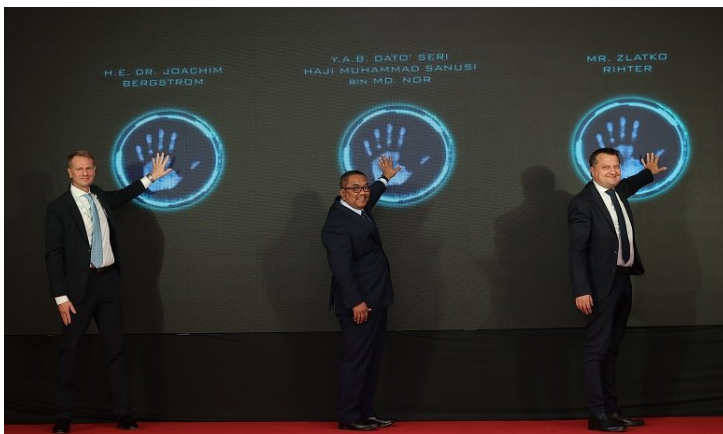


Malaysia supports sustainable surgical glove production in Kulim Hi-Tech Park

October 7, 2022 | Company results

Mölnlycke surgical glove manufacturing plant is supported by ENGIE and Veolia Water Technologies to achieve Malaysia's sustainability goals – WeCare roadmap, while creating innovative MedTech infrastructure stimulating the local economy.



Malaysia has been actively promoting and implementing sustainable development initiatives aligning with the National Investment Aspirations (NIA) and Sustainable Development Goals (SDG) principles. In line with this, leading medical product and solution company, Mölnlycke is committed to contributing to Malaysia's sustainability goals through its shared value creation WeCare roadmap, while creating innovative infrastructure to grow the local economy.

The new Mölnlycke plant in Kulim, Malaysia, is one of the four surgical gloves manufacturing facilities in the country. The new Mölnlycke facility is leveraged on its WeCare strategy as an integrated approach to sustainable growth, innovation, and productivity. With WeCare, Malaysia aims to achieve sustainable industrialisation while creating 400 new jobs within the state.

YAB Dato' Seri Haji Muhammad Sanusi bin Md Nor, Chief Minister of Kedah said, "Having Mölnlycke's new state-of-the-art factory in Kedah complements right prerequisites for sustainable production of high-quality surgical gloves".

Mölnlycke's headquartered in Gothenburg, Sweden, operates in more than 100 countries worldwide leveraging essential products range to healthcare professionals. By 2050, the sector will be transforming into a low-carbon economy and reaching 'Net zero Greenhouse Gas (GHG) emissions targets' throughout business practices. Providing high-quality surgical gloves with minimal environmental impact is one of Mölnlycke's strategic focus areas.

"NCIA is proud to facilitate Mölnlycke's expansion in the medical devices sector as it will accelerate the development of the high-technology and digitalisation ecosystem in Kulim Hi-Tech Park, which is classified as Northern Corridor Economic Region (NCER) Special Promoted Area. Mölnlycke's expansion on innovative and advanced products is in line with the government's efforts to create 500 high-skilled employment opportunities in the science and technology field, for the benefit of the rakyat" added Mohamad Haris Kader Sultan, CE, Northern Corridor Implementation Authority (NCIA).

The new state-of-Art production site:

Malaysia is core to Mölnlycke's surgical gloves business, with two of its factories manufacturing surgical gloves and the third packaging. The new plant at Kulim Hi-Tech Park, Kedah is designed to build a sustainable healthcare manufacturing ecosystem for high-quality surgical gloves in a cutting-edge automated glove production and packaging line.

The new surgical glove plant in Kulim Hi-Tech Park, is built with a total investment of EUR 50 million (RM233 million). With a total area of 29,164 square meters and a building footprint of 14,620 square meters, the newly constructed production facility is fully equipped with an automated glove production and packaging line. In addition to production lines, the site includes an administrative building housing R&D and laboratories facilities.

"Malaysia is very honoured that Mölnlycke, who has a long-term presence in Kedah, continues to expand in the Kulim Hi-Tech Park (KHTP). The establishment of Mölnlycke's new production facility in Malaysia is a mark of confidence in the continuous sustainable growth of the Malaysian economy and will be a boon for Malaysia to maintain its leadership position in the glove manufacturing sector. Once implemented, the company's state-of-the-art automated plant in Malaysia which has incorporated sustainable practices, would be exporting 100 per cent of its production for the global market, making Malaysia part of their key value chain internationally" said Datuk Wira Arham Abdul Rahman, CEO, Malaysian Investment Development Authority (MIDA).

This new plant will expand Mölnlycke's glove manufacturing capacity by 60% and help meet future demand for high-quality surgical gloves. The current initial production capacity is around 50 million pairs of surgical gloves per year. Once the production capacity reaches full capacity in 2026, the target will be 200 million pairs of surgical gloves per year.

"The new plant is a key part of our future plans for sustainable growth within the surgical gloves business. We will achieve this in a less resource-intensive way, while creating a state-of-the-art working environment for our colleagues in Malaysia," shared Zlatko Rihter, CEO, Mölnlycke (Sweden).

Breach detection indicator gloves - Studies indicate that as much as 92 percent of surgical glove punctures go unnoticed during surgery with single gloving. Using double gloves reduces the risk of surgical staff perforating an inner glove by 71 percent. Thus, Mölnlycke's double gloves strategy reduces the risk of blood contamination by 65 percent, compared to single gloves. It also reduces the risk of needlestick injury by up to 82 percent.

On this background, Mölnlycke has created an indicator glove which can significantly detect perforations during surgery by colouring the punctured area, from 23 percent in the single glove group to 36 percent in the combination glove group. Further to 90.2 percent in the indicator glove group. Using indicator double gloving will significantly detect glove punctures.

Partnerships for Sustainability:

The new manufacturing plant is constructed in partnership with global sustainability solutions providers, ENGIE and Veolia Water Technologies. Veolia's state-of-the art solutions will be assisting in improving the plant's water and wastewater management, effectively recycling water, and further improving the discharge quality to achieve a circular economy and to reduce waste in manufacturing processes. In addition, with Veolia's digitalised system, water consumption at the plant is expected to be reduced to 50 per cent.

Olivier Estienne, Country Director for Malaysia, Veolia Water Technologies says, "Veolia is firmly committed to championing ecological transformation. We are excited to partner with companies like Mölnlycke, who seek to establish sustainable practices and integrate a green mindset into their business. Our team is proud to be part of Mölnlycke's expansion plans in Malaysia and we look forward to more avenues to support their endeavour for greater sustainability and improved performance".

In the Asia-Pacific region, Veolia Water Technologies is committed to ecological transformations for sustainable practices with substantial contributions to the pharmaceutical, biopharmaceutical, and medical technology sectors. Using cutting-edge water expertise, its proprietary technology purifies industrial wastewater. Veolia's advanced technology can detect micro-pollutants in the wastewater discharged from Mölnlycke's glove manufacturing plant to convert it into a reusable purified water. Veolia is playing a crucial role in addressing sustainability requirements of the magnificent manufacturing plant and this contributes to Malaysia's goal towards sustainability.

Veolia's AnoxKaldnes™ Moving Bed Biofilm Reactor (MBBR) technology implements the biofilm principle, which uses microorganisms for the biological treatment of wastewater. The AnoxKaldnes MBBR technology enables growth of microorganisms on the surfaces of plastic carriers in the treatment reactor. As the carrier discs which are specially designed by Veolia, move through wastewater in the reactor, microorganisms utilize contaminants present in the effluent for their

biological activity. The proprietary design of the carriers ensures that a highly protected surface area is provided for the development of biofilm, enabling high treatment capacity in a very small footprint.

The carriers are made of durable high density polypropylene, eliminating the need to replace the bacterial culture media. Moreover, the flexibility of this patented technology makes it possible to design compact and efficient MBBR solutions for biological purification process installations.

Delighted to be partnering with Mölnlycke, Thomas Baudlot, CEO, Energy Solutions APAC and Country Head for Southeast Asia at Singapore based ENGIE, expressed that "ENGIE is proud to be the chosen long-term sustainability partner to Mölnlycke in accelerating their low-carbon journey in Malaysia. This project exemplifies how industry players can reap economic benefits by accelerating their energy transition with low-carbon solutions."