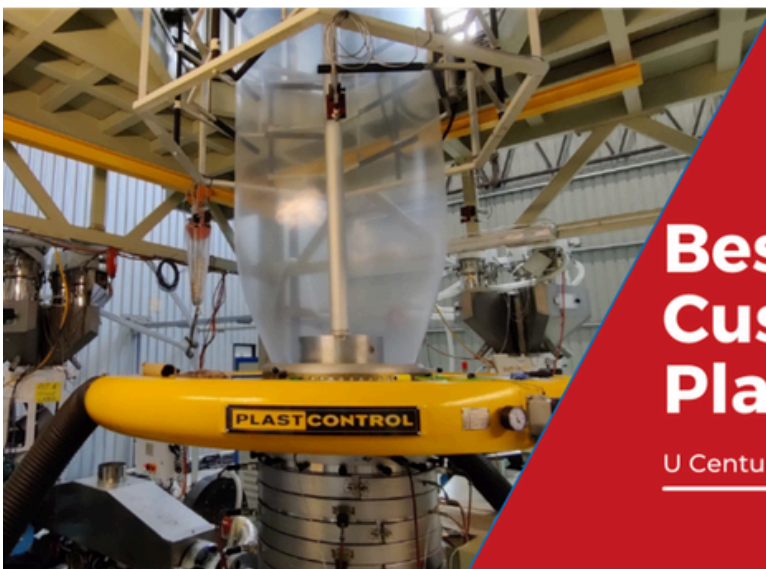




2025 SUSTAINABILITY REPORT

U Century Plastic Industries



**Best Quality
Customized
Plastic Products**

U Century Plastic



<https://ucenturyplastic.com/>



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2025 Sustainability Report



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ABOUT U CENTURY PLASTIC INDUSTRIES (M) SDN BHD

Established in 2015 and based in Sungai Buloh, Selangor, U Century Plastic Industries (M) Sdn. Bhd. ("UCPI") is a fully integrated flexible packaging manufacturer offering in-house extrusion, printing, laminating, slitting and bag-making capabilities under one roof. This vertically integrated model allows UCPI to control quality, consistency and turnaround time across the entire production chain.

UCPI's extrusion capacity stands at approximately 4,500 metric tonnes per annum, with multi-colour printing of up to 8 colours and solvent-free lamination. This making our products well-suited for food-contact packaging. UCPI is ISO 9001:2015 certified and continues progressing towards GMP implementation. UCPI serves a diverse customer base across the Food & Beverage, Dairy, Rubber, Automotive and CPG sectors.

STRATEGY APPROACH

UCPI's strategy is built on three pillars: vertical integration for end-to-end quality control, quality-driven manufacturing anchored by ISO 9001 and progress towards GMP, and customization through close customer partnership. As we embark on our inaugural ESG journey in FY2025, sustainability is being progressively woven into this strategic foundation, recognizing it as integral to, not separate from UCPI's business growth and success.

FUTURE VISION

UCPI's vision is anchored in continued capability expansion, deepened quality credentials and strengthened sustainability practices across environmental, workforce and governance dimensions. This FY2025 Sustainability Report marks the first formal step in that direction, establishing the baseline from which UCPI's sustainability performance will be tracked and improved.

MARKET DIFFERENTIATION

UCPI distinguishes ourselves through solvent-free lamination suited for food-contact packaging, specialised product innovation (such as pin-holed HDPE sheet and high-shrinkage shrink film), full in-house production integration and versatility across multiple industry sectors. UCPI's early and transparent commitment to ESG disclosure further sets it apart at a stage when many SME-scale packaging suppliers have yet to formalize such reporting.

About this Report

U Century Plastic Industries (M) Sdn. Bhd. is pleased to present our inaugural Sustainability Report for Financial Year 2025 ("FY2025"), marking the first step in our formal commitment to responsible business practices and sustainable growth. As a fully integrated flexible packaging manufacturer, we recognize the importance of balancing economic performance with environmental stewardship, social responsibility and sound corporate governance.

This report provides an overview of our Environmental, Social and Governance (ESG) performance, initiatives and baseline achievements for the financial year ended 31 December 2025. It outlines our approach to managing sustainability-related risks and opportunities while creating long-term value for our customers, employees, suppliers, shareholders and the communities in which we operate.

In FY2025, we began formalizing our sustainability practices across key areas: responsible resource management, waste management, workplace health and safety, employee development and ethical business conduct. These efforts establish the baseline from which UCPI will track progress and strengthen our ESG performance in the years ahead.

This report serves as a transparent account of where UCPI stands today on sustainability journey and reflects our genuine commitment to integrating ESG considerations into our business strategy, operational decisions and long-term growth plans.

SCOPE OF REPORTING

This report covers the period from 1 January 2025 to 31 December 2025 ("FY2025") and encompasses the sustainability performance, initiatives and activities of UCPI's manufacturing and operational facilities in Malaysia.

The report focuses on material sustainability matters, covering key ESG topics relevant to our business operations and stakeholders.



REPORT FRAMEWORK

This Sustainability Report has been prepared with reference to the following guidelines and frameworks:

- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- Bursa Malaysia Simplified ESG Disclosure Guide (SEDG)
- Global Reporting Initiative (GRI) Standards 2021
- FTSE4Good Bursa Malaysia Index Criteria
- United Nations Sustainable Development Goals (UN SDGs)

FEEDBACK

We welcome feedback, comments and suggestions from our stakeholders to help us continuously improve our sustainability performance and reporting practices.

U Century Plastic Industries (M) Sdn Bhd

Mr. Wong Mun Hoe (Jasper)

Email: wong.mh@ucenturyplastic.com



01

FY2025 Sustainability Baseline **at a Glance**

Our inaugural ESG disclosure: the baseline from which future performance will be measured.



ENVIRONMENT



100%

Scheduled waste recycling rate — zero to landfill



3.82 t

Total scheduled waste generated (SW322 + SW409)



80

Reams of paper consumed across both plants



1,430,040

kWh total electricity consumed (Plant A + B)



2,689 m³

Total water withdrawal — 100% municipal source



1,335.62

tCO₂e total GHG emissions (Scope 1 + 2 + 3)



SOCIAL



38

Total employees



71% / 29%

Male / Female workforce ratio



34% / 66%

Local / Non-local employee ratio

NEW

7

New employees hired in FY2025



168 hrs

Total training hours across all categories



4.42 hrs

Average training hours per employee



Zero

Work-related injuries & Lost Time Injuries



RM6,590

Community CSR contributions in FY2025



GOVERNANCE



Zero

Confirmed corruption incidents in FY2025



Zero

Regulatory fines or legal penalties



13

Material sustainability matters identified



Year 1

Inaugural ESG disclosure FY2025 baseline set

Message from Managing Director



It is my great pleasure to present U Century Plastic Industries (M) Sdn. Bhd.'s inaugural Sustainability Report for Financial Year 2025, a significant milestone in our company's journey and our first formal step towards transparent and structured ESG disclosure.

UCPI has grown into a fully integrated flexible packaging manufacturer, specializing in customized plastic products including LDPE shrink films, embossed sheets, EVA melt bags, PE and HD printed bags, form fill seal films and a wide range of flexible packaging solutions serving the automotive, food and beverage,

household and industrial packaging sectors. Throughout this growth, our commitment to quality, innovation and customer satisfaction has remained constant, reflected in our ISO 9001:2015 certification and our integrated, in-house manufacturing capabilities.

As we embark on this ESG journey, we recognize that long-term business success cannot be measured by commercial performance alone. It must also be measured by how responsibly we manage our environmental footprint, how fairly and safely we treat our employees and how soundly we govern our business. This report represents our honest first attempt to measure where we stand today across these dimensions, establishing the baseline from which we will track our progress, set meaningful targets and improve, year on year.

In FY2025, we began formalizing our approach to environmental responsibility, employee well-being and governance practices, as detailed throughout this report. We are proud of the foundations we have built and equally clear-eyed about the work that lies ahead. Sustainability is not a destination but a continuous journey, and we are committed to pursuing it with the same dedication to quality and improvement that has guided UCPI since our founding.

I would like to thank our employees, customers, suppliers and all stakeholders for their continued trust and support. As we move forward, UCPI remains committed to building long-term, sustainable partnerships while strengthening our ESG practices for a more resilient and responsible future, for our business and for the communities we serve.

Thank you.

Wong Mun Hoe (Jasper)

Managing Director

U Century Plastic Industries (M) Sdn. Bhd.

Materiality Sustainability Matters

In FY2025, UCPI conducted our first formal Materiality Assessment to identify the Material Sustainability Matters ("MSMs") most relevant to our business, in alignment with business objectives, industry developments and emerging sustainability trends. The assessment focused on identifying ESG matters that have the greatest influence on UCPI's business operations, long-term growth, operational resilience and stakeholder decision-making.

As a manufacturer of flexible plastic packaging products, UCPI recognizes that sustainability-related risks and opportunities can significantly influence operational efficiency, resource utilization, product quality, regulatory compliance, workforce well-being and corporate reputation. The materiality assessment therefore serves as a critical tool to guide UCPI's sustainability strategy and ESG reporting priorities going forward.

As this is UCPI's inaugural ESG disclosure, the FY2025 materiality assessment was conducted through internal engagement, involving management and employees across key functional areas of the business. Sustainability matters were assessed based on two key dimensions: their importance to business operations, and their importance to stakeholders, drawing on management's understanding of customer, supplier, and regulatory expectations. UCPI recognizes the value of broadening this engagement to include direct input from external stakeholders, including customers, suppliers and business partners. We intend to do so in future materiality reviews as our ESG reporting practices mature.

The FY2025 Materiality Matrix identified thirteen (13) material sustainability matters across the ESG pillars. Key areas of focus include waste management, employee welfare, occupational health and safety, ethical business conduct, risk governance and transparency. These matters form the foundation of UCPI's ESG priorities in this inaugural reporting year and will guide UCPI's sustainability initiatives, reporting scope and target-setting in the years ahead.



Materiality Sustainability Matters

FY2025 Materiality Matrix



ENVIRONMENT

- Emission Management
- Energy Management
- Water Management
- Waste Management

SOCIAL

- Labour Practices & Standards
- Safety & Health
- Employee Benefits
- Corporate Social Responsibility
- Culture & Commitments

GOVERNANCE

- Integrity & Anti-corruption
- Risk Governance & Internal Controls
- Decision Making & Strategic Oversight
- Disclosure, Transparency & Data Protection

The FY2025 Materiality Matrix maps UCPI's thirteen material sustainability matters according to their importance to business operations and their importance to stakeholders, providing a visual overview of where UCPI's sustainability priorities lie. Matters positioned towards the upper-right of the matrix represent the highest combined materiality and warrant the closest management attention, while matters in the lower-left, though still relevant, carry comparatively lower materiality in this inaugural assessment.

Materiality Sustainability Matters

MAPPING OUR MATERIAL MATTERS

Environment

Material Matters	UN SDGs	GRI Indicators	Key Stakeholders
- Waste Management - Emission Management - Energy Management - Water Management	   	301: Materials 302: Energy 303: Water and Effluents 305: Emissions 306: Waste	- Government & Regulators - Customers - Local Communities - Employees

Social

Material Matters	UN SDGs	GRI Indicators	Key Stakeholders
- Labour Practices & Standards - Safety & Health - Employee Benefits - Corporate Social Responsibility - Culture & Commitments	   	2-7: Employees 401: Employment 403: Occupational Health and Safety 404: Training and Education 405: Diversity and Equal Opportunity 413: Local Communities	- Employees - Management - Local Communities - Customers

Governance

Material Matters	UN SDGs	GRI Indicators	Key Stakeholders
- Integrity & Anti-corruption - Risk Governance & Internal Controls - Decision Making & Strategic Oversight - Disclosure, Transparency & Data Protection	 	2-9: Governance Structure & Composition 2-12: Role of Highest Governance Body 2-23: Policy Commitments 205: Anti-corruption 418: Customer Privacy	- Management - Shareholders - Regulators - Customers & Suppliers

WASTE MANAGEMENT

Effective waste management is central to the environmental stewardship of UCPI. As a manufacturer of flexible plastic packaging products, including printed and laminated films, polyethylene bags, shrink films and form-fill-seal solutions, our operations inherently generate a variety of waste streams, ranging from routine administrative waste such as paper, to regulated scheduled waste arising from chemical usage in our printing, laminating and cleaning processes.

UCPI recognizes that the plastic manufacturing sector carries a heightened responsibility toward environmental compliance and continuous improvement in waste management practices. In line with our commitment to responsible operations and long-term sustainability, we have, in this inaugural FY2025 ESG disclosure, established a formal baseline for tracking, managing and reporting on our key waste categories. This baseline will underpin the setting of measurable reduction targets in subsequent reporting periods.

Our waste management approach is guided by two overarching principles. First, to ensure full compliance with Malaysian environmental legislation, particularly the Environmental Quality Act 1974 and the Environmental Quality (Scheduled Wastes) Regulations 2005. And second, to minimize waste generation at source through process design, material efficiency and employee awareness. All scheduled waste disposal is conducted exclusively through licensed scheduled waste contractors registered with the Department of Environment (DOE) Malaysia, with consignment notes maintained as required.

This section presents our FY2025 data across three waste indicators: paper consumption, scheduled waste diverted through recycling and total scheduled waste generated. Together, these indicators provide a comprehensive view of our waste footprint for the year.

PAPER CONSUMPTION

Paper is consumed primarily for administrative, documentation and operational record-keeping purposes at UCPI. This includes functions such as delivery orders, purchase orders, internal production records, quality control documentation and general correspondence. While paper is not a direct production material in our manufacturing processes, its consumption is nonetheless tracked as part of our broader commitment to responsible resource usage and the progressive digitalization of our operations.

In FY2025, UCPI recorded a total office paper consumption of 80 reams. Given that this is our first year of systematic measurement, no comparative historical data is currently available; however, this figure is being formally established as the baseline reference point from which future reduction initiatives will be planned and assessed.

Paper Consumption (ream)
FY2025



To contextualize this figure, 80 reams is equivalent to approximately 40,000 sheets of A4 paper. For a manufacturing establishment of our scale, with a total workforce of 38 employees, this level of consumption reflects a typical administrative activity. UCPI is actively seeking opportunities to reduce it. Key initiatives being considered include transitioning to digitalization platform for invoicing, delivery orders, document management for quality and production records and instituting a double-sided printing policy for all internal documents. Moving forward, UCPI will formalize a paper reduction target with FY2025 as the base and report year-on-year progress in subsequent ESG disclosures.

SCHEDULED WASTE

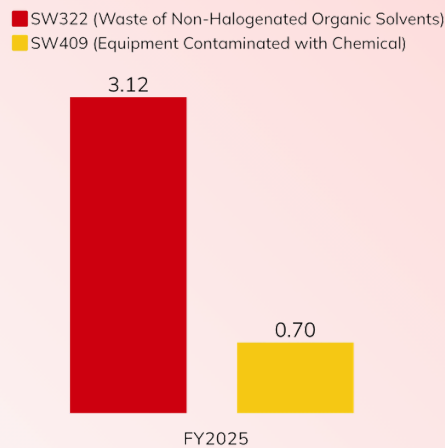
The manufacturing operations of UCPI involve the use of chemical substances, particularly organic solvents in printing and laminating processes, and chemical-contaminated equipment arising from regular production and maintenance activities. As a result, UCPI generates regulated scheduled waste as defined under the Environmental Quality (Scheduled Wastes) Regulations 2005.

Scheduled waste is subject to strict regulatory requirements in Malaysia, covering its storage, labelling, handling, transportation and disposal. UCPI is fully committed to managing all scheduled waste in accordance with these requirements. In FY2025, two scheduled waste codes were identified and tracked:

- **SW322 Waste of Non-Halogenated Organic Solvents:** This category encompasses spent solvents arising from our multi-colour printing and laminating processes, as well as solvents used in equipment cleaning between production runs. Non-halogenated organic solvents are widely used in flexible packaging manufacturing as carriers for inks and adhesives. Their proper management is critical to prevent volatile organic compound (VOC) emissions and soil or water contamination.
- **SW409 Equipment Contaminated with Chemical:** This category covers containers, drums, rags, liners and other equipment that have come into direct contact with chemical substances during the course of manufacturing and maintenance. Such materials retain chemical residues that require controlled disposal and are therefore classified as scheduled waste under Malaysian regulations.

In FY2025, UCPI generated a combined total of 3.82 tonnes of scheduled waste across both categories. SW322 constituted the majority of this volume at 3.12 tonnes (81.7% of total), while SW409 accounted for 0.70 tonnes (18.3%). This distribution is consistent with the nature of our operations, where solvent use in printing and lamination forms the primary driver of scheduled waste generation.

Recycled Waste- Scheduled Waste (tonne) FY2025



A particularly noteworthy outcome in FY2025 is that the entirety of all scheduled waste generated (3.82 tonnes) was successfully channelled to licensed recycling contractors, achieving a 100% scheduled waste recycling rate for the reporting year. No scheduled waste was incinerated, sent to landfill or disposed of through any other non-recovery method. This outcome reflects UCPI's deliberate effort to engage licensed contractors that are capable of recovering value from scheduled waste streams and to maintain a disposal hierarchy that prioritizes recycling over incineration or landfilling.

It is also important to acknowledge that, as FY2025 represents our inaugural year of systematic ESG data collection, the absolute waste quantities reported herein reflect our current baseline measurement capability. Having established FY2025 as our baseline year for waste reporting, UCPI is committed to building on this foundation to drive meaningful improvements in waste management performance. Our planned actions for the near term include:

- To achieve at least 5% year-on-year paper reduction target for FY2026 relative to the FY2025 baseline of 80 reams, supported by a transition to digital documentation for key operational processes including delivery orders, quality records and internal reporting.
- To maintain a 100% scheduled waste recycling rate in FY2026 and beyond, through continued engagement with licensed recycling contractors and routine review of disposal method suitability for each waste code generated.

02

Environment Responsibility

- To achieve at least 1% year-on-year scheduled waste SW322 and SW409 reduction target for FY2026, through the implementation of source-level waste reduction measures in printing and laminating operations including optimization of ink and solvent usage.
- To conduct annual employee awareness sessions on waste handling, scheduled waste regulations and UCPI's waste management procedures to ensure consistent compliance throughout the organization.

UCPI recognizes that responsible waste management is not merely a regulatory obligation but a demonstration of our commitment to the communities, environment and stakeholders we serve. We look forward to reporting on our progress against these commitments in our FY2026 ESG disclosure.

ENERGY MANAGEMENT

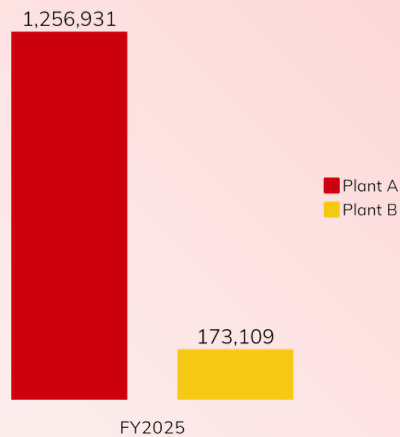
Energy management is a financially and environmentally significant topic for UCPI. As a fully integrated flexible packaging manufacturer, our operations are energy-intensive by nature, encompassing plastic film extrusion, multi-colour gravure and flexographic printing, solvent-based and solvent-free lamination, slitting and bag-making. Each of these processes relies heavily on electrical energy to power machinery, heating and cooling systems, compressed air systems, ventilation and facility lighting. Accordingly, electricity represents UCPI's primary energy source and the main lever through which energy-related environmental impacts can be managed.

In FY2025, UCPI operates across two production facilities, Plant A and Plant B. Both located within the Sungai Buloh area of Selangor. Electricity consumption data has been tracked and reported separately for each plant, with readings derived from utility bills issued by Tenaga Nasional Berhad (TNB), our national electricity provider. This granular, plant-level reporting enables UCPI to identify facility-specific energy usage patterns, benchmark performance between sites and prioritize targeted energy efficiency interventions where they will have the greatest impact.

It is important to note that electricity consumed by UCPI is sourced entirely from the national grid. Malaysia's national grid electricity emission factor, as published by the Energy Commission of Malaysia (Suruhanjaya Tenaga), is applied for the purposes of estimating indirect energy-related greenhouse gas (GHG) emissions, which will be reported under GHG Emissions of this report.

In FY2025, the combined electricity consumption across both plants totalled 1,430,040 kWh. Plant A, as the primary and larger production facility, accounted for the substantial majority of this consumption at 1,256,931 kWh, representing approximately 87.9% of UCPI's total electricity usage. Plant B recorded a consumption of 173,109 kWh, representing the remaining 12.1%.

Electricity Consumption (kWh) FY2025



As this is UCPI's inaugural year of energy reporting, no year-on-year comparison is available. Nonetheless, the FY2025 figures provide a meaningful baseline from which consumption trends, efficiency improvements and intensity ratios can be tracked going forward. UCPI acknowledges that energy consumption and its associated carbon footprint, is a material consideration for the business, particularly in light of growing customer and regulatory expectations around climate transparency and decarbonisation. While FY2025 establishes our baseline, UCPI is committed to progressively improving energy efficiency. Planned and ongoing energy-related actions include:

- To evaluate the technical and financial feasibility of installing rooftop solar photovoltaic (PV) systems at one or both facilities, as part of the UCPI's long-term strategy to diversify the energy mix and reduce dependence on grid electricity.
- To replace ageing lighting infrastructure with LED alternatives across production floors, warehousing areas, and offices at both plants, to reduce lighting-related electricity consumption and improve working conditions..

UCPI views energy management not only as a compliance and cost matter, but as a strategic opportunity to reduce operational expenses, enhance our environmental profile and position UCPI as a responsible manufacturing partner for customers who are themselves under increasing pressure to decarbonise their supply chains. We are committed to making tangible progress on energy efficiency in the years ahead and will report transparently on our performance in each annual ESG disclosure.

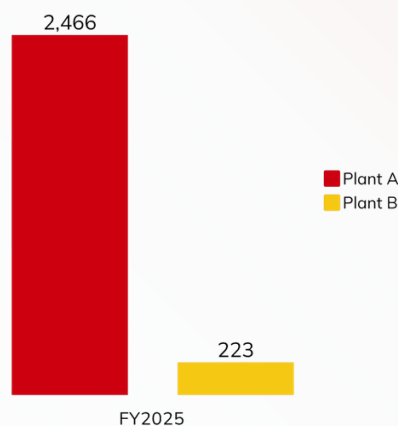
WATER MANAGEMENT

Water is an essential utility supporting the day-to-day operations of UCPI. Whilst plastic film manufacturing is not typically classified as a water-intensive industry in the same manner as textiles, food processing or semiconductor manufacturing, water nonetheless plays an important supporting role across several of our operational activities. These include cooling systems associated with film extrusion processes, equipment cleaning and washdowns, solvent-free lamination-related processes, sanitary and welfare facilities for our workforce and general facility maintenance activities. FY2025 marks our first year of formal water data collection, establishing the baseline from which future water use trends, intensity ratios and conservation targets will be developed.

All water consumed at both Plant A and Plant B is drawn from the municipal treated water supply provided by Air Selangor (Pengurusan Air Selangor Sdn. Bhd.), the state water utility. Water withdrawal volumes are derived from monthly utility bills issued by Air Selangor for the full FY2025 reporting period. We do not currently draw from any groundwater, rainwater or surface water sources; accordingly, 100% of water withdrawal originates from a third-party municipal water supply.

In FY2025, UCPI's combined water withdrawal across both facilities totalled 2,689 m³. Plant A, as the primary manufacturing facility, accounted for 2,466 m³ representing approximately 91.7% of UCPI's total water consumption. Plant B recorded a withdrawal of 223 m³, accounting for the remaining 8.3%.

Water Withdrawal (m³)
FY2025



02

Environment Responsibility

Building on the FY2025 baseline, UCPI's planned action in respect of water management include:

- To evaluate the feasibility of rainwater harvesting systems at one or both facilities for non-potable uses such as floor cleaning, outdoor maintenance and toilet flushing to reduce dependence on treated municipal supply for non-critical water applications.

UCPI recognizes that responsible water stewardship is an integral element of being a good corporate citizen and a conscientious manufacturing operator within the Selangor community. We are committed to managing our water footprint thoughtfully, improving measurement rigour year on year, and reporting our progress with transparency in future ESG disclosures.

GHG EMISSIONS

Climate change is one of the defining challenges. UCPI recognizes that as a manufacturer operating energy-consuming processes, we have a responsibility to understand, measure and actively work to reduce our contribution to GHG emissions. In FY2025, UCPI takes its first formal step in this direction by establishing a comprehensive baseline of its GHG emissions profile spanning Scope 1, Scope 2 and Scope 3, marking a pivotal milestone in our inaugural ESG journey.

The measurement and disclosure of GHG emissions is not merely a regulatory or reporting exercise for UCPI. It reflects our genuine commitment to operating responsibly, supporting Malaysia's national climate goals as articulated under the country's Nationally Determined Contribution ("NDC") to the Paris Agreement, and responding to the growing expectations of customers, supply chain partners and financiers who are themselves subject to increasing pressure to account for the carbon footprint of their value chains. For a supplier of flexible packaging materials to sectors such as food and beverage, consumer goods and industrial products, supply chain carbon transparency is becoming a commercial imperative, not simply a sustainability aspiration.

UCPI's GHG emissions inventory for FY2025 has been prepared in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard ("GHG Protocol"), the most widely adopted international framework for corporate GHG reporting. Emission factors applied are sourced from recognised references including the Malaysia Grid Emission Factor published by the Energy Commission of Malaysia (Suruhanjaya Tenaga) for Scope 2 electricity-related emissions and the Intergovernmental Panel on Climate Change ("IPCC") Fifth Assessment Report emission factors for Scope 1 fuel combustion and Scope 3 activity-based calculations.

As this is UCPI's first year of GHG reporting, no year-on-year comparison is available. All figures presented herein represent the FY2025 baseline, against which future emission trends, reduction trajectories and intensity improvements will be measured. UCPI is committed to strengthening the rigour, breadth and accuracy of its GHG inventory in each subsequent reporting period.

OVERVIEW: SCOPE 1, 2 & 3 EMISSIONS STRUCTURE

UCPI's GHG emissions are categorised across three scopes in accordance with the GHG Protocol, each capturing a different layer of our carbon footprint:

SCOPE 1 EMISSIONS MANAGEMENT

Scope 1 covers GHG emissions that arise directly from UCPI's own operations, specifically from the combustion of fuels consumed on-site or UCPI-owned vehicles and equipment. These are emissions over which UCPI has the highest degree of direct operational control. And, consequently, the greatest immediate opportunity to reduce through fuel efficiency improvements, fleet management and fuel switching. In FY2025, UCPI's Scope 1 emissions originate from two fuel sources: diesel and petrol consumed in operational vehicles, machinery, and on-site equipment; and liquefied petroleum gas ("LPG") used in production-related heating and process applications.

SCOPE 2 EMISSIONS MANAGEMENT

Scope 2 captures the indirect GHG emissions associated with the generation of electricity purchased and consumed by UCPI at its two manufacturing facilities. Although these emissions occur physically at the power generation facilities of Tenaga Nasional Berhad ("TNB") rather than at UCPI's own sites, they are attributable to the Company's electricity demand and are therefore included within its carbon footprint boundary. Scope 2 is calculated using the location-based method, applying the Malaysia Grid Emission Factor. Electricity consumption data from Plant A and Plant B forms the basis for UCPI's Scope 2 emission calculations.

SCOPE 3 EMISSIONS MANAGEMENT

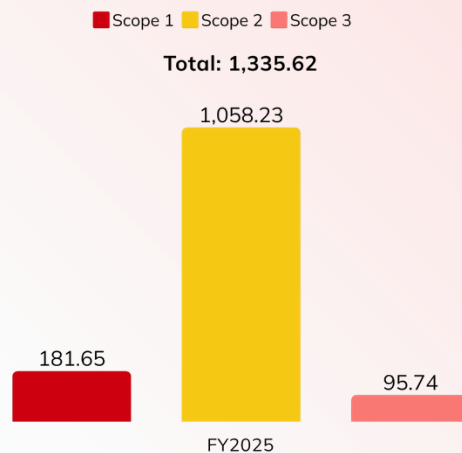
Scope 3 encompasses all other indirect GHG emissions that occur upstream and downstream of UCPI's direct operations, as a consequence of the Company's activities but outside its owned or controlled boundary. These emissions are inherently more complex to quantify, as they rely on activity data and emission factors across a wider range of sources and actors. In FY2025, UCPI has identified and disclosed four material Scope 3 categories, selected on the basis of data availability, relevance to UCPI's operational profile and alignment with the GHG Protocol's Scope 3 Standard. These are: Category 6 (Business Travel), Category 7 (Employee Commuting), Category 8 (Upstream Leased Assets) and Category 9 (Downstream Transportation and Distribution).

GHG EMISSIONS

In FY2025, UCPI's total GHG emissions across Scope 1, 2 and 3 amounted to 1,335.62 tCO₂e. Scope 2 emissions from purchased electricity represent the dominant share of UCPI's carbon footprint at 1,058.23 tCO₂e (79.2%), reflecting the electricity-intensive nature of our flexible packaging manufacturing operations. Scope 1 direct emissions from fuel combustion totalled 181.65 tCO₂e (13.6%), whilst Scope 3 value chain emissions contributed 95.74 tCO₂e (7.2%).

As Scope 2 represents approximately four-fifths of UCPI's total carbon footprint, improving electricity efficiency and evaluating renewable energy options represent the most impactful near-term levers for reducing our overall GHG intensity. Scope 1 emissions from fuel combustion, whilst smaller in absolute terms, will be addressed through progressive fuel efficiency improvements and practices.

GHG Emissions (tCO₂e) - Scope 1, 2 & 3 FY2025



Scope	Emission Source	FY2025 (tCO ₂ e)	% of Total
Scope 1	Direct Diesel, Petrol & LPG Combustion	181.65	13.6%
Scope 2	Indirect Purchased Electricity	1,058.23	79.2%
Scope 3	Value Chain Business Travel, Employee Commuting, Upstream Leased Assets, Downstream Transportation & Distribution	95.74	7.2%
Total		1,335.62	100%

GHG EMISSIONS

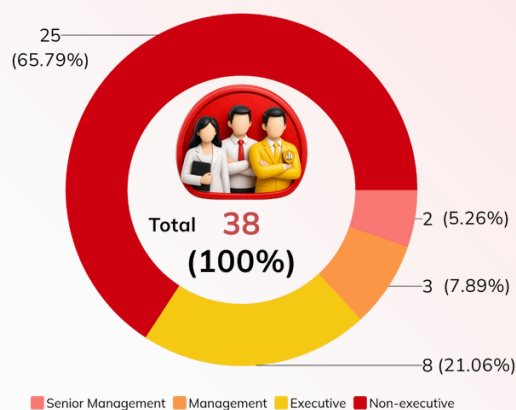
UCPI acknowledges that climate change that is increasingly relevant to our business environment and long-term resilience. UCPI's commitment to measuring and managing our carbon footprint, from this inaugural disclosure onward positions us to respond proactively to customer sustainability requirements, differentiate our offering in a market increasingly attentive to environmental credentials and identify operational efficiency improvements that simultaneously reduce emissions and lower costs. Energy efficiency, responsible waste management and low-carbon logistics are not merely ESG objectives; they are potential sources of competitive advantage for a company of UCPI's profile operating in an increasingly sustainability-conscious marketplace.

EMPLOYMENT PRACTICES

People are the cornerstone of UCPI's operations. As a manufacturer of flexible plastic packaging products, our ability to consistently deliver quality, efficiency and innovation depends fundamentally on having a capable, stable and motivated workforce. UCPI recognizes that responsible employment practices, spanning fair hiring, equitable treatment, workforce diversity and employee retention are not merely social obligations but strategic imperatives that directly influence operational performance, organizational culture and long-term business sustainability.

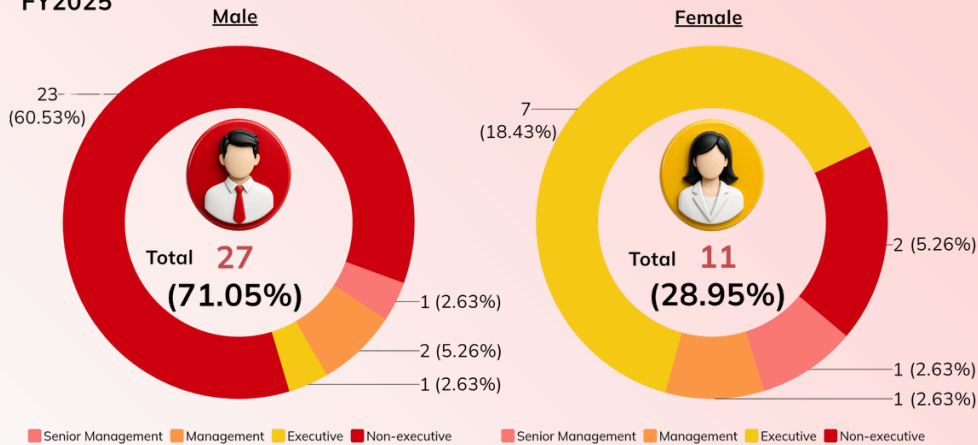
In FY2025, being our inaugural year of formal ESG disclosure, UCPI has undertaken a systematic effort to document and report on the composition, diversity and movement of our workforce. It presents a comprehensive profile of our employees across employment category, gender, age and nationality that complemented by data on new hires and voluntary employee turnover during the reporting period. All data reflects the position as at 31-December-2025.

Employment Category FY2025

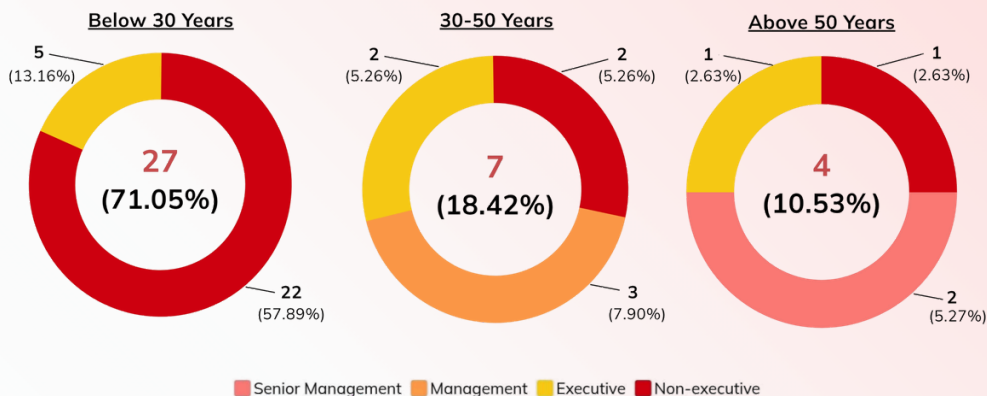


EMPLOYMENT PRACTICES

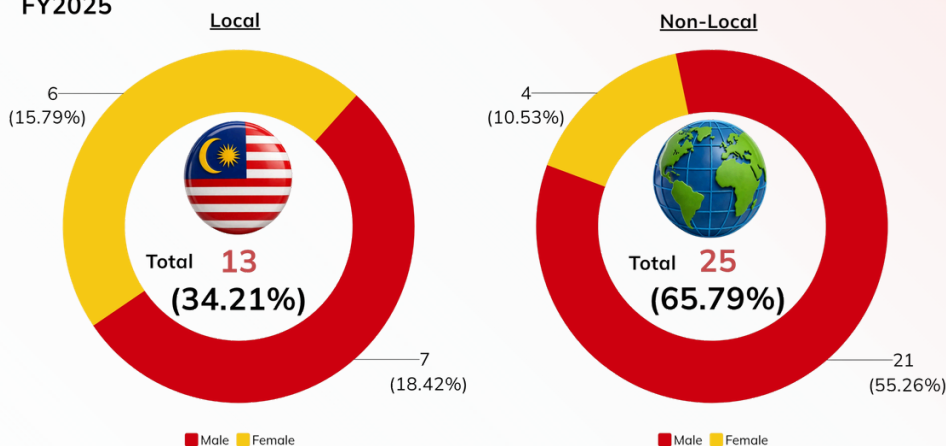
Gender Distribution FY2025



Age Distribution FY2025



Diversity FY2025



EMPLOYEE DIVERSITY

As at FY2025, UCPI employed a total workforce of 38 employees across both Plant A and Plant B in Sungai Buloh, Selangor. The workforce composition reflects the dual nature of a manufacturing business, combining a significant operational and production-floor workforce with an executive and management layer that provides strategic direction, technical oversight, quality management, sales and administrative support.

The workforce structure is characterized by a majority non-executive composition (65.79%), reflecting the labour requirements of a manufacturing operation where production floor personnel including machine operators, technicians, quality control staff and logistics support. It forms the backbone of day-to-day output. Executive-level employees (21.06%) provide the functional support across sales, procurement, finance, quality assurance and human resources, while the management and senior management tiers (13.15% combined) provide strategic oversight and business leadership. This layered structure enables UCPI to maintain both strong operational execution and sound governance of its manufacturing business.

In FY2025, UCPI's workforce comprised 27 male employees (71.05%) and 11 female employees (28.95%). The higher proportion of male employees is consistent with the manufacturing industry profile in Malaysia, particularly in production and technical roles where physical demands and shift-based working arrangements have historically resulted in a predominantly male workforce at the operational level. A noteworthy observation from the gender breakdown by employment category is that female representation is significantly stronger at the executive level, where 7 out of 8 executive employees (87.5%) are female. This reflects UCPI's effective integration of female talent in functional and professional roles including areas such as administration, finance, customer service and procurement within an overall manufacturing-oriented workforce. Female representation also extends to senior management, where 1 out of 2 senior management members is female, demonstrating meaningful gender diversity at the leadership level.

UCPI is committed to upholding a non-discriminatory hiring and promotion framework in which all employment decisions including recruitment, compensation, performance evaluation and career advancement. The decisions are made strictly on the basis of competency, qualifications and performance, without regard to gender, ethnicity, religion, age or any other personal characteristic.

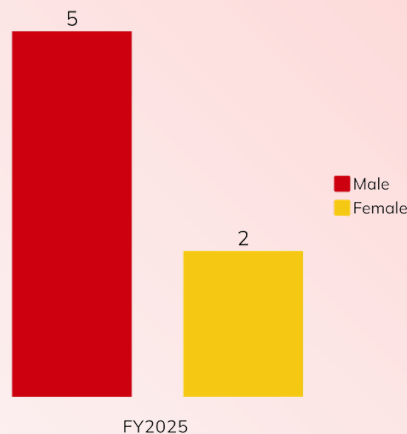
EMPLOYEE DIVERSITY

UCPI's workforce age profile for FY2025 reflects a young and energetic organization with the majority of employees in the below-30 age bracket. This is consistent with the UCPI's stage of growth and the nature of its workforce needs in production and operational roles. Employees below the age of 30 represent the largest cohort at 27 employees (71.05%), the majority of whom are in non-executive operational roles. This youthful workforce profile brings energy, adaptability and a capacity for skills development and represents a significant pipeline of talent that UCPI can nurture and grow with the business. The 30–50 age group comprises 7 employees (18.42%), concentrated primarily in management and senior management levels that providing UCPI with experienced leadership and institutional knowledge at the supervisory and decision-making tiers. Employees above 50 years of age account for 4 employees (10.53%), contributing valuable operational expertise and long-tenured institutional wisdom that supports knowledge transfer across the organization. This age structure anchored by a large cohort of younger employees supported by a seasoned management core is well-suited to UCPI's growth trajectory. It enables UCPI to maintain operational agility while benefiting from the strategic experience of senior personnel and creates natural mentorship opportunities that support skills succession and workforce continuity.

UCPI's diversified workforce reflects the multicultural and multinational character that is common in Malaysia's manufacturing sector. In FY2025, 13 employees (34.21%) are local Malaysian hires, while 25 employees (65.79%) are non-local workers. The non-local workforce, which forms the majority, supports the sustained operational requirements of UCPI's production lines, particularly in non-executive and technical roles where the availability of local talent at the required scale may present challenges. UCPI is committed to responsible foreign worker management, ensuring that all non-local employees are engaged through lawful and ethical recruitment channels, receive fair remuneration commensurate with their roles and the applicable minimum wage requirements under Malaysian law, and are provided with safe and adequate accommodation and welfare facilities where applicable. UCPI affirms that we do not engage in or condone any form of forced labour, human trafficking or exploitative employment practices, in full alignment with the Employment Act 1955 (Malaysia), the Workers' Minimum Standards of Housing and Amenities Act 1990 and internationally recognized human rights standards. UCPI also recognizes the importance of progressively growing local employment as part of its long-term workforce strategy, in alignment with the Malaysian government's efforts to promote local hiring and upskilling in the manufacturing sector. UCPI will continue to evaluate opportunities to recruit, develop and retain local talent as the business expands.

NEW EMPLOYEE HIRES

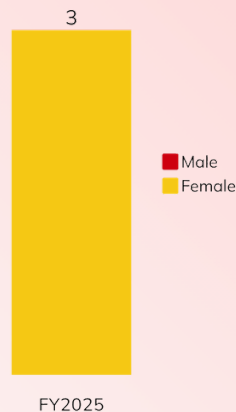
New Employee Hires
FY2025



In FY2025, UCPI welcomed a total of 7 new employees, comprising 5 males and 2 females. These new hires reflect UCPI's ongoing efforts to sustain our workforce capacity in line with operational requirements and to introduce fresh talent into the organization. The recruitment of 2 female employees as part of this cohort is consistent with UCPI's commitment to inclusive hiring practices. The new hire intake in FY2025 supports UCPI's objective of maintaining adequate staffing levels across both production facilities while selectively introducing talent with the skills and competencies required to support our operational and business development activities. As this is the first year of workforce tracking under the ESG framework, no year-on-year comparison is available; the FY2025 figure will serve as the baseline for tracking future hiring trends and gender diversity in recruitment.

EMPLOYEE VOLUNTARY TURNOVER

Full Time Employee Voluntary Turnover
FY2025



In FY2025, UCPI recorded a total voluntary employee turnover of 3 employees, all of whom were female. No male voluntary turnover was recorded during the reporting period. Based on a total workforce of 38 employees, this represents a voluntary turnover rate of approximately 7.89%, a figure that reflects a relatively stable workforce for an SME-scale manufacturing operation. The fact that all voluntary departures in FY2025 involved female employees warrants thoughtful consideration. UCPI acknowledges that understanding the reasons behind female employee turnover whether related to career progression expectations, work-life balance, workplace environment or personal circumstances. It is important to developing more effective retention strategies for this employee group. As part of our human capital improvement agenda, UCPI intends to introduce structured exit interview processes in FY2026 to better understand the drivers of voluntary turnover and to inform targeted retention and engagement initiatives.

Overall, a voluntary turnover rate of 7.89% is indicative of a reasonably stable workforce. Maintaining workforce stability is critical for UCPI, particularly in production and technical roles as high turnover can result in productivity disruption, increased recruitment and onboarding costs and loss of institutional knowledge. UCPI is committed to continuously strengthening our employee value proposition through competitive remuneration, structured career development pathways, a safe and supportive working environment and a culture of respect and inclusivity.

EQUAL OPPORTUNITY AND NON-DISCRIMINATION

UCPI operates on the firm principle that every individual deserves to be treated with dignity, fairness and respect in the workplace. UCPI's employment framework is grounded in a non-discriminatory policy that prohibits any form of discrimination whether based on gender, age, race, nationality, religion, marital status, disability or any other personal characteristic in all aspects of employment, including recruitment, compensation, promotion, training and termination. All recruitment and selection decisions are based solely on merit taking into account an individual's qualifications, experience, competencies, and suitability for the role in question. We also committed to providing equal pay for work of equal value and to ensuring that performance management and career development opportunities are accessible to all employees on an equitable basis.

As at FY2025, no employees with disabilities are recorded in UCPI's workforce. We acknowledge this and affirm its openness to providing equal employment opportunities to persons with disabilities, consistent with its non-discriminatory hiring principles and the spirit of Malaysia's Persons with Disabilities Act 2008. UCPI will continue to review and enhance our workplace accessibility and inclusivity arrangements as the organization grows.

- To introduce a structured exit interview processes in FY2026 to systematically capture voluntary turnover data by gender, employment category and tenure to enabling more informed, evidence-based retention strategies particularly for employees.

- To develop a formal Diversity, Equity and Inclusion (DEI) policy that documents UCPI's commitments to diversity, gender equity, equal opportunity and inclusive workplace practices to be incorporated into UCPI's HR policy framework.

UCPI recognizes that a diverse, stable and fairly treated workforce is fundamental to sustained operational excellence and business resilience. We are committed to building a workplace where every employee regardless of background, gender, or role can contribute meaningfully, develop professionally and feel valued as part of the UCPI's family.

MULTICULTURAL CELEBRATIONS

In FY2025, UCPI organized our first company Christmas party, bringing employees together to celebrate the festive season as one team. This inaugural event reflects UCPI's commitment to fostering a warm, inclusive and people-centric workplace culture, and marks the beginning of what we hope will become a meaningful annual tradition celebrating the diversity and togetherness of our workforce.



Merry Christmas



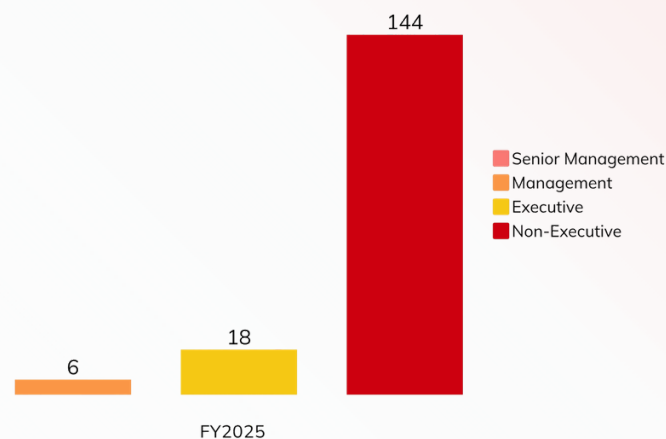
TRAINING & DEVELOPMENT

UCPI recognizes that our people are our greatest asset and that sustained investment in employee learning, skills development and capability enhancement is fundamental to the long-term success of our business. In a manufacturing environment where operational precision, safety compliance and product quality are paramount, a well-trained and competent workforce is not merely a human resource priority but it is an operational necessity.

In FY2025, being our inaugural year of formal ESG disclosure, UCPI has documented and reported on the volume and distribution of training activities across our workforce for the first time. Training programmes conducted during the year were internal in nature, focusing specifically on the technical and quality assurance competencies most critical to our flexible packaging manufacturing operations, namely ERP system proficiency, precision thickness measurement and QA/QC procedures for our shrinkage and tensile testing equipment. The training data presented in this section serves as the baseline from which UCPI will track progress and set improvement targets in subsequent reporting periods.

UCPI's training and development philosophy is guided by the principle that learning should be purposeful, practical and aligned to the operational needs of each employee's role. We are committed to ensuring that every member of our workforce regardless of gender, employment category, or seniority has access to meaningful learning opportunities that support their professional growth and enable them to contribute effectively to UCPI's quality standards and business objectives. As our ESG journey matures, we intend to progressively broaden our training portfolio to encompass external programmes covering regulatory compliance, sustainability and leadership development across all levels of the organization.

**Total Training Hours by Employment Category
FY2025**



Average Training Hours per Employee FY2025

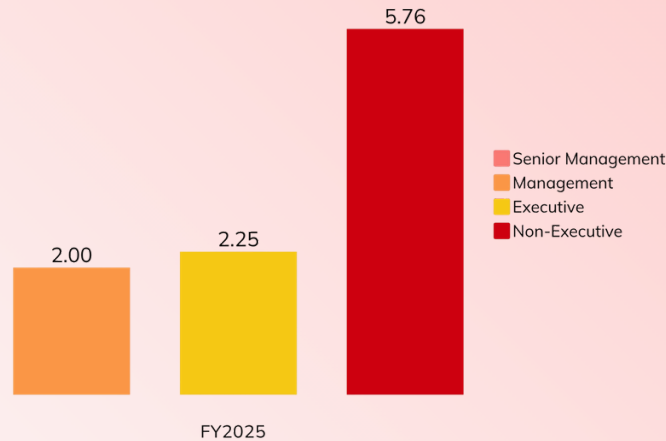


In FY2025, UCPI recorded a combined total of 168 training hours across all employment categories, with an overall average of 4.42 training hours per employee based on a total workforce of 38 employees. This establishes our inaugural training baseline and reflects our commitment to building a technically competent and quality-conscious workforce in our first year of formal ESG tracking.

Training hours were distributed across three employment categories: Management, Executive and Non-executive with each programme tailored to the specific operational and functional needs of the respective employee group. Non-executive employees recorded the highest total at 144 hours, driven by participation in the QA/QC programmes for the Shrinkage Machine and Tensile Machine, as well as Thickness Gauge Operation training. All of which are directly aligned to production floor responsibilities and UCPI's product quality requirements. Executive employees received 18 hours of training through the ERP System Training programme, supporting their roles in procurement, inventory management and production planning. Management employees recorded 6 hours, also on ERP system familiarization, equipping them with the working knowledge needed for effective oversight and decision-making.

No training hours are recorded for Senior Management in FY2025, as their learning and development engagement including business reviews and operational briefings fell outside the formal training tracking boundary in this inaugural year. UCPI will broaden our training data collection scope in FY2026 to capture all learning activities across all seniority levels.

**Average Training Hours by Employment Category
FY2025**

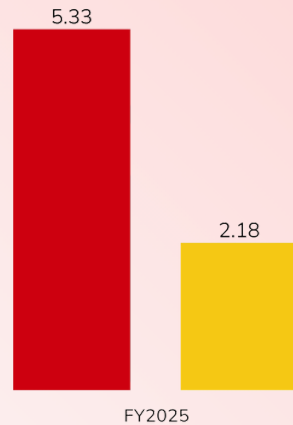


When assessed on a per-employee basis, non-executive employees recorded the highest average at 5.76 hours per employee, reflecting the operational focus of FY2025 training, specifically the QA/QC programmes for the Shrinkage and Tensile Machines and the Thickness Gauge Operation training. All of which are directly relevant to production floor roles and UCPI's product quality requirements.

Executive employees averaged 2.25 hours per employee and Management employees averaged 2.00 hours per employee, both in relation to ERP System Training. While the per-employee average is lower for these categories, the training is purposeful, equipping the staff with the digitalization systems proficiency needed to support more efficient operational coordination, reporting and business management.

The higher training intensity at the non-executive level is a natural and expected outcome for a manufacturing business of UCPI's scale, where hands-on technical competency and quality control capability are central to day-to-day operations. As our training framework matures, we will assess opportunities to increase training depth at the executive and management levels , particularly in areas such as sustainability, leadership and advanced digital skills to strengthen overall organizational capability in line with UCPI's growth objectives.

Average Training Hours by Gender FY2025



From a gender perspective, UCPI's FY2025 training data shows that male employees recorded an average of 5.33 training hours, whilst female employees averaged 2.18 training hours. The higher average for male employees is primarily a function of workforce composition. The majority of non-executive production and technical roles, which attract the most frequent and structured training, are occupied by male employees. Female employees are concentrated in executive-level functional roles, which in FY2025 carried lower average training hours per person.

UCPI acknowledges the gap in average training hours between male and female employees and is committed to ensuring that this difference reflects role-based training requirements rather than any systemic inequity in access to learning opportunities. We affirm that all employees regardless of gender have equal access to training and development programmes. The participation is actively encouraged across all levels and functions. Going forward, UCPI will review our training programme design to ensure that female employees in executive and functional roles are presented with a broader range of relevant and impactful learning opportunities, with a view to progressively narrowing the gender training hour gap in a manner that is meaningful and role-appropriate.

UCPI's training activities in FY2025 were internal in nature, designed to address the specific technical and operational competency requirements of our workforce across production operations and quality management. The following summarizes the training programmes attended by UCPI employees during the reporting period:

INTERNAL

 ERP System	 Thickness Gauge	 QA/QC Shrinkage Machine	 QA/QC Tensile Machine
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Beyond the volume of training delivered, UCPI places equal importance on ensuring that training programmes are relevant, practical and effective in producing measurable improvements in employee competency and operational performance. In FY2025, training programmes were selected and designed with specific learning objective to meet regulatory requirements, address identified skills gaps, support process improvements and prepare employees for expanded responsibilities.

As our training tracking framework matures, UCPI will introduce more structured mechanisms for assessing training effectiveness. It includes post-training competency assessments, on-the-job performance observation and employee feedback surveys. These tools will enable us to evaluate the return on our training investment, identify areas requiring further development and continuously refine the training curriculum to maximize relevance and impact. UCPI is committed to building a learning culture in which continuous improvement, skills development and professional growth are valued at every level of the organization.

- To progressively expand training offerings for executive and management employees, particularly in areas of sustainability, leadership development, regulatory compliance and digitalization skills to build a more capable and future-ready leadership layer within UCPI.

- To introduce post-training effectiveness evaluation tools, including competency assessments and employee feedback mechanisms to measure training outcomes and continuously improve the quality and relevance of UCPI's learning programmes.

OCCUPATIONAL HEALTH & SAFETY

The health, safety and well-being of every employee at UCPI is a matter of the highest priority. As a flexible packaging manufacturer operating production machinery and chemical substances across two plants, we acknowledge the occupational risks inherent in our operations and are committed to managing them proactively. Our OHS practices are governed by the Occupational Safety and Health Act 1994 (OSHA 1994) and the Factories and Machinery Act 1967, which set the minimum legal standards for workplace safety in Malaysia standards that UCPI is committed to meeting and exceeding.

OHS POLICY

We have established a formal Occupational Safety and Health Policy, approved by Top Management and dated 28 July 2023. The policy reflects UCPI's commitment to providing a safe and healthy workplace for all employees, and sets out the Company's obligations to:

- Implement comprehensive safety and health programmes across all operations
- Hold regular Safety and Health Committee meetings to monitor safety performance
- Ensure consultation and participation of workers and their representatives
- Take effective actions to maintain safe and healthy working conditions for all employees
- Pursue continual improvement of the health and safety management system

The policy establishes safety and health as both an individual and shared responsibility with Top Management, line management and all employees each carrying defined accountability for maintaining a safe workplace. The policy is reviewed periodically to ensure it remains suitable and effective for UCPI's operations.

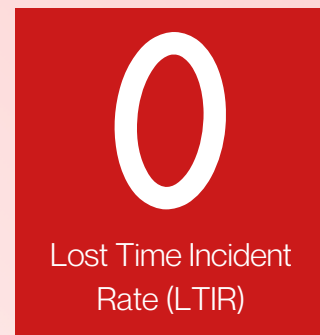
OHS GOVERNANCE STRUCTURE

UCPI has established a formal OSH Organisation Structure to support the implementation and oversight of its OHS Policy. The structure defines clear roles and responsibilities across four levels to ensure that OHS accountability is distributed across management and employee levels.

Role	Key Person	Responsibilities
Chairman (Pengerusi)	C.F. Wong	Overall oversight and strategic direction of OHS governance
Executive Officer (Pegawai Laksana)	Jayden	Management of applicable industrial regulations and compliance requirements
Employer Representative (Wakil Majikan)	Mr. Chee	Represents the employer on workplace safety matters and commitments
Worker Representative (Wakil Pekerja)	Chris/ Jasper	Collects and analyses employee safety data; ensures standards are upheld and complied with

OHS PERFORMANCE

UCPI is pleased to report that zero work-related injuries, zero Lost Time Injury (LTI) cases and zero fatalities were recorded across both plants in FY2025. No occupational diseases or dangerous occurrences were reported during the reporting period. Whilst this zero-incident outcome is encouraging, UCPI recognizes that it does not by itself constitute a comprehensive OHS management programme. We are committed to moving beyond reactive incident tracking toward a proactive safety culture, underpinned by systematic hazard identification, structured risk controls and formal governance.



HAZARD CONTROLS & SAFETY PRACTICES

UCPI's manufacturing operations involve mechanical, chemical, thermal, ergonomic and noise-related hazards. The following practical controls are applied across both plants to manage these risks on a day-to-day basis:

- PPE provision: Safety gloves, footwear, eye protection and respiratory protection are provided and mandatory in designated areas.
- Machine guarding: Production machinery is equipped with safety guards, emergency stop mechanisms and interlocking devices.
- Chemical safety: Solvents, inks and adhesives are stored in designated ventilated areas; Material Safety Data Sheets (MSDS) are maintained for all on-site chemical substances.
- Housekeeping: Regular housekeeping practices are applied across production floors to minimize slip, trip and fall hazards.
- Emergency preparedness: Fire extinguishers, emergency exits and first aid kits are maintained at both plants; employees are familiar with evacuation procedures.
- Scheduled waste safety: Employees handling SW322 and SW409 are required to use appropriate PPE and follow prescribed safe handling procedures.

OCCUPATIONAL HEALTH & SAFETY

UCPI is committed to building a workplace where every employee returns home safe at the end of every working day. The zero-incident record of FY2025 is an encouraging foundation and one we are determined to sustain and strengthen through structured, proactive and continuously improving OHS management in the years ahead.

- To conduct regular OHS awareness and safety briefing sessions for all employees, covering hazards specific to their work areas and reinforcing a proactive safety-first mindset across the workforce.

CORPORATE SOCIAL RESPONSIBILITY

UCPI recognizes that our responsibility as a corporate citizen extends beyond our own operations and workforce, to the wider communities in which we operate. As part of our commitment to social responsibility, UCPI contributes to community welfare, education and charitable causes within Selangor and the broader local community, reflecting our belief that sustainable business success and community well-being are mutually reinforcing.

In FY2025, UCPI's community contributions totalled RM6,590, channelled across educational institutions, religious and charitable organisations, and social welfare causes. As this is UCPI's first year of formal CSR disclosure, this figure establishes the baseline against which future community investment will be tracked and reported.

Education

**RM
2,340**

- School PIBG Events
- IPC Open Playhouse
- Christmas Sponsorship

Religious & Charitable Organizations

**RM
3,230**

- Thai Buddhist Temples
- Tzu Chi Society

Social Welfare

**RM
1,020**

- Disabled children's Home
- Social Welfare Association

Disclosure note: The contributions disclosed in this section reflect community and charitable donations recorded under UCPI's general ledger for FY2025. Internal staff welfare expenses and individual personal gifts unrelated to community or charitable causes have been excluded from this disclosure to ensure the figures presented genuinely reflect UCPI's community investment activities.

UCPI's FY2025 community contributions reflect organic, relationship-based giving rather than a formally structured CSR programme. Contributions were primarily directed towards educational institutions within the local Sungai Buloh community, including school parent-teacher associations and children's welfare facilities, as well as religious and charitable organizations that serve the broader community in which UCPI operates.

CORPORATE SOCIAL RESPONSIBILITY

As UCPI's ESG journey progresses, we recognize the value of formalizing our approach to community investment, including establishing clearer focus areas, an annual CSR budget and mechanisms to track and communicate the impact of our contributions. This will enable UCPI to direct community support more strategically while continuing to honour the relationships and causes that matter to our business and our people.

UCPI believes that being a responsible corporate citizen means contributing meaningfully to the communities that support our business. We are committed to building on this FY2025 foundation with a more structured and intentional approach to community investment in the years ahead.

- To establish a formal annual CSR budget and set of focus areas for FY2026, building on the FY2025 baseline of RM6,590 in community contributions.

- To explore opportunities for employee-involved CSR initiatives, such as volunteer participation in community events, to deepen UCPI's connection with the causes we support.

CSR



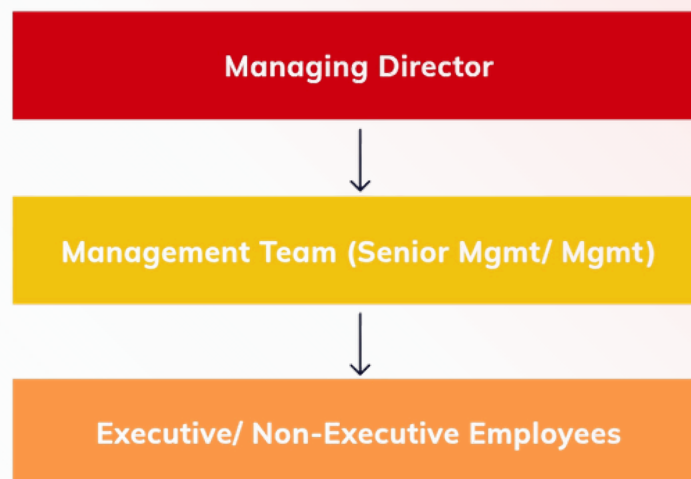
CORPORATE GOVERNANCE & BUSINESS ETHICS

Sound corporate governance is the foundation upon which UCPI's long-term business sustainability is built. As we embark on our inaugural ESG journey, we recognize that strong governance practices, encompassing clear decision-making authority, ethical business conduct and accountability are essential not only for regulatory compliance, but for building lasting trust with our customers, employees and business partners.

FY2025 marks the first year in which UCPI has formally examined and disclosed our governance practices through an ESG lens. As a privately owned, owner-managed manufacturing company, our governance structure today reflects the practical realities of an SME-scale business: direct, accessible leadership and close oversight of day-to-day operations. We recognize that formalizing key governance policies is an important next step, and the commitments outlined in this section reflect our genuine intent to strengthen our governance framework progressively.

GOVERNANCE STRUCTURE

UCPI is an owner-managed company, with overall decision-making authority resting with the Managing Director, who is directly responsible for setting UCPI's strategic direction, overseeing business operations and ensuring compliance with applicable laws and regulations. This direct governance structure is typical of SME-scale manufacturing businesses in Malaysia and enables UCPI to make decisions efficiently, respond quickly to operational and market developments and maintain close oversight of the company's day-to-day affairs.



04

Governance Responsibility

The Managing Director is supported by a small management team responsible for key functional areas including production, quality assurance, sales and administration. As UCPI continues to grow, we recognize the value of progressively formalizing our governance structure, including clearer delegation of authority and documented decision-making frameworks to support more structured oversight as the business scales.

BUSINESS ETHICS & ANTI-CORRUPTION

UCPI is committed to conducting our business with honesty, integrity and in full compliance with applicable laws. At present, UCPI's expectations regarding ethical conduct, fair dealing and anti-corruption are communicated to employees on an informal basis through verbal guidance and day-to-day management practice, rather than through a formally documented Code of Conduct. UCPI acknowledges that formalizing these expectations into a written policy is an important step toward strengthening ethical governance and is committed to developing such a policy in FY2026.

UCPI maintains a zero-tolerance stance toward bribery, corruption and any form of unethical business dealing, whether involving customers, suppliers, government officials or other business partners. We are pleased to report that no incidents of corruption, bribery or related legal penalties were recorded in FY2025.



GRIEVANCE & WHISTLEBLOWING MECHANISM

UCPI does not currently operate a formal whistleblowing channel. Employees who wish to raise concerns whether relating to workplace conduct, safety or business ethics are encouraged to do so directly with their supervisors or management, given the UCPI's relatively simpler and accessible organizational structure. UCPI recognizes that as the business grows, a more structured and confidential grievance mechanism will become increasingly important to ensure employees feel safe and supported in raising concerns, and is committed to developing one going forward.

REGULATORY COMPLIANCE

UCPI operates in compliance with applicable Malaysian laws and regulations, including the Companies Act 2016, Employment Act 1955, Occupational Safety and Health Act 1994 and the Environmental Quality Act 1974 and its associated regulations. UCPI maintains all required business licences, permits and statutory registrations necessary for our manufacturing operations. No material fines, sanctions or enforcement actions were recorded against UCPI in FY2025.

OUR FORWARD COMMITMENTS

UCPI's governance practices described in this section reflect our current operating reality as an SME-scale, owner-managed business. While several practices remain informal at this stage, UCPI is committed to progressively formalizing our governance framework, including written policies, defined channels and clearer accountability structures as outlined in our forward commitments below.

- To develop and formalize a written Code of Conduct covering business ethics, anti-bribery and anti-corruption principles, conflicts of interest and expected standards of behaviour for all employees.

- To establish an accessible whistleblowing or grievance channel that allows employees to raise concerns confidentially, supporting a culture of openness and accountability as UCPI grows.

UCPI is committed to building a governance framework that matches the growth and ambition of our business. While our practices today reflect the realities of an SME enterprise, we view strong, transparent governance as a long-term priority, one that will be progressively strengthened as we continue our ESG journey.

FUTURE PLAN

FY2025 has established UCPI's first comprehensive sustainability baseline across environmental, social and governance dimensions. As we move into FY2026, our focus shifts from measurement to management: translating this baseline into structured targets, formalized policies and measurable year-on-year improvement. The priorities outlined below consolidate the specific commitments detailed throughout this report and represent UCPI's roadmap for the year ahead.

Environmental Priorities

- Achieve at least 5% year-on-year reduction in paper consumption against the FY2025 baseline of 80 reams, supported by progressive digitalization of key operational documentation
- Maintain a 100% scheduled waste recycling rate while pursuing at least 1% year-on-year reduction in SW322 and SW409 volumes through source-level process optimization
- Evaluate the technical and financial feasibility of rooftop solar photovoltaic systems and rainwater harvesting at one or both facilities
- Replace ageing lighting infrastructure with LED alternatives across both plants

Social Priorities

- Introduce structured exit interviews to better understand voluntary turnover drivers, particularly among female employees
- Develop a formal Diversity, Equity and Inclusion policy for incorporation into UCPI's HR framework
- Expand training offerings for executive and management employees in sustainability, leadership and regulatory compliance
- Establish a formal annual CSR budget and set of focus areas, building on the FY2025 baseline of RM6,590 in community contributions

Governance Priorities

- Develop and formalize a written Code of Conduct covering business ethics, anti-bribery and anti-corruption principles, and conflicts of interest
- Establish an accessible, confidential whistleblowing and grievance channel

UCPI recognizes that credibility in ESG reporting comes not from ambition alone but from consistent delivery against stated commitments. We look forward to reporting transparently on our progress against each of these priorities in the FY2026 Sustainability Report.

CONCLUSION

This Sustainability Report represents UCPI's first formal, transparent account of where our business stands across ESG dimensions. It has not been an exercise in presenting a perfect picture. Rather, it has been an honest assessment of our current practices, strengths and the areas where we recognize meaningful work still lies ahead.

In FY2025, UCPI achieved several encouraging outcomes that we are proud to report: a 100% scheduled waste recycling rate, zero work-related injuries and zero LTI across both plants, zero confirmed incidents of corruption or regulatory penalties, and the establishment of a comprehensive sustainability data baseline across waste, energy, water, workforce, training and governance indicators. At the same time, we have been transparent about the areas requiring further development, including formalizing our business ethics policies and grievance mechanisms, and strengthening our stakeholder engagement practices.

As UCPI moves into FY2026, our second year of formal ESG reporting, we do so with a clear set of priorities, a stronger internal understanding of our sustainability profile and a genuine commitment to continuous improvement. Sustainability is not a single report or a single year's effort; it is an ongoing discipline that UCPI intends to embed progressively into how we manufacture, how we treat our people and how we govern our business.

We extend our sincere appreciation to our employees, customers, suppliers and all stakeholders who have supported UCPI throughout this inaugural reporting journey. Your continued trust motivates us to pursue sustainability with the same dedication to quality and improvement that has defined UCPI since our founding in 2015. We look forward to reporting on our progress against the commitments outlined in this report in our FY2026 Sustainability Report.

"FY2025 marks the beginning of UCPI's sustainability journey, not its destination. We move into FY2026 with honesty about where we stand and resolve about where we are going."



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