GHG VERIFICATION STATEMENT

Verification Statement No: GHG-ISO 14064(1)-250011
Version: 01

Straits Orthopaedics (Mfg) Sdn. Bhd

1) PMT 850, Persiaran Cassia Selatan 8, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia Pulau Pinang, Malaysia.

2) 2, Lengkok Teluk Kumbar 1, Jalan Teluk Kumbar, 11920 Bayan Lepas, Pulau Pinang, Malaysia

3) 2483, Tingkat Perusahaan 4A, Prai Free Industrial Zone, 13600 Prai, Pulau Pinang, Malaysia

4) PMT 1264, Lorong PSPN 1, Penang Science Park North, 14100 Simpang Ampat, Pulau Pinang, Malaysia

5) PMT 10, Lorong Saga Jaya 5, Taman Perindustrian Saga Jaya, 13600 Perai Pulau Pinang, Malaysia

6) 353, Lorong Perindustrian Bukit Minyak 22, Kawasan Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia

For the reporting period *1st Jan 2024* to *31st Dec 2024*

Was verified in accordance with ISO 14064-3:2019 and with regard to compliance with the requirements of

ISO 14064-1:2018

We hereby confirm
Total Direct Emissions:
381.257 t CO2-equ.
Total Energy Indirect Emissions:
13728.463 t CO2-equ.
Total Indirect Emissions from Transportation:
1351.920 t CO2-equ.
Total GHG Emissions from Product Used by Organization:
613.540 t CO2-equ.
Total GHG emissions for reporting period:
16075.180 t CO2-equ
Intensity:
0.287 t CO2-equ/ thousand USD Economic Generated

In our opinion, dated 2025-08-27, SG CO2 PTE.LTD with reasonable assurance, that the GHG emissions statement of Straits Orthopaedics is free from material misstatement and has been prepared in accordance with ISO 14064-3.

This verification statement is only valid for the above mentioned and explanation to verification statement.

SG CO2 Pte Ltd
As third-party Validation/Verification Body takes the responsibility for Greenhouse Gases according to ISO/IEC 17029 & ISO 14065

Lead Verifier SG CO2 Pte Ltd
Name: OOI CHIN GIAP
Date: 27/08/2025

Independent Reviewer:
Name: CHONG MOI ME
Date: 27/08/2025

SG CO2 Pte Ltd
380, Jalan Besar, #07-10, ARC380 Singapore 209000
Tel: +604-3808282 Fax: +604-3808280
The GHG statemen authenticity can be verified by emailing: certification@myco2.com.my

Abbreviations

Straits Orthopaedics	Straits Orthopaedics (Mfg) Sdn. Bhd.
t CO2-equ	Tonnes of carbon dioxide equivalent
CH_4	Methane
CO_2	Carbon dioxide
EF	Emission Factor
GHG	Greenhouse Gas(es)
GWP	Global warming potential
HCFC/HFC	Hydrochlorofluorocarbon
IPCC	Intergovernmental Panel on Climate Change
kWh	Kilowatt-hours
LSI	Large Scale Integration
m^3	Meter cube
MT	Metric tonnes
N_2O	Nitrous oxide
OSH	Occupational, Safety and Health
SGCO2	SG CO2 Pte Ltd
TNB	Tenaga Nasional Berhad
ISO 14064-1	ISO 14064-1:2018 Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals
ISO 14064-3	ISO 14064-3:2019 Specification with guidance for the validation andverification of greenhouse gas assertion

1.0 INTRODUCTION

SG CO2 Pte Ltd was appointed by Straits Orthopaedics (Mfg) Sdn. Bhd. (hereafter referred to as Straits Orthopaedics) to verify the organization's GHG emissions for the period from 1st Jan 2024 to 31st Dec 2024. Straits Orthopaedics was incorporated on 13 February 2003. The Company is principally engaged as manufacturing and sale of medical implants, medical instrument and components. The Company operates its manufacturing facility at following location:

1) 2, Lengkok Teluk Kumbar 1, Jalan Teluk Kumbar, 11920 Bayan Lepas, Pulau Pinang, MALAYSIA
2) 2483, Tingkat Perusahaan 4A, Prai Free Industrial Zone, 13600 Prai, Pulau Pinang, MALAYSIA
3) PMT 1264, Lorong PSPN 1, Penang Science Park North, 14100 Simpang Ampat, Pulau Pinang, MALAYSIA
4) PMT 10, Lorong Saga Jaya 5, Taman Perindustrian Saga Jaya, 13600 Perai Pulau Pinang, MALAYSIA
5) PMT 850, Persiaran Cassia Selatan 8, Taman Perindustrian Batu Kawan, 14110 Bandar Cassia Pulau Pinang, MALAYSIA
6) 353, Lorong Perindustrian Bukit Minyak 22, Kawasan Perindustrian Bukit Minyak, 14100 Simpang Ampat, Pulau Pinang, Malaysia

2.0 ROLES & RESPONSIBILITY

The management of the Straits Orthopaedics RESPONSIBLE PARTY is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emission information and the reported GHG emissions.

It is SGCO2 responsibility to express third party GHG verification opinion on the GHG statement as provided by the RESPONSIBLE PARTY against the requirement of ISO14064-1 (2018) for the period 1st Jan 2024 to 31st Dec 2024. SGCO2 conduct the verification in accordance with the ISO specification with guidance for the verification and validation of greenhouse gas statements ie ISO14064-3. The verification is based on the verification scope, objective, and criteria as agreed between client and SGCO2 on 04/06/2025**.**

3.0 LEVEL OF ASSURANCE

Reasonable.

4.0 SCOPE

i) The objective of the verification was to conduct an impartial and unbiased assessment of the data presented in the Convene ESG platform. The data and information supporting the GHG statement is historical in nature.

- The organization boundary is established following operational control approach

- Location/boundary of the activities: detail boundary information as per Introduction.
- Physical infrastructure, activities, technologies and processes:

manufacturing and sale of medical implants, medical instrument and components.

ii) GHG sources, sinks and reservoirs included: GHG sources, sink and removal as Straits do not involve natural or artificial carbon sinks such as forest or carbon capture and storage technologies that would contribute to the removal of the GHG from the atmosphere and report of the RESPONSIBLE PARTY.

- Type of GHG included: CO_2, CH_4, N_2O
- Time period**:** 1st Jan 2024 to 31st Dec 2024

5.0 OBJECTIVES OF VERIFICATION

The objectives of the verification are as follows:

i) To determine the accuracy of the information reported in GHG documentation for reporting period between 1st Jan 2024 to 31st Dec 2024;

ii) To assess the completeness of the coverage of reporting for Category 1, 2, 3 ,4, 5 & 6;

iii) To determine whether the methodology used to calculate the emissions is correct and all assumptions chosen are appropriate, reasonable and/or accurate;

iv) To verify and conformity of the reported GHG statement of the company with criteria ISO14064-1 (2018).

6.0 CONFIDENTIALITY

The verification team members of SGCO2 have committed not to reveal any confidential information shared by Straits Orthopaedics during the verification procedure, which includes details mentioned in this verification report, to any external party without Straits Orthopaedics 's consent, unless legal obligations dictate otherwise. In cases where legal requirements necessitate disclosure, Straits Orthopaedics will be notified about the disclosed information.

7.0 MATERIALITY

The GHG emissions declared are not more than 5% error and do not trigger a materiality threshold of omissions and misrepresentations that can be quantified.

8.0 METHODOLOGY

SGCO2 verification process consisted of the following phases:

i) Off-site documents review of activity data sources and the calculation of GHG emissions provided by manufacturing site;
ii) Verification audit planning;
iii) On site visit to the plant which included interviews with relevant personnel;
iv) Preparation and issuance of verification audit findings;
v) Resolution of outstanding issues; and
vi) Issuance of final verification report.

Duration of Verification

The verification of the GHG documentation was carried out in 06/06/2025-27/08/2025 with details as follows:

Off-site document review	:	06/06/2025
Off-site verification	:	11/06/2025-13/06/2025
Issuance of findings	:	13/06/2025
Reply from company to the findings:		17/06/2025
Preparation of draft report	:	20/06/2025
Preparation of final report	:	24/06/2025
Report re-issue date	:	27/08/2025 (for revision purpose, no impact on verification duration or conclusion)

The following list of the documents were reviewed during the verification:

i) Convene ESG platform
ii) UK government GHG conversion factor for company reporting 2024
iii) The global warming potential (GWP) are taken from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5) over a 100-year time horizon, in line with the UK Government GHG Conversion Factors for Company Reporting 2024 justification.
iv) USEPA 2024
v) Thai Carbon label
vi) IPCC Guidelines for National Greenhouse Gas Inventories
vii) WRI GHG Protocol

9.0 REPORT ON FINDINGS

Straits Orthopaedics applies an operational control approach to boundary-setting, assigning all emissions from activities it controls including those undertaken by contractors. The Convene ESG platform encompasses all direct emissions Category 1, indirect emissions Category 2, Category 3 and Category 4. However,the indirect emission from water withdrawal and water discharge (Category 4), indirect emissions from end-of-life products (Category 5) and other emissions (Category 6) are assumed as non-significant and therefore not quantified in this verification report.

Emissions category	GHG scope	GHG sources	GHGs Types
Direct emission	Category 1	Diesel used by genset, diesel and gasoline used by truck and refrigerant gases	CO_2, CH_4, N_2O, other appropriate GHG group
Energy indirect emissions	Category 2	Electricity consumption used by the groupwide	CO_2, CH_4, N_2O
Indirect emissions from transportation	Category 3	Burning fossil fuels for business travel and employee commuting	CO_2, CH_4, N_2O
Indirect emissions from products used by an organization	Category 4	Purchase of raw materials include metals and disposal of solid waste.	CO2, CH4, N2O

It has been verified that there were neither GHG sinks nor reservoirs included within the operational boundaries of the company as Straits do not involve natural or artificial carbon sinks such as forest or carbon capture and storage technologies that would contribute to the removal of the GHG from the atmosphere.

There was no emission from the use of biomass in any of the facilities.

9.1 BASE YEAR

The base year is the specific year chosen as a reference point for measuring and comparing greenhouse gas (GHG) emissions over time. As this was the first verification, in accordance of ISO 14064-1, the reporting data had been considered as the base year. It serves as a reference point for setting reduction targets and evaluating progress.

9.2 METHODOLOGY, GHG DATA AND EMISSION FACTORS

The intent of this section was to verify the accuracy and the appropriateness of the methodologies selection, GHG activity data involved in the GHG computation, starting from the identification of GHG sources, the data collection and compilation system and the selection of the emission factors.

With reference to the associated GHG emissions reported in the organization report, the primary methodology used to collect and calculate emissions data was by multiplying the GHG activity data by appropriate GHG emission factors and the GWP.

It can be confirmed that the methodologies applied in the quantification of GHGs were found to be appropriate and in accordance with the published information.

9.2.1 GHG activity data

Based on the data verification, it has been verified that these data have been measured and monitored accordingly for GHG computation input:

Activity data	Unit	Source of data
Electricity	KWh	Monthly bills by utility provide (TNB)
Petrol/ diesel	Litre	Total quantities of the fuels
Vehicle/km	Km	Distance of transportation for receiving and distribution of goods.
Quantity of waste and the type of treatment	Ton	Invoice from waste collector
Quantity of purchased raw material	Kg/ Ton/ m^3	Invoice of raw materials

9.2.1.1 Global Warming Potential

The emission factors follow the UK Government's GHG Conversion Factors for Company Reporting 2024, and the Global Warming Potential (GWP) is aligned with the IPCC's 5th Assessment Report, as referenced in the relevant documents.

9.2.1.2 Emission factors and other parameters

As for the emission factors, it can be confirmed that credible sources were used. The following sources were referred to:

Emission factors	Reference/Source
Stationary combustion,	Thai Carbon Label
Mobile combustion，refrigerant, business travel, employee commuting.	USEPA 2024 Emission Factor
Purchasing material, waste, hotel accommodation	UK government GHG conversion factor for company reporting 2024
Electricity (grid)	Study on ST Malaysia Power Grid Emission Factor year 2021

9.3 CALCULATION OF GHG EMISSIONS AND REMOVALS

The final GHGs emission from the identified sources were summarized as follows:

Emission category	GHG scope	Emission values (t CO_2-equ) per annum
Direct emission -mobile & stationary fuel combustion	Category 1	381.257
Indirect emission from imported energy	Category 2	13728.463
Indirect GHG emission from business travel & Hotel	Category 3	83.592
Indirect GHG emission from employee commuting	Category 3	1268.328
Indirect GHG emission from purchase of goods	Category 4	612.798
Indirect GHG emission from waste	Category 4	0.7417
Total Emission		16075.180

10.0 MANAGEMENT SYSTEM AND QUALITY ASSURANCE

From the assessment carried out by the verification team, it was found that the overall approach used to calculate the GHG emissions were technically sound as it was traceable to known standard and reference. There are no findings noted during the verification process.

11.0 Nonconformity request & observation report

Based on the review of the provided documentation, interviews and site visit, no non-conformities or observations were issued.

Following are the areas for improvement which need to be taken into consideration in the future reporting:

- During the verification, it was observed that Category 4 emissions—specifically the upstream (Well-to-Tank, WTT) emissions associated with energy consumption (e.g., electricity, diesel, natural gas)—were not included in the Convene ESG platform. These emissions, while indirect, are part of the upstream life cycle emissions of purchased fuels and energy and are required for completeness under ISO 14064-1:2018.

12.0 VERIFICATION OPINION CONCLUSION

SGCO2 was engaged by Straits Orthopaedics to review the Convene ESG platform and relevant supporting documents detailing the calculations of the GHG emissions. The engagement was reference to the ISO 14064-3:2019 requirements. Production department and operation division of Straits Orthopaedics were responsible for the preparation and reporting of GHG emissions data and GHG statement. The development and maintenance of records and reporting procedures in accordance with the ISO 14064-1:2018 requirements, including the calculation and determination of GHG emissions reduction from the organization was the responsibility by the department.

It is the responsibility of SGCO2 verification team to express a third-party verification statement on the statement of the company for the period from 1st Jan 2024 to 31st Dec 2024. During the engagement, Straits Orthopaedics noted that the emissions associated with employee commuting (Category 3) are estimated based on the annual average number of employees. The calculation does not account for employee turnover due to new intakes and resignations throughout the reporting year. The organization has reported an employee turnover rate of less than 10% for the reporting period. This low level of workforce fluctuation is considered to have an immaterial impact on the overall accuracy of commuting-related GHG emissions. Therefore, the use of an annual average headcount is deemed a reasonable approximation for the purpose of emissions estimation.

For Category 3 upstream and downstream freight, the organization does not have operational control or access to activity data related to upstream and downstream transportation, as logistics for inbound goods are arranged entirely by suppliers and logistics for outbound goods are managed directly by customers. As such, the organization does not engage in the transportation procurement process.

Category 4 (Water withdrawal and water discharge) was assessed, these sources were determined to be non-significant in relation to the organization's overall GHG inventory, as they do not materially contribute to direct or indirect GHG emissions. Therefore, water withdrawal and discharge were not quantified and have been excluded from the scope of this verification report.

Indirect emissions from end-of-life products (Category 5) and other emissions (Category 6) are assumed as non-significant and therefore not quantified in this Convene ESG platform due to the organization operates exclusively on a contract manufacturing basis and does not have ownership, control, or visibility over the final distribution, usage, or end-of-life treatment of the products manufactured. Due to the nature of contractual production, the organization does not retain brand ownership or market responsibility for the sold products, and is therefore unable to monitor or obtain reliable data on how these products are disposed of or treated at the end of their lifecycle.

In our opinion, dated 2025-08-27, SG CO2 Pte Ltd with reasonable assurance that the GHG emissions statement of Straits Orthopaedics is free from material misstatement and has been prepared in accordance with ISO 14064-1, except the omission of the Indirect emission from water withdrawal and water discharge (Category 4), WTT (fuel, delivery vehicle, business Travel); Category 5 and other emissions (Category 6) with less than 5% material threshold.

With reference to the verified emission of this report that, it can conclude that GHG emissions for the period from 1st Jan 2024 to 31st Dec 2024 as verified by SG CO2 Pte Ltd to a reasonable level of assurance consistent with the agreed verification scope, objectives and criteria were summarized as follows:

Total direct emission (Category 1)	381.257 t CO_2-equ
Total energy indirect emission (Category 2)	13728.463 t CO_2-equ
Total indirect emissions from transportation (Category 3)	1351.920 t CO_2-equ
Total GHG emissions from products used by organization (category 4)	613.540 t CO_2-equ
Total GHG emissions for year 2024	16075.180 t CO_2-equ
Emission Intensity	0.287 t CO_2-equ/ thousand USD Economic Generated

Prepared by:

OOI CHIN GIAP
Verification team leader, SG CO2 Pte Ltd
Date: 27/08/2025

Reviewed by:

CHONG MOI ME
Independent Reviewer
Date: 27/08/2025

ACCREDITATION SCHEME FOR

VALIDATION AND VERIFICATION BODIES

Singapore Accreditation Council

Number : **VB-2025-07**
Date of Issue : **28 April 2025**
Date of Expiry : **27 April 2029**

Certificate of Accreditation

This certifies that

SG CO2 PTE. LTD.
380 Jalan Besar
#07-10 ARC 380
Singapore 209000

is accredited by the Singapore Accreditation Council to

ISO/IEC 17029:2019, ISO 14065:2020, ISO 14066:2023, ISO 14064-3:2019

for the specific scope as detailed in the attached schedule.

On behalf of the Singapore Accreditation Council
Amos Leong
Chairman

This Certificate is awarded subject to the organisation's compliance with the stated criteria and terms and conditions laid down by the Singapore Accreditation Council.

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