enhancing environmental sustainability. Through these evaluations, we aim to strengthen our partnerships, ensure efficient operations, and align our supply chain with the principles of environmental responsibility.

We prioritise environmental compliance by signing both the Restriction of Hazardous Substance (**RoHS**) and Registration, Evaluation, Authorisation and Restriction of Chemical (**REACH**) agreements with all our suppliers, regardless of whether they are longstanding partners or newly onboarded ones. This commitment ensures that all parties involved adhere to the restrictions on hazardous substances and meet the regulatory standards set forth by these agreements.

SUSTAINABILITY REPORT

Our Initiatives

Innovative Production

Outfitted with cutting-edge automation and sensors, the Group's Industry 4.0 Smart Factory not only aids customers in monitoring their carbon footprint across the supply chain but also actively monitors and optimises our electricity usage. This dual functionality underscores our dedication to advancing sustainability for our clients while concurrently mitigating our environmental impact through effective energy management.

Demonstrating our unwavering commitment, the Group is systematically replacing hydraulic machinery with electrically powered alternatives, aiming to improve operational efficiency and reduce oil consumption.

Additionally, the integration of 3D printing and additive manufacturing technologies ensures the precise utilisation of materials, minimising waste and concurrently enhancing cost efficiency.

The Group has recently transitioned to an integrated cloud-based platform, paving the way for completely paperless mould-making. This transition not only eradicates paper consumption, but also streamlines the mould-making process, improving accuracy, efficiency, real-time collaboration, and an overall elevation in the quality and speed of production.

Sustainable Raw Materials

Collaborating actively with partners, the Group is committed to helping our customers transition to eco-friendly resins. It is also in active discussions with a supplier of biodegradable bio-resin sourced from sugar cane fibre. This bio-resin can be used to produce disposables, consumables, and packaging caps. Through close collaboration with customers, their preferences are thoughtfully incorporated, playing a crucial role in shaping product development and seamlessly integrating bio-resins into their offerings. As the demand for environmentally conscious solutions continues to surge, Fu Yu's effective utilisation of bio-resins strategically places it in a market that increasingly values eco-friendly characteristics.

Renewable Energy

Fu Yu has forged a strategic alliance with a solar energy system developer to implement photovoltaic solar panels across the rooftops of our facilities. The generated energy will be utilised to power our in-house operations. FYC has completed the installation of solar panels on four of its buildings in FY2024. The Group is proactively expanding its solar panel initiatives in Malaysia. The solar panels in FHM was operational in the fourth quarter of FY2024, and those in CA were operational by the first quarter of FY2025.



FHM - Solar panels



CA - Solar panels

SUSTAINABILITY REPORT

8.1 Developing Our Workforce

FY2025 Key Performance



Zero forced labour and child labour in our manufacturing facilities



Zero workplace fatalities



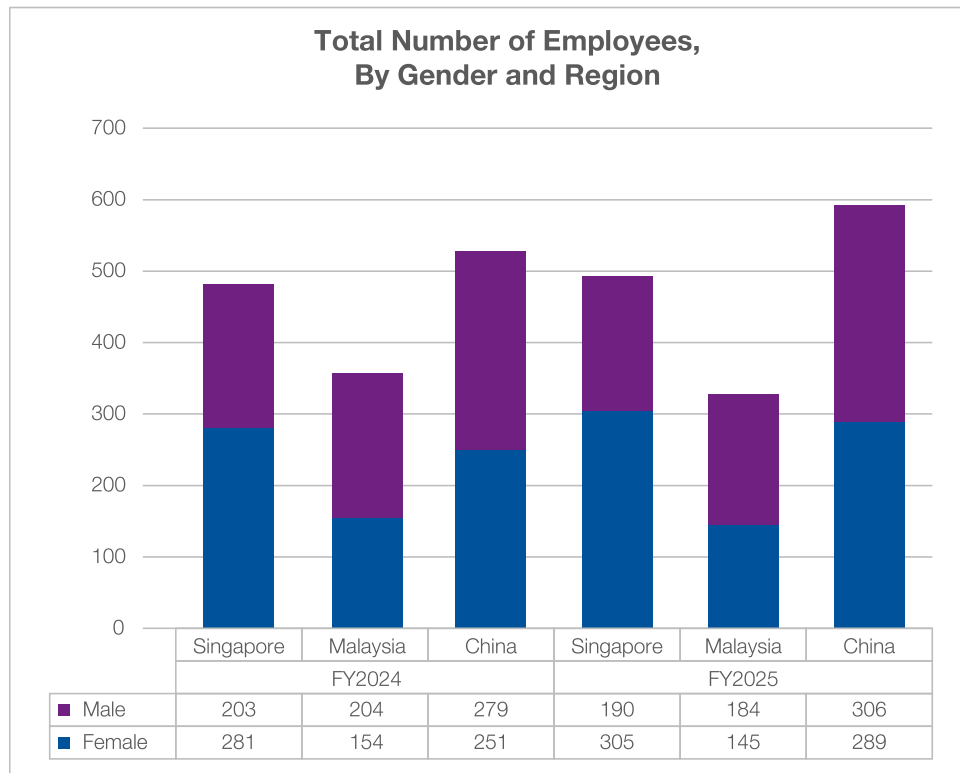
A close to 1:1 ratio of male to female employees

Employment

GRI 2-7, 401-1

Our workforce is primarily composed of permanent, full-time employees, who are the cornerstone of our organisational structure. These employees are pivotal to our operations, providing the stability and continuity necessary for our success. To complement our core team and meet the dynamic needs of our operational environment, we also engage temporary employees when necessary. As at the end of FY2025, our workforce comprises 1,166 permanent employees and 253 temporary employees.

The following graphs illustrate our employment profile categorised by regions, contract types and levels.



SUSTAINABILITY REPORT

		Singapore	Malaysia	China	Total
No. of full-time employees	Male	190	184	306	680
	Female	305	145	289	739
	Total	495	329	595	1,419
No. of part-time employees	Male	0	0	0	0
	Female	0	0	0	0
	Total	0	0	0	0
Grand Total		495	329	595	1,419
No. of Permanent Employees	Male	188	163	202	553
	Female	305	125	183	613
	Total	493	288	385	1,166
No. of Temporary/ Contract Employees	Male	2	21	104	127
	Female	0	20	106	126
	Total	2	41	210	253
Grand Total		495	329	595	1,419
Non-guaranteed Hours Employee (Accumulative)	Male	0	0	0	0
	Female	0	0	0	0
Total		0	0	0	0

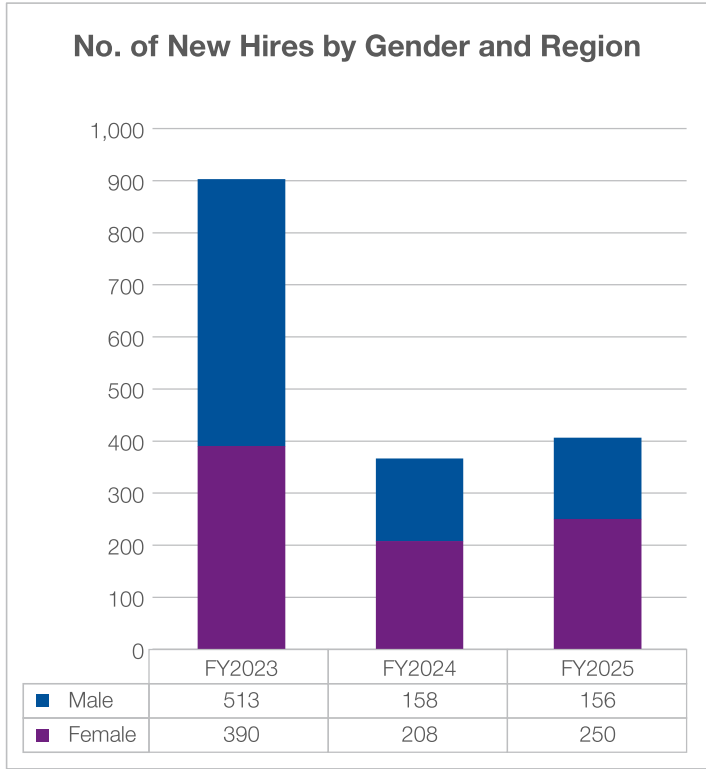
Throughout 2025, we successfully integrated 406 new employees, making strategic additions to strengthen our team. The new hire rate for FY2025 is reported at 28.6%. This new hire rate encompasses temporary employees, whose recruitment is subject to our operational needs. Going forward, our goal is to adjust the hiring rate in line with our activity levels, and in line with restructuring activities.

The following graphs illustrate our new hires by regions and contract types.

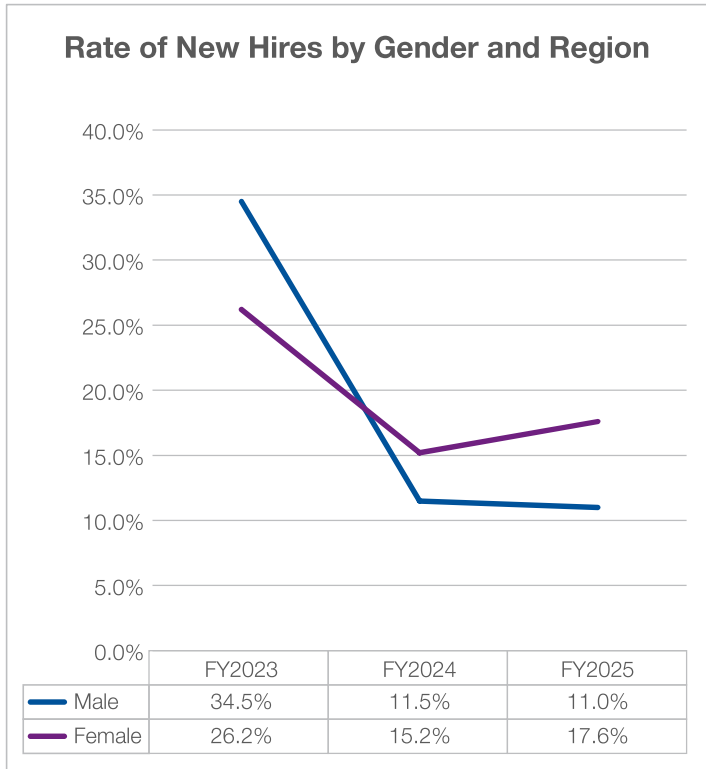
No. of New Hire & Hiring Rate	FY2023								FY2024								FY2025							
	Singapore		Malaysia		China		Total		Singapore		Malaysia		China		Total		Singapore		Malaysia		China		Total	
	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate
Male	Not reported						513	34.5%	64	13.2%	56	15.6%	38	7.2%	158	11.5%	74	14.9%	46	14.0%	36	6.1%	156	11.0%
Female	Not reported						390	26.2%	151	31.2%	47	13.1%	10	1.9%	208	15.2%	178	36.0%	56	17.0%	16	2.7%	250	17.6%
Total	215	14.4%	172	11.6%	516	34.7%	903	60.7%	215	44.4%	103	28.8%	48	9.1%	366	26.7%	252	50.9%	102	31.0%	52	8.7%	406	28.6%
Under 30 years old	Not reported						40	2.7%	86	17.8%	74	20.7%	15	2.8%	175	12.8%	50	10.1%	65	19.8%	12	2.0%	127	8.9%
30-50 years old	Not reported						456	30.6%	106	21.9%	25	7.0%	32	6.0%	163	11.9%	145	29.3%	32	9.7%	28	4.7%	205	14.4%
Over 50 years old	Not reported						407	27.4%	23	4.8%	4	1.1%	1	0.2%	28	2.0%	57	11.5%	5	1.5%	12	2.0%	74	5.2%
Total	215	14.4%	172	11.6%	516	34.7%	903	60.7%	215	44.4%	103	28.8%	48	9.1%	366	26.7%	252	50.9%	102	31.0%	52	8.7%	406	28.6%

SUSTAINABILITY REPORT

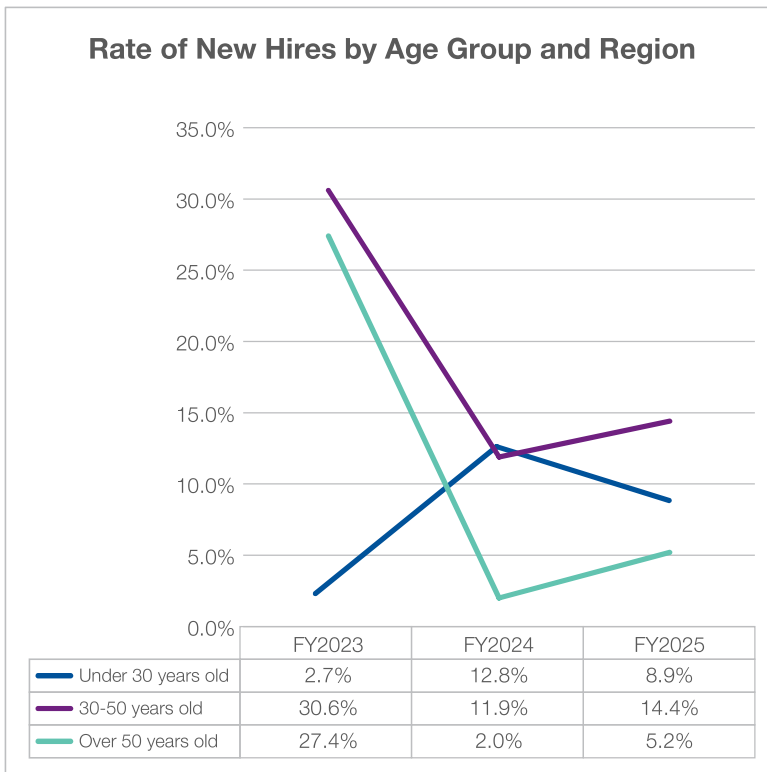
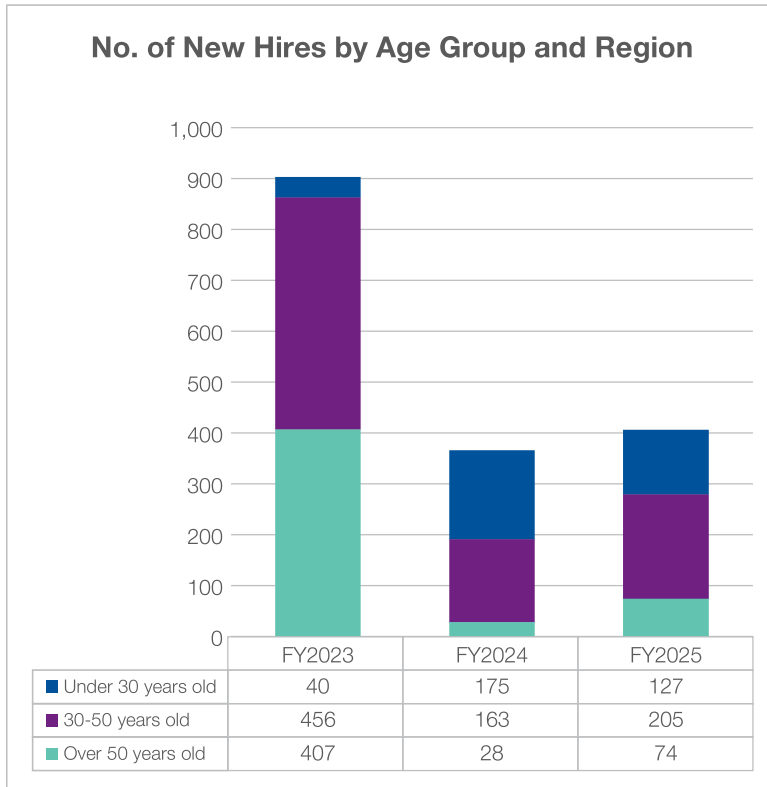
No. of New Hires by Gender and Region



Rate of New Hires by Gender and Region



SUSTAINABILITY REPORT

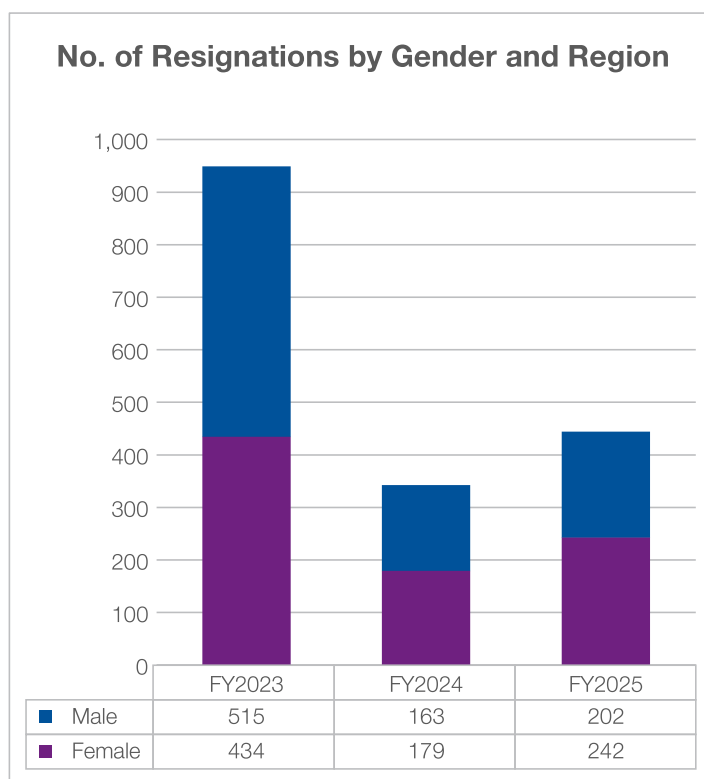


SUSTAINABILITY REPORT

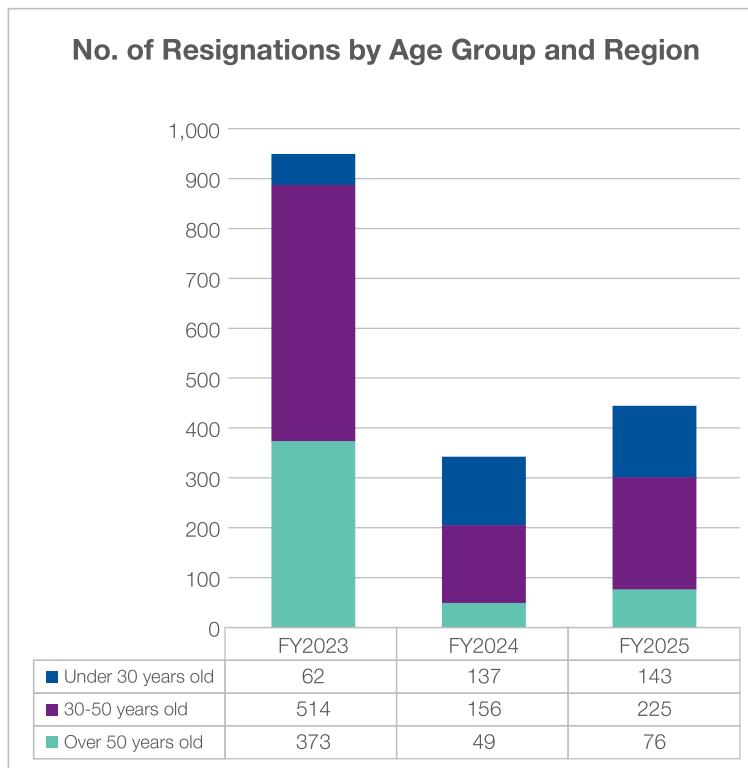
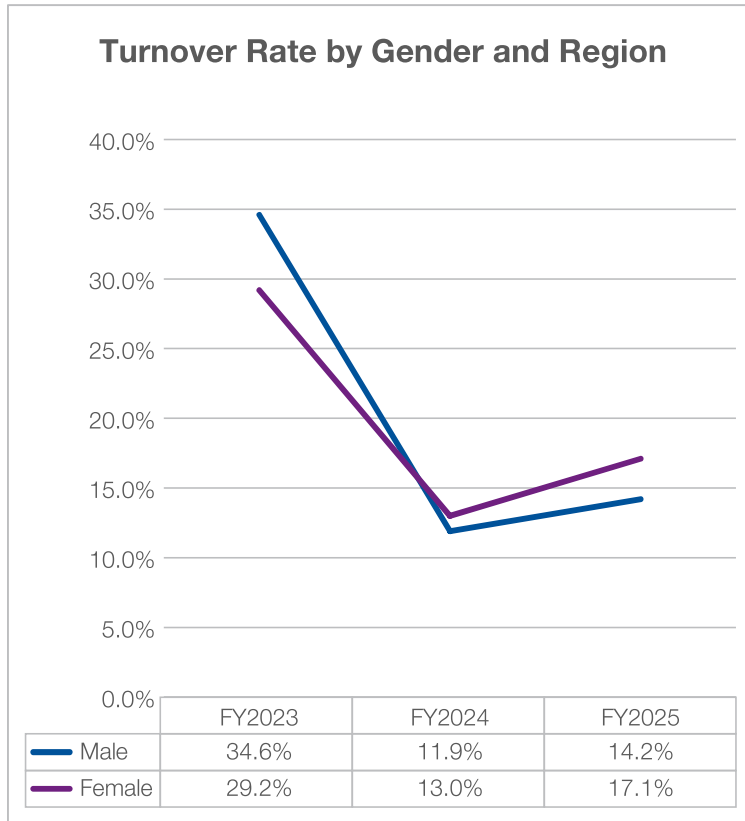
However, we saw 444 employees leave us during the year, with a turnover rate for FY2025 amounting to 31.3%. Similar to the new hiring rate, this turnover rate encompasses temporary employees, whose recruitment is subject to our operational needs. Going forward, our goal is to adjust the turnover rate (exclusive of temporary workers) in line with our restructuring activities.

The following graphs illustrate our turnover by regions and contract types.

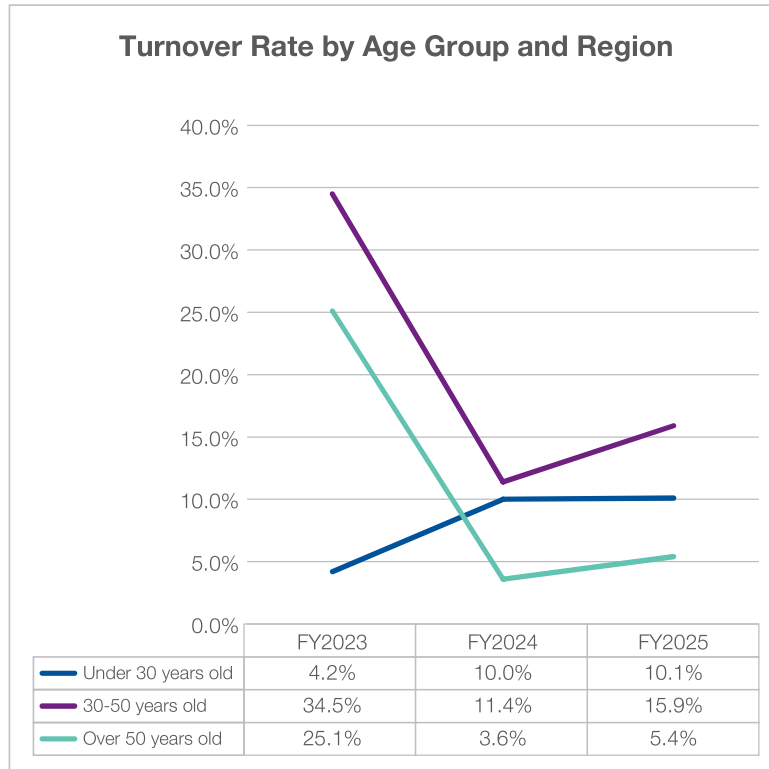
No. of New Hire & Hiring Rate	FY2023								FY2024								FY2025							
	Singapore		Malaysia		China		Total		Singapore		Malaysia		China		Total		Singapore		Malaysia		China		Total	
	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate
Male	Not reported						515	34.6%	51	10.5%	63	17.6%	49	9.2%	163	11.9%	87	17.6%	67	20.4%	48	8.1%	202	14.2%
Female	Not reported						434	29.2%	111	22.9%	43	12.0%	25	4.7%	179	13.0%	154	31.1%	64	19.5%	24	4.0%	242	17.1%
Total	166	11.2%	175	11.8%	608	40.9%	949	63.8%	162	33.5%	106	29.6%	74	14.0%	342	24.9%	241	48.7%	131	39.8%	72	12.1%	444	31.3%
Under 30 years old	Not reported						62	4.2%	62	12.8%	63	17.6%	12	2.3%	137	10.0%	58	11.7%	76	23.1%	9	1.5%	143	10.1%
30-50 years old	Not reported						514	34.5%	77	15.9%	33	9.2%	46	8.7%	156	11.4%	124	25.1%	49	14.9%	52	8.7%	225	15.9%
Over 50 years old	Not reported						373	25.1%	23	4.8%	10	2.8%	16	3.0%	49	3.6%	59	11.9%	6	1.8%	11	1.8%	76	5.4%
Total	166	11.2%	175	11.8%	608	40.9%	949	60.7%	162	33.5%	106	29.6%	74	14.0%	342	24.9%	241	48.7%	131	39.8%	72	12.1%	444	31.3%



SUSTAINABILITY REPORT



SUSTAINABILITY REPORT



Fu Yu understands that our employees are integral to the Group's long-term success. We view it as our duty to facilitate their excellence by ensuring a secure and positive work environment aligned with our core values.

In FY2025, the Group demonstrated a steadfast commitment to the well-being of its employees through a series of initiatives. The provision of free lunches or food vouchers during festive seasons recognises the importance of fostering a sense of celebration and togetherness among the employees. Additionally, the annual employee satisfaction survey serves as a testament to the Group's dedication to understanding and addressing the concerns and preferences of its workforce, ensuring a conducive and supportive work environment.

These initiatives not only promote team building and camaraderie but also contribute to the overall mental well-being of employees by offering opportunities for relaxation and enjoyment. Special events like the Durian Feast and Chinese New Year celebrations complete with festive buffets, add a touch of joy and festivity to the workplace, reinforcing the Group's commitment to creating a positive and inclusive company culture that prioritises the holistic well-being of its valued employees.

Diversity and Equal Opportunity

GRI 405-1

The Group advocates fair and equal opportunities for all our employees regardless of age, race, gender, religion, marital and family status or disability. Our goal is to attract and retain employees' interest in a long-term career with us. We commit to providing equal employment opportunities, prohibit harassment and discrimination in the workplace and align with applicable laws and regulations. Our selection and recruitment criteria focus solely on the skills, experience, and ability of candidates to perform job tasks. We believe that creating a diverse work environment and valuing achievements, capabilities, and equal opportunities, enhance overall productivity in the workplace.

Our organisation is dedicated to promoting gender equality and supporting women's progress within the workplace. We believe that cultivating a diverse and inclusive workforce, where every employee has equal opportunities for success and contribution, is imperative for our business as a socially responsible entity.

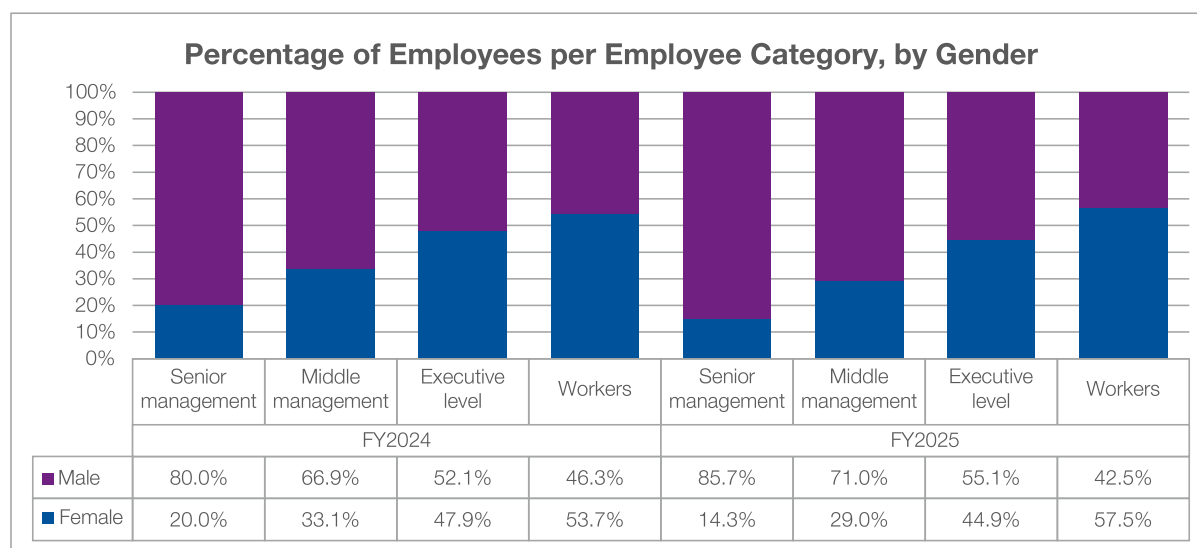
SUSTAINABILITY REPORT

In FY2025, the gender distribution within our workforce remained a ratio of close to 1:1 male to female employees. Furthermore, it is noteworthy that the majority of our workforce is aged between 30 to 50 years, which is in line with industry norms. In FY2026, we aim to maintain our gender parity and age profile of our employees.

Composition of Board of Directors, by Gender	FY2024	FY2025
Male	100.0%	100.0%
Female	0.0%	0.0%

Composition of Board of Directors, by Age Group	FY2024	FY2025
Under 30 yrs old	0.0%	0.0%
30-50 yrs old	100.0%	100.0%
Over 50 yrs old	0.0%	0.0%

The graphs below illustrate our employment profile categorised by gender and age groups

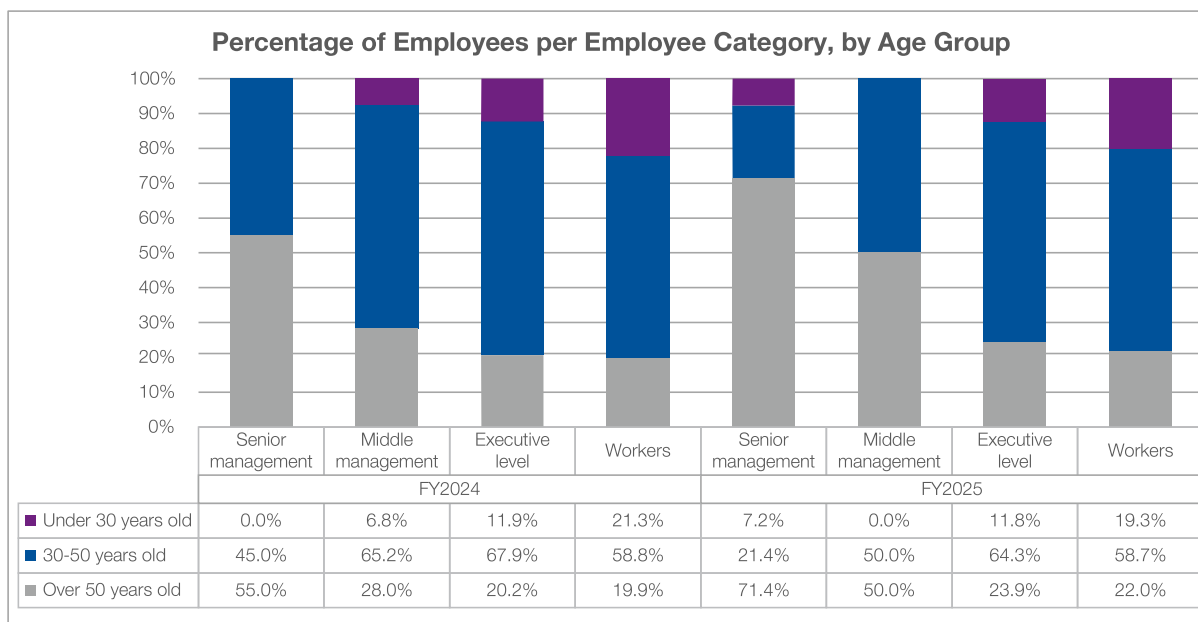


Percentage of Employees per Employee Category, by Gender	FY2024		FY2025 ¹¹	
	Male	Female	Male	Female
Senior management	80.0%	20.0%	85.7%	14.3%
Middle management	66.9%	33.1%	71.0%	29.0%
Executive level	52.1%	47.9%	55.1%	44.9%
Workers	46.3%	53.7%	42.5%	57.5%
Total	50.0%	50.0%	47.6%	52.4%

Footnote:

11. Data excludes Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd, which became dormant in FY2025 and the breakdown is unavailable

SUSTAINABILITY REPORT



Percentage of Employees per Employee Category, by Age Group	FY2024			FY2025 ¹¹		
	Under 30 years old	30-50 years old	Over 50 years old	Under 30 years old	30-50 years old	Over 50 years old
Senior management	0.0%	45.0%	55.0%	7.2%	21.4%	71.4%
Middle management	6.8%	65.2%	28.0%	0.0%	50.0%	50.0%
Executive level	11.9%	67.9%	20.2%	11.8%	64.3%	23.9%
Workers	21.3%	58.8%	19.9%	19.3%	58.7%	22.0%
Total	17.4%	61.4%	21.2%	16.3%	59.3%	24.4%

Training and Education

GRI 404-1, 404-3

In the current landscape of intense market competition and economic challenges, the strategic recruitment, retention, and development of human capital is of utmost importance. Recognising the critical role of employee training and development in this context, we place great emphasis on enabling our workforce to reach their full potential. The Group firmly believes that enabling employees to enhance their knowledge and skills not only contributes to their individual growth but also strengthens the collective competency of the organisation. By committing to continuous learning and skill enhancement, we aim to strategically position our workforce to meet the dynamic demands of the competitive and challenging economic environment.

Footnote:

11. Data excludes Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd, which became dormant in FY2025 and the breakdown is unavailable.

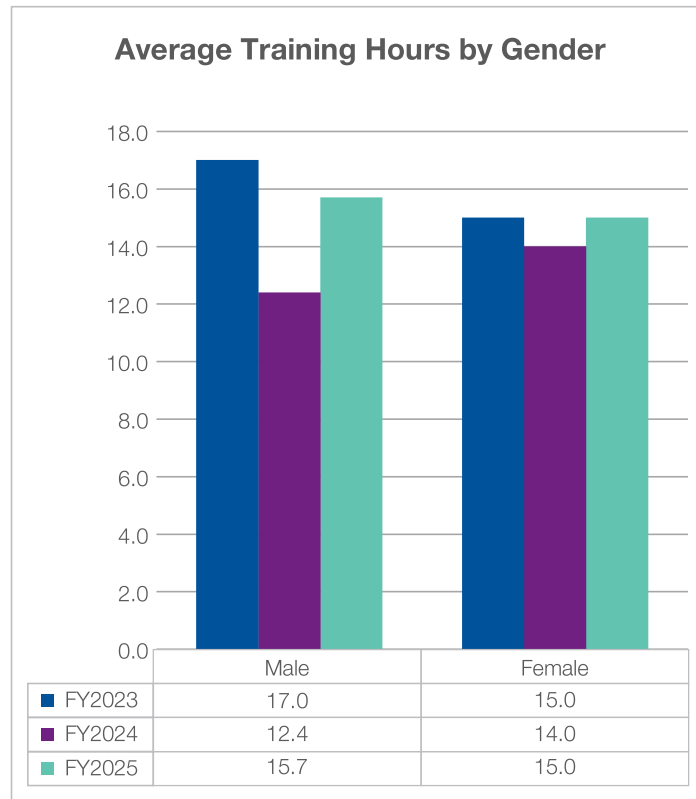
SUSTAINABILITY REPORT

In FY2025, our average training hours per employee was 15.3 hours as compared to 13.2 hours in FY2024.

In FY2026, we aim to maintain our average training hours per employee as achieved in FY2025. This reflects our ongoing commitment to fostering a culture of continuous professional development and enhancing our team’s capabilities to sustain our competitive edge.

The graphs below illustrate our average training per employee categorised by level and gender.

Gender	FY2023	FY2024	FY2025 ¹¹
Male	17.0	12.4	15.7
Female	15.0	14.0	15.0
Total	16.0	13.2	15.3

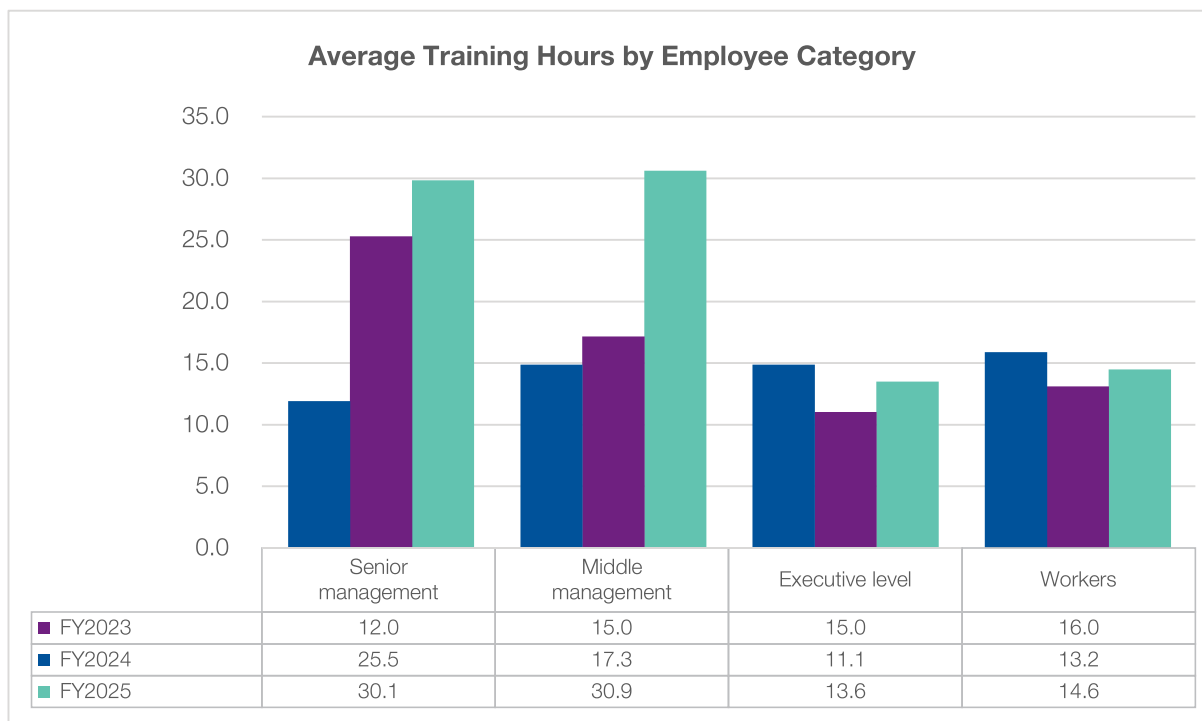


Footnote:

11. Data excludes Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd, which became dormant in FY2025 and the breakdown is unavailable.

SUSTAINABILITY REPORT

Employee Category	FY2023	FY2024	FY2025 ¹¹
Senior management	12.0	25.5	30.1
Middle management	15.0	17.3	30.9
Executive level	15.0	11.1	13.6
Workers	16.0	13.2	14.6
Total	16.0	13.2	15.3



The Group implements training and personal development programs customized to individual strengths and needs of our employees. Concurrently, we conduct an annual employee performance assessment to gauge the effectiveness of these programmes. This strategic approach aims to align organisational objectives with individual skill enhancement, creating a symbiotic relationship where the professional growth of our workforce seamlessly aligns with the Group's overarching goals. Through focused and personalised training initiatives, we aim to maximise employee potential, cultivating a highly skilled and adaptable workforce capable of navigating the dynamic complexities of the modern professional landscape.

Footnote:

11. Data excludes Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd, which became dormant in FY2025, and the breakdown is unavailable.

SUSTAINABILITY REPORT

The following table shows that 100% of our staff at senior management, middle management, executive level and workers received performance & career development review in FY2025. In FY2026, we aim to ensure performance & career development review for all our employees.

Percentage of staff who received performance & career development review ¹²		FY2024	FY2025 ¹¹
Senior management	Male	100.0%	100.0%
	Female	100.0%	100.0%
	Total	100.0%	100.0%
Middle management	Male	100.0%	100.0%
	Female	100.0%	100.0%
	Total	100.0%	100.0%
Executive level	Male	85.7%	100.0%
	Female	96.9%	100.0%
	Total	91.1%	100.0%
Workers	Male	97.6%	100.0%
	Female	90.9%	100.0%
	Total	94.0%	100.0%

Occupational Health and Safety

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9, 403-10

Fu Yu understands the critical importance of the health and safety of our workforce and is committed, as a responsible employer, to provide a secure and healthy work environment. We have cultivated an organisational culture that prioritises the health and safety of our employees, understanding that this focus is crucial in ensuring operational efficiency and effective value delivery. Recognising the pivotal role of mental wellness, we acknowledge that safeguarding the mental well-being of our employees is instrumental in boosting productivity, thereby enhancing our overall performance and facilitating talent retention. Moving forward, we aim to concentrate on the mental well-being of our employees and embark on a workplace outreach wellness program to ensure the recognition and implementation of their rights to both physical and mental health.

The establishment of a Workplace Safety and Health Committee (“**WSHC**”) reflects our systematic approach to health and safety. This committee is tasked with regularly reviewing and monitoring our health and safety practices to ensure compliance with the relevant laws and regulations across the countries where we operate. The WSHC actively develops programs and activities to raise awareness about occupational health and safety (“**OHS**”) including compulsory safety briefings as part of our Induction Training for all new hires. During daily operations, it is compulsory for employees to verify the proper implementation of safety measures before commencing work. As part of our assurance process, routine practice sessions are conducted to reinforce OHS requirements, in-house safety regulations, and job-specific safety protocols.

Footnote:

11. Data excludes Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd, which became dormant in FY2025, and the breakdown is unavailable.

12. This is the second year that the data on percentage of staff who received performance & career development review is being disclosed, so a three year comparison is not available.

SUSTAINABILITY REPORT

Our sites have regular team discussions to highlight environmental issues and compliance at the workplace. Some sites have a formal Environmental Performance Monitoring Committee (“**EPMC**”) for this purpose. In line with our commitment to employees’ safety awareness and resilience training, fire drills are conducted to familiarise employees with proper evacuation routes and practices. This ensures that every employee evacuates safely and in an orderly manner in response to fire alarms. Employees also receive training on the correct and safe use of fire extinguishers, constituting an integral component of our comprehensive health and safety initiatives.

In CA we held a series of important training sessions to enhance our organisation’s preparedness and compliance capabilities, including Emergency Response Team (“**ERT**”) training, Waste Handling training, and ISO14001:2015 (EMS) Awareness Training (in-house). In FHM, we have conducted noise safety training. In FYC, we have weekly safety orientation training, annual refresher training and external mandatory training for respective staff.

In Chinese entities, safety hazard inspections are conducted quarterly to identify and address potential risks. In addition, monthly activities focusing on risk recognition and improvement in hazard inspections are implemented to ensure that equipment and facilities comply with various safety standards. We also undergo its annual occupational health and safety inspections, underscoring the commitment to maintaining a safe and healthy work environment. These systematic evaluations play a crucial role in the proactive management of workplace safety, ensuring alignment with industry standards and regulatory requirements.

	FY2023		FY2024		FY2025	
	No. of cases	Rate	No. of cases	Rate	No. of cases	Rate
Fatalities as a result of work-related injury	0	0.00	0	0.00	0	0.00
High-consequence work-related injuries (excluding fatalities)	0	0.00	0	0.00	0	0.00
Recordable work-related injuries (including fatalities, if any)	13	3.6	14	4.6	18	5.8
No of lost days	349		76		116	
Total Man hours	3,648,324.0		3,020,488.5		3,091,887.0	

Recordable work-related injuries rate saw an increase from 4.6 in FY2024 to 5.8 in FY2025. The incidents mainly involved injuries related to machinery operation in the assembly production area. We have reiterated safety guidelines to our employees, with a particular focus on safe machine operation practices.

To further enhance safety, there has been an increased focus on employee safety briefings, reinforcing awareness and emphasising the importance of adhering to established safety guidelines and protocols.

In FY2025, the Group continued to adopt the Singapore Ministry of Manpower’s (“**MOM**”) definition of major injuries, as outlined on the MOM website. This uniform definition is applied consistently across all subsidiaries for disclosure purposes, in line with the GRI standards. There were zero recordable work-related ill health and zero lost days in FY2025. We have briefed employees to take care of their safety, and have reported the accident to the Department of Occupational Safety & Health (“**DOSH**”) Malaysia.

Looking ahead, the Group is committed to achieving a zero-workplace incident rate. Concurrently, we are intensifying our efforts to minimise instances of employee ill health due to work-related causes. A thorough assessment has identified specific work-related hazards associated with elevated risks of injury or ill health. Consequently, various preventive measures have been implemented to mitigate these risks.

SUSTAINABILITY REPORT

In CA, we review hazard identification, risk assessment and risk control for legal compliance. Our commitment to safety and health is evident through our regular dissemination of information via the monthly Environment, Health & Safety (“EHS”) Bulletin, distributed to CA employees through email. To further enhance awareness, we are planning EHS Toolbox Talks, designed to address a variety of topics tailored to specific areas, focusing on the relevant risks and hazards.

All our group entities have conducted a fire and evacuation drill in FY2025. This initiative is part of our ongoing effort to ensure preparedness and safety. Additionally, we are in process of developing EHS induction training material for new CA employees, and refresher training for existing employees, underscoring our steadfast commitment to maintaining a safe and healthy work environment.

In Chinese entities, the injection moulding workshop has upgraded its VOC air purification system to enhance the air quality within the facility. Additionally, posters on safety operating procedures, risk notification cards, warning signs, and other informational materials are placed at our facilities to ensure that employees are aware of the surrounding hazards and appropriate response measures. Employees in various positions undergo occupational disease health check-ups annually or biennially. Furthermore, protective safety equipment such as masks, gloves, earplugs, and other necessary items are regularly distributed to ensure the safety and well-being of employees.

Forced or Compulsory Labour

The Group is committed to proactively preventing and eradicating all forms of forced or compulsory labour within the realm of our operations. Our comprehensive policy unequivocally prohibits the utilisation of forced, bonded, or indentured labour, encompassing debt bondage, involuntary prison labour, slavery, and human trafficking. Factory audits are systematically conducted for each of our facilities in Singapore, Malaysia, and China, adhering to the guidelines set forth by the Responsible Business Alliance. This framework comprises standards addressing social, environmental, and ethical issues in the electronics industry supply chain, referencing international norms and standards such as the Universal Declaration of Human Rights; International Labour Standards (“ILO”) global guidelines set by organisations like the International Labour Organisation to ensure fair and decent working conditions, covering aspects such as freedom of association, collective bargaining, and the elimination of forced labour and child labour; The Organisation for Economic Cooperation and Development (“OECD”) Guidelines for Multinational Enterprises; ISO and Social Accountability (“SA”) standards, among others.

Moreover, employment contracts are carefully crafted in local languages that are easily understood by our workers, facilitating their understanding of job responsibilities and departure procedures. In FY2025, no incidents of non-compliance with forced or compulsory labour regulations were reported in our manufacturing facilities. Our ongoing objective is to achieve zero incidents of non-compliance with labour laws about forced or compulsory labour.

In addition, we aspire to attain a rating of “satisfactory” or above in all Responsible Business Alliance factory audits, where applicable. This commitment underscores our dedication to the ethical treatment of workers and continuous improvement in labour practices.

Child Labour

Our commitment to eradicating child labour is diligently implemented through our employment protocols. Our recruitment policy staunchly prohibits the hiring of individuals falling below the minimum age requirements outlined in the Employment Act. We ensure strict adherence to all national labour laws in the jurisdictions where we operate, in alignment with our CSR and Recruitment Policy, which unequivocally prohibits the engagement of child labour in all our activities. Moreover, we actively encourage our customers to conduct audits of our manufacturing facilities using the Responsible Business Alliance Guidelines whenever they deem it necessary.

In FY2025, no incidents of child labour were reported in our manufacturing facilities. This reaffirms our proactive stance in upholding rigorous ethical standards and ensuring the overall well-being of our workforce.


SUSTAINABILITY REPORT

9.1 Practicing Good Governance

Fu Yu is dedicated to upholding rigorous standards of corporate governance and ethical business conduct. Our commitment is centred on preserving market integrity and protecting the interests of stakeholders for the sustained success of the Group. We aim to cultivate an organisational culture that champions the highest levels of integrity and ethical business practices. This involves compliance with applicable laws and regulations, as well as a profound respect for human rights and environmental conservation.

To strengthen our ethical culture and reinforce professional conduct, we conduct training sessions to disseminate the Group's Corporate Business Ethics and Code of Conduct Policy among our employees. This policy offers comprehensive guidelines on the business conduct expected from employees, encompassing the obligation to disclose any direct or indirect interest in or affiliation with, other businesses and organisations where potential conflicts of interest may arise.

FY2025 Key Performance



- 0 confirmed incidents of corruption
- 0 incidents of non-compliance with environmental laws and regulations resulting in significant fines or sanctions
- 0 incident non-compliance with data protection law

Anti-corruption

GRI 205-1, 205-2, 205-3

Fu Yu's management takes the lead in fostering a strong corporate governance culture and putting in place policies that promote ethical behaviour. Our anti-corruption practices are governed by various policies including our Fraud Risk Management Framework and Policy, Whistle Blowing Policy. These policies established our principle of "zero tolerance" towards all forms of unethical and corrupt practices.

Fraud Risk Management Framework and Policy guides all employees on anti-fraud measures to minimise the risks of fraud. Our respective plant general managers conduct a fraud risk assessment yearly and report any key fraud risks and anti-fraud mitigation measures to the Audit Committee and the Board.

In addition, we encourage our stakeholders to report any concerns or potential improprieties in good faith. To facilitate this process, our Whistleblowing Policy offers a transparent channel for employees to voice concerns regarding potential fraud, improprieties in financial reporting, and other related matters. This policy ensures that employees can raise such concerns in good faith, providing reassurance that they will be protected from reprisals or victimisation. We underscore the critical importance of maintaining confidentiality throughout this process, assuring stakeholders that their reports will be handled with the utmost discretion. Additionally, we conduct annual refresher training sessions on anti-corruption and whistleblowing policies for all employees at the Group's operating sites.

SUSTAINABILITY REPORT

The following table shows the operations¹³ assessed for risks related to corruption:

	FY2024	FY2025
Total number of operations assessed for risks related to corruption	6	6
Percentage of operations assessed for risks related to corruption	100.0%	100.0%

The following table¹³ shows the communication and training about anti-corruption policies and procedures

	FY2024	FY2025
Total number of governance body members that the organization's anti-corruption policies and procedures have been communicated to	4	4
Percentage of governance body members that the organization's anti-corruption policies and procedures have been communicated to	100.0%	100.0%
Total number of governance body members that have received training on anti-corruption	4	4
Percentage of governance body members that have received training on anti-corruption	100.0%	100.0%

	FY2024				FY2025			
	Senior management	Middle management	Executive level	Workers	Senior management	Middle management	Executive level	Workers
Total number of employees that the organization's anti-corruption policies and procedures have been communicated to	20	118	336	898	14	62	314	865
Percentage of employees that the organization's anti-corruption policies and procedures have been communicated to	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total number of employees that have received training on anti-corruption	20	118	336	898	14	62	314	865
Percentage of employees that have received training on anti-corruption	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

There were no confirmed incidents of corruption during the year. Moving forward, the Group targets to maintain zero confirmed incidents of corruption continuously.

Footnote:

13. This is the second year that the anti-corruption related data is being disclosed, so a three year comparison is not available

SUSTAINABILITY REPORT

Compliance with Laws and Regulations

GRI 2-27

We are dedicated to our commitment to adhere to local government laws and regulations, striving to ensure that our operations consistently align with legal requirements. To fortify our commitment, we have implemented a robust monitoring mechanism that oversees our compliance across a spectrum of areas, encompassing Company Act adherence, listing requirements, operational licensing requirements, health and safety standards, and human resources regulations. To this end, we ensure that all the Group's factories are ISO 14001 certified.

In FY2025, there were zero instances for which significant fines were incurred, as well as zero instances for which non-monetary sanctions were incurred. Fines for instances of non-compliance with laws and regulations that occurred in previous reporting period of FY2024 amounted to zero.

In FY2025, there were zero fines for incidents of non-compliance with laws and regulations resulting in significant fines or sanctions. Moving forward, the Group targets to maintain zero incidents of non-compliance with environmental laws and regulations resulting in significant fines or sanctions.

Consumer Privacy

GRI 418-1

We operate our business in adherence to data protection laws and standards, including the Personal Data Protection Act ("**PDPA**").

Our Group's Personal Data Protection Policy ("**PDPP**") outlines the regulations governing data protection and the legal requirements applicable to the collection, handling, processing, storage, transportation, and disposal of personal data. All employees are urged to acquaint themselves with the PDPP and are expected to manage or handle any personal data in strict accordance with its provisions. The Group values customer privacy, which is crucial for trust and relationships. We communicate our privacy and data security measures. Strict confidentiality is maintained through legal contracts and Non-Disclosure Agreements, safeguarding customer data and intellectual property.

Furthermore, the Group's Information Technology ("**IT**") department implemented a cybersecurity framework throughout its business subsidiaries. This risk assessment-based approach translates into a holistic Cyber Defence Strategy and work plan involving investment into Upgrade of Hardware, Detection of Intrusion Prevention and Response etc across the Group. Additionally, the Group has initiated a cybersecurity awareness training program for both existing and new staff. To enhance preparedness, we conduct annual phishing email simulation tests for all employees.

There were zero identified leaks, thefts or losses of customer confidential information in FY2025. Moving forward, the Group targets to maintain zero incidents in the forthcoming year.

Corporate Social Responsibility

Fu Yu is deeply committed to making a positive contribution to our local communities, recognising that such engagement extends beyond mere financial assistance. Our approach to corporate social responsibility ("**CSR**") involves active participation in volunteer efforts, offering our employees valuable opportunities to directly engage with and support the local communities we serve.

SUSTAINABILITY REPORT

Environmental Stewardship and Biodiversity Conservation

Demonstrating our commitment to environmental responsibility, CA led a significant volunteer initiative at the Johor Zoo, successfully mobilising twenty dedicated employees for direct engagement. Employees actively participated in vital habitat maintenance and animal welfare support, including hands-on food preparation for endangered species such as the Malayan Tiger, Sun Bear, and Elephant. This initiative reinforced our dedication to biodiversity preservation and provided employees with valuable opportunities for direct environmental engagement, while simultaneously strengthening internal team cohesion.

Future Workforce Development and Academic Synergy

CA successfully hosted an expert sharing session for 23 students from the Universiti Teknologi Malaysia (UTM) focused on our Work-Based Learning Program for Quality Control. This provided critical exposure to real-time industrial quality procedures and systems, thereby establishing a pipeline of industry-ready talent and strengthening our collaborative relationship with local academic institutions.

Operational Resilience and Employee Safety

Employee safety and business continuity are core social commitments. We mandate active preparedness across our facilities, conducting Fire Drill Practices (FYC, FHM, FYDG) to ensure rapid response proficiency and to promote a safety-first culture for our personnel. Furthermore, the Dongguan (FYDG) facility conducted a focused Chemical Leakage Practice, ensuring a high level of preparedness for mitigating industrial risks.



Public Health and Philanthropic Support

In addition to volunteerism, we strategically deploy capital to address critical health and social needs. Employees at FHM volunteered to donate blood at a local hospital, directly contributing to emergency medical resources. FHM also provided necessary charitable donations to the Children's Protection Society and the Tabung Kebajikan Dan Pendidikan Pertubuhan Buddhist Tzu-Chi Merits Malaysia, offering crucial support to vulnerable community segments. Concurrently, FYC contributed to the community by donating to the Chemical Industries Employees Union (CIEU) to support social welfare programs.



SUSTAINABILITY REPORT

Appendix A: List of entities included in this report

(√: Yes, N: No)

Regions	Business Segment	Name	Data disclosed in Material Factors			
Entities included in the Sustainability Reporting			Economic Performance	Protecting the Environment	Developing our Workforce	Practising Good Governance
Singapore	Holding Company and manufacturing	Fu Yu Corporation Limited	√	√	√	√
Malaysia	Manufacturing	Classic Advantage Sdn Bhd	√	√	√	√
Malaysia	Manufacturing	Fu Hao Manufacturing (M) Sdn Bhd	√	√	√	√
China	Manufacturing	Fu Yu Moulding & Tooling (Dongguan) Co., Ltd	√	√	√	√
China	Manufacturing	Fu Yu Moulding & Tooling (Suzhou) Co., Ltd	√	√	√	√
China	Manufacturing	Fu Yu Moulding & Tooling (Zhuhai) Co., Ltd	√	√	Partial ¹⁴	N ¹⁵
Entities not Included in Sustainability Reporting but included in Financial Reporting						
Singapore	Investment Holding Company	Fu Yu Investment Pte Ltd	N	N	N	N
Malaysia	Investment Holding Company	LCTH Corporation Sdn Bhd	N	N	N	N
Singapore	Investment Holding Company	Fu Yu Ventures Pte Ltd	N	N	N	N
Singapore	Medical Manufacturing	Fu Yu Biomedical Pte Ltd	N	N	N	N
Dormant entities						
Singapore	Supply Chain Solutions	Fu Yu Supply Chain Solutions Pte Ltd	N	N	N	N

Footnote:

14. Fu Yu Moulding & Tooling (Zhuhai) became dormant in FY2025. Breakdown of data was unavailable for disclosures relating to 'Percentage of employee category by age group and by gender', 'Training and Education' and 'Percentage of staff who received performance & career development review.'
15. Fu Yu Moulding & Tooling (Zhuhai) became dormant in FY2025. Breakdown of data was unavailable for disclosures relating to 'Compliance with Laws and Regulations', 'Anti-Corruption' and 'Customer Privacy.'

SUSTAINABILITY REPORT

Appendix B: GRI Content Index

GRI Standards Content Index

The GRI Content Index references the Fu Yu's Sustainability Report 2025 ("SR"), and the Annual Report 2025 ("AR").

Disclosure number	Disclosure title	Reference and remarks	
GRI 1: Reporting with reference to GRI Standards			
Requirement 1	Apply the reporting principles	SR Reporting Standards, Page 18	
Requirement 2	Report the disclosures in GRI 2: General Disclosures 2023	Appendix B, Pages 63 to 66	
Requirement 3	Determine material topics	SR Material EESG Factors, Page 25	
Requirement 4	Report the disclosures in GRI 3: Material Topics 2023	Appendix B, Pages 63 to 66	
Requirement 5	Report disclosures from the GRI Topic Standards for each material topic	Appendix B, Pages 63 to 66	
Requirement 6	Provide reasons for the omission of disclosures and requirements that the organisation cannot comply with	Appendix B, Pages 63 to 66	
Requirement 7	Publish a GRI content index	Appendix B, Pages 63 to 66	
Requirement 8	Provide a statement of use	Appendix B, Pages 63	
Requirement 9	Notify GRI	We will notify GRI after publication of SR	
GRI 2: General disclosures			
The organisation and its reporting practices	2-1	Organisation details	SR Our Business, Page 17
	2-2	Entities included in the organisation's sustainability reporting	SR Appendix A, Page 62
	2-3	Reporting period, frequency and contact point	SR Scope of the Report, Page 18 SR Sustainability Contact, Page 18
	2-4	Restatements of information	N.A.
	2-5	External assurance	No external assurance
	2-7	Employee	SR Employment, Pages 44 to 45

SUSTAINABILITY REPORT

Disclosure number	Disclosure title		Reference and remarks
Governance	2-9	Governance structure and composition	SR Board Statement, Page 16 Sustainability Governance Structure, Page 21
	2-10	Nomination and selection of the highest governance body	AR Board Matters, Page 68
	2-11	Chair of the highest governance body	AR Board Matters, Page 68
	2-12	Role of the highest governance body in overseeing the management of impacts	SR Board Statement, Page 16 Sustainability Governance Structure, Page 21
	2-13	Delegation of responsibility for managing impacts	Sustainability Governance Structure, Page 21
	2-14	Role of the highest governance body in sustainability reporting	SR Sustainability Governance Structure, Page 21
	2-15	Conflicts of interest	AR Interested Person Transactions, Page 152
	2-16	Communication of critical concerns	SR Stakeholder Engagement, Pages 22 to 24
	2-17	The collective knowledge of the highest governance body	SR Board Statement, Page 16
	2-18	Evaluation of the performance of the highest governance body	SR Board Statement, Page 68
	2-19	Remuneration policies	AR Remuneration Matters, Pages 78 to 82
	2-20	The process to determine the remuneration	AR Remuneration Matters, Pages 78 to 82
	2-21	Annual total compensation ratio	AR Key management personnel compensation, Page 81

SUSTAINABILITY REPORT

Disclosure number	Disclosure title		Reference and remarks
Strategy, policies and practices	2-22	Statement on sustainable development strategy	SR Scope of report, Page 18
	2-23	Policy commitments	SR Practicing Good Governance, Page 58
	2-24	Embedding policy commitments	SR Practicing Good Governance, Page 58
	2-25	Processes to remediate negative impacts	SR Anti-corruption, Page 58
	2-26	Mechanisms for seeking advice and raising concerns	SR Anti-corruption, Page 58
	2-27	Compliance with laws and regulations	SR Compliance with Laws and Regulations, Page 60
	2-28	Membership associations	SR Our Business Memberships, Page 19
Stakeholder engagement	2-29	Approach to stakeholder engagement	SR Stakeholder Engagement, Pages 22 to 24
GRI 3: Disclosures on material topics			
Material topics	3-1	The process of determining material topics	SR Materiality Assessment Approach, Page 24
	3-2	List of material topics	SR Material EESG Factors, Page 25
	3-3	Management of material topics	SR Materiality Assessment Approach, Page 24
GRI 200: Economic disclosures			
Anti-corruption	205-1	Operations assessed for risks related to corruption	SR Anti-corruption, Pages 58 to 59
	205-2	Communication and training about anti-corruption policies and procedures	SR Anti-corruption, Pages 58 to 59
	205-3	Confirmed incidents of corruption and actions taken	SR Anti-corruption, Pages 58 to 59
GRI 300: Environment disclosures			
Energy	302-1	Energy consumption within the organisation	SR Energy Consumption, Pages 34 to 35
	302-3	Energy intensity	SR Energy Consumption, Page 34
Water and Effluents	303-1	Interactions with water as a shared resource	SR Water Consumption, Pages 37 to 38
	303-2	Management of water discharge-related impacts	SR Water Consumption, Pages 37 to 38
	303-3	Water withdrawal	SR Water Consumption, Page 38
Emissions	305-1	Direct (Scope 1) GHG emissions	SR Greenhouse Gas Emissions ("GHG"), Pages 35 to 37
	305-2	Energy indirect (Scope 2) GHG emissions	SR Greenhouse Gas Emissions ("GHG"), Pages 35 to 37
	305-4	GHG emissions intensity	SR Greenhouse Gas Emissions ("GHG"), Pages 36

SUSTAINABILITY REPORT

Disclosure number	Disclosure title		Reference and remarks
Waste	306-1	Waste generation and significant waste-related impacts	SR Waste, Pages 39 to 42
	306-2	Management of significant waste-related impacts	SR Waste, Pages 39 to 42
	306-3	Waste Generated	SR Waste, Pages 40 to 41
	306-4	Waste diverted from disposal	SR Waste, Page 41
	306-5	Waste directed to disposal	SR Waste, Page 41
GRI 400: Social disclosures			
Employment	401-1	New employee hires and employee turnover	SR Employment, Pages 44 to 50
Occupational health and safety	403-1	Occupational health and safety management system	SR Occupational Health and Safety, Pages 55 to 57
	403-2	Hazard identification, risk assessment, and incident investigation	SR Occupational Health and Safety, Pages 55 to 57
	403-3	Occupational health services	SR Occupational Health and Safety, Pages 55 to 57
	403-4	Worker participation, consultation, and communication on occupational health and safety	SR Occupational Health and Safety, Pages 55 to 57
	403-5	Worker training on occupational health and safety	SR Occupational Health and Safety, Pages 55 to 57
	403-6	Promotion of worker health	SR Occupational Health and Safety, Pages 55 to 57
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR Occupational Health and Safety, Pages 55 to 57
	403-9	Work-related injuries	SR Occupational Health and Safety, Pages 55 to 57
	403-10	Work-related ill health	SR Occupational Health and Safety, Pages 55 to 57
	Training and education	404-1	Average hours of training per year per employee
404-3		Percentage of employees receiving regular performance and career development reviews	SR Training and Education, Page 55
Diversity and equal opportunity	405-1	Diversity of governance bodies and employees	SR Diversity and Equal Opportunity, Pages 50 to 52
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR Consumer Privacy, Page 60