

SUSTAINABILITY REPORT FY2020

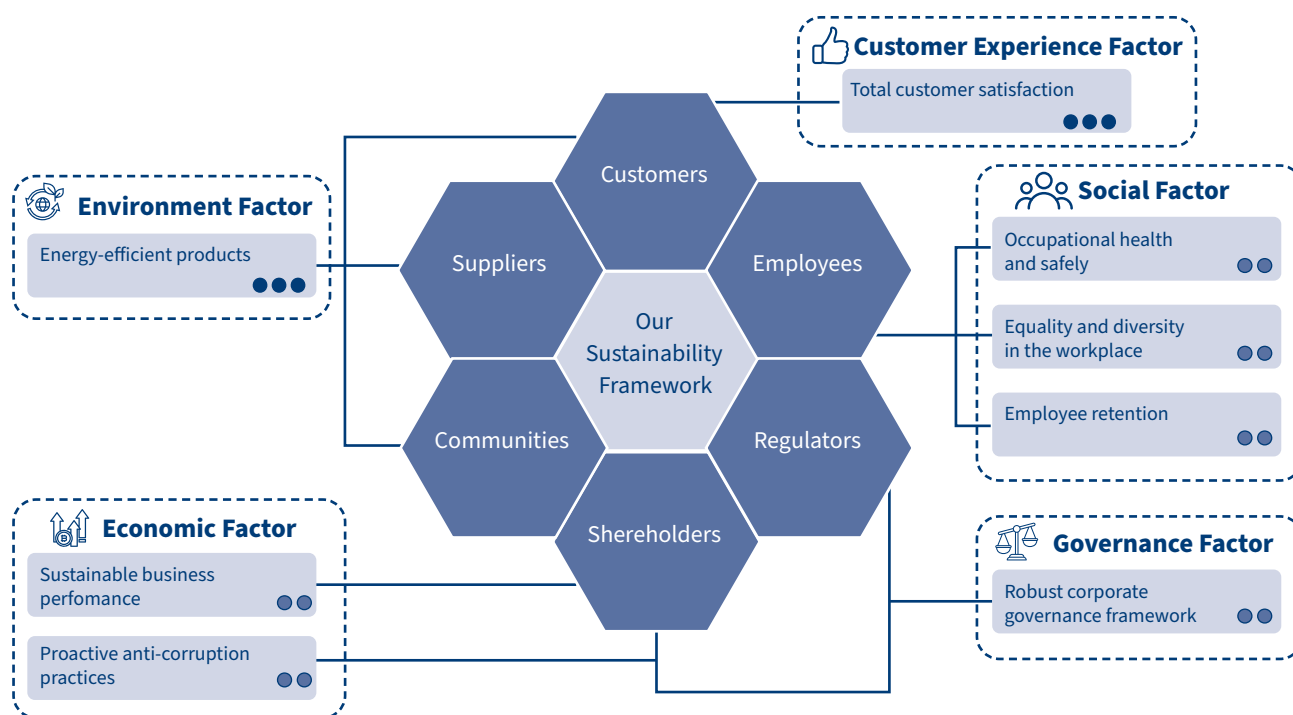
1. BOARD STATEMENT

We reaffirm our commitment to sustainability with the publication of our sustainability report (“Report”). For this Report, we provide insights into the way we do business, while highlighting our environmental, social, governance (“ESG”) factors and economic performance (collectively as “Sustainability Factors”).

Whilst mindful of our profit oriented objective, we are committed to strike a balance between growth, profit, governance, environment, the development of our people and well-being of our communities to secure the long-term future of our Group. This commitment is reflected in our sustainable business strategy and the material Sustainability Factors which are shown in this Report.

A sustainability policy (“SR Policy”) covering our sustainability strategies, reporting structure, materiality assessment and processes in identifying and monitoring material Sustainability Factors has been established and serves as a point of reference in the conduct of our sustainability reporting. Under this SR Policy, we will continue to monitor, review and update our material Sustainability Factors from time to time, taking into account the feedback that we receive from engagement with our stakeholders, organisational and external developments.

We work closely with our stakeholders in our value chain, comprising customers, suppliers, employees, communities, regulators and shareholders in deriving our sustainability strategy. An overview of our Sustainability Factors by stakeholder is as follows:



Reporting priority¹

●●● High ●● Medium ○ Low

¹ Reporting priority refers to the ranking assigned to each Sustainability Factor based on the level of concern to stakeholders and the significance of our impacts on the economy, environment and society. Refer to Section 8.3 for further details.

SUSTAINABILITY REPORT FY2020

A summary of our sustainability performance in FY2020 is as follows:

S/N	Material factor and reporting priority	Sustainability performance	Our efforts
Customer experience			
1	Total customer satisfaction ●●●	Product defect rate is less than 1%	Meet customers' needs through reliable products, comprehensive product range, presence, proximity, expertise and product improvements
Economic			
2	Sustainable business performance ●●	<ul style="list-style-type: none"> Revenue is S\$44.9 million Profit attributable to owners of the parent is S\$2.2 million No dividends have been declared by the Board for the financial year ended 31 December 2020 as the Board has opted to conserve cash to face the challenge of the global economic crisis caused by the Coronavirus disease 2019 ("COVID-19" or "Pandemic") 	Create long-term economic value for shareholders through consistent profits and dividend payments
3	Proactive anti-corruption practices ●●	There is no incident of serious offence	A code of conduct is in place to guide corporate behaviour and establish a whistle blowing channel for employees to raise concerns about possible improprieties
Environmental			
4	Energy-efficient products ●●●	All our products have attained the IE3 Premium Efficiency or IE4 Super Premium Efficiency and Premium Standards efficiency levels	Ensure products comply with market recognised efficiency level standards
Social			
5	Occupational health and safety ●●	There is no incident of workplace accident	<ul style="list-style-type: none"> Safety rules and regulations and safety committee are in place Safety inspections are performed regularly by safety officers Conduct briefings on safety procedures during orientation for new employees Regularly monitor workplace accidents and corrective action plans are established
6	Equality and diversity in the workplace ●●	<ul style="list-style-type: none"> Ratio of female against male employees is 23% Ratio of employees who are at least 40 years old is more than 50% 	Select employees based on merit and competency

SUSTAINABILITY REPORT FY2020

S/N	Material factor and reporting priority	Sustainability performance	Our efforts
Social			
7	Employee retention ●●	<ul style="list-style-type: none"> 44% of employees served more than 10 years with us 100% of employees received regular performance reviews Turnover rate is 23% and the increase is mainly attributable to retirement and rightsizing of our workforce in light of the Pandemic. 	Conduct regular appraisal exercises and training courses
Governance			
8	Robust corporate governance framework ●●	SGTI score is 72	A risk management framework is in place

We face uncertainties as a result of the Pandemic which affected our operations. To counter the adverse impact of the Pandemic on our operations, we have channelled our efforts towards strategic planning and human resource management. Given the uncertain outlook, we are monitoring the impact of the Pandemic and will remain vigilant during this challenging period.

Looking forward, we intend to control our costs prudently, look for all opportunities to generate revenue, introduce new and innovative products to the market. We believe that our brand name recognition, strong inventory position and access to Group manufacturing sites globally will tide us through this challenging period and allow us to stay on course in our sustainability journey. We have detailed our responses to the impact of the Pandemic in the relevant sections of this Report.

2. VISION, MISSION AND CORE VALUES

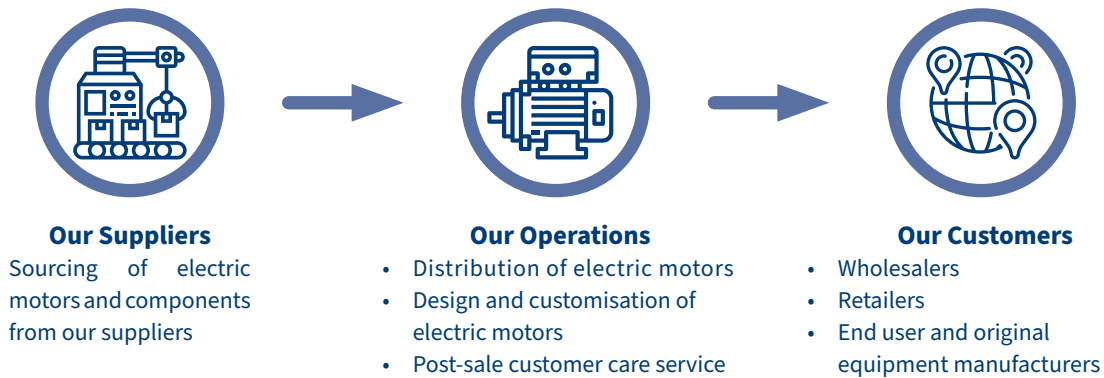
Path to sustainability 		
Core Values	Mission	Vision
<ul style="list-style-type: none"> Passion driven People focused Principal centered 	<ul style="list-style-type: none"> To develop innovative adaptable and robust product designs through our in-depth engineering knowledge while growing our customer partnerships and service network worldwide To nurture our people and maintain a safe working environment To be socially and environmentally responsible whilst maintaining economic growth 	To be a globally recognised brand that shapes the future of electronic motors by developing reliable and energy-efficient products that keep the wheels of industry turning

Our vision and mission are driven by our core values and our path to sustainability is closely aligned with our vision, mission and core values with our Sustainability Factors and strategies bringing us to where we envision ourselves to be. Refer to Section 9 for more details on the alignment of our material Sustainability Factors with our vision, mission and core values.

SUSTAINABILITY REPORT FY2020

3. OUR BUSINESS

We work closely with our suppliers for the distribution of electric motors to various users via established sales channels. To meet customer needs, we offer customisation of the electric motors and provide customer services to our customers through our network of service centres.



4. REPORTING FRAMEWORK

This Report has been prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core option and the Singapore Exchange Securities Trading Limited (“SGX-ST”) listing rules 711A and 711B. We have chosen to report using the GRI Standards: Core option as it is an internationally recognised reporting framework. The GRI content index can be found at the Appendix 2 of this Report.

As part of our continual efforts to align our sustainability reporting with relevant market standards, we have mapped our sustainability efforts to the 2030 Agenda for Sustainable Development which is adopted by all United Nations Member States in 2015 (“UN Sustainability Agenda”). The UN Sustainability Agenda provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (“SDGs”), which form an urgent call for action by all countries - developed and developing - in a global partnership. We have incorporated the SDGs, where appropriate, as a supporting framework to shape and guide our sustainability strategy.

5. REPORTING PERIOD AND SCOPE

This Report is applicable for our financial year ended 31 December 2020 (“FY2020” or “Reporting Period”). A sustainability report will be published annually in accordance with our SR Policy.

This Report covers all the entities within our Group which serves our markets in the United Kingdom (“UK”), Middle East, North America, Asia Pacific and European Union (collectively referred to as “Key Markets”).

6. FEEDBACK

We welcome feedback from all stakeholders on this Report. You may send related questions, comments, suggestions or feedback to our investor relations email account: mgt@brookcromptonholdings.com

SUSTAINABILITY REPORT FY2020

7. STAKEHOLDER ENGAGEMENT

Our efforts on sustainability are focused on creating sustainable value for our key stakeholders, which comprise customers, employees, regulators, shareholders and suppliers. Key stakeholders are determined for each material factor identified, based on the extent of which they can affect or are affected by our operations.

We actively engage our key stakeholders through the following channels:

S/N	Key Stakeholder	Engagement channel	Frequency of engagement	Key concern raised by stakeholder
1	Customers	<ul style="list-style-type: none"> Face-to-face meetings Email communication Phone calls Tele-conferences 	Regularly	<ul style="list-style-type: none"> Product quality and reliability Customer service standards Product delivery
2	Communities	Annual reports Investor relations email account	Annually Ongoing	Environmental protection
3	Employees	Staff evaluation sessions Town hall meetings	Annually Regularly	<ul style="list-style-type: none"> Equal employment opportunity Job security Remuneration Employee benefits and rewards
4	Regulators	Consultations and briefings organised by key regulatory bodies such as the SGX-ST and relevant government agencies/ bodies	As and when required	<ul style="list-style-type: none"> Corporate governance Environmental compliance
5	Shareholders	Announcements on SGXNET <ul style="list-style-type: none"> Company's website Investor relations email account Business publications Investor relation events Annual general meetings Annual reports	Half-yearly Ongoing Annually	<ul style="list-style-type: none"> Sustainable business performance Market valuation Dividend payment Corporate governance
6	Suppliers	<ul style="list-style-type: none"> Face-to-face meetings Vendor conferences and events Suppliers' evaluation and feedback sessions	Regularly Annually	Demand and pricing volatility

Through the above channels, we seek to understand the views of key stakeholders, communicate effectively with them and respond to their concerns.

SUSTAINABILITY REPORT FY2020





8. POLICY, PRACTICE AND PERFORMANCE REPORTING

8.1 Reporting Structure

Our sustainability strategy is developed and directed by the senior management in consultation with the Board of Directors. Our senior management, as led by our Chief Executive Officer, is tasked to develop the sustainability strategy, review our material impacts, consider stakeholder priorities and set goals and targets, as well as collect, verify, monitor and report performance data for this Report.




8.2 Sustainability Reporting Processes

Under our SR policy, our sustainability process begins with the identification of relevant factors. Relevant factors are then prioritised as material factors which are then validated. The end result of this process is a list of material Sustainability Factors disclosed in this Report. A brief description of the processes is shown below:

	Identification	Identification of the material factors that are relevant to our Group's activities and data points for performance reporting
	Prioritisation	Prioritisation of the material factors and identification of key sustainability factors to be reported
	Validation	Validation involves the verification of information and data gathered on material factors and to perform an assessment on the completeness of key sustainability factors to finalise the sustainability report content
	Review	Monitor, review and update our material factors from previous reporting period, taking into account the feedback received from engagement with stakeholders, organisational and external developments

8.3 Materiality Assessment

Under our SR Policy, each Sustainability Factor is assigned a reporting priority that determines the actions required as illustrated in the table below:

Reporting priority	Description	Criteria
	High	Factors with high reporting priority are reported in detail.
	Medium	Factors with medium reporting priority are considered for inclusion in the Report. They may not be included in this Report if not material.
	Low	Factors with low reporting priority may be reported to fulfil regulatory or other reporting requirements. They are not included in this Report if not material.

The reporting priority is supported by a material factor matrix which considers the level of concern to stakeholders ("Stakeholders' Concern") and significance of our impacts on the economy, environment and society ("Business Impact").

8.4 Performance tracking and reporting

We track the progress of our material factors by identifying the relevant data points, measuring and monitoring them. In addition, we set performance targets that are aligned with our strategy to ensure that we remain focused in our path to sustainability. We shall consistently enhance our performance-monitoring processes and improve our data capture systems. Our sustainability trends can be found in the Appendix 1 of this Report.

SUSTAINABILITY REPORT FY2020

9. MATERIAL FACTORS

The materiality assessment performed for FY2020 involved our Group's Senior Management in identifying sustainability factors deemed material to our businesses and stakeholders so as to allow us to channel our resources judiciously to create sustainable value for our stakeholders.

Presented below is a list of material Sustainability Factors applicable to our Group:

[List of material Sustainability Factors](#)

S/N	Material factor	Mission	SDG	Reporting priority	Key stakeholder
Customer experience					
1	Total customer satisfaction	<ul style="list-style-type: none"> Develop innovative adaptable and robust product designs Grow customer partnerships and service network 	Decent work and economic growth	●●●	Customers
Economic					
2	Sustainable business performance	Maintain economic growth	Decent work and economic growth	●●	Shareholders
3	Proactive anti-corruption practices	Maintain economic growth	Peace, justice and strong institutions	●●	<ul style="list-style-type: none"> Shareholder Regulators
Environmental					
4	Energy-efficient products	<ul style="list-style-type: none"> Develop innovative adaptable and robust product designs Be environmentally responsible 	Affordable and clean energy	●●●	<ul style="list-style-type: none"> Customers Communities Suppliers
Social					
5	Occupational health and safety	Maintain safe working environment	Good health and well-being	●●	Employees
6	Equality and diversity in the workplace	Nurture our people	Reduced inequalities	●●	Employees
7	Employee retention	Nurture our people	Decent work and economic growth	●●	Employees
Governance					
8	Robust corporate governance framework	Maintain economic growth	Peace, justice and strong institutions	●●	Shareholders Regulators

SUSTAINABILITY REPORT FY2020

Material factor matrix



We will update the material factors on an annual basis to reflect changes in business operations, environment, stakeholders' feedback and sustainability trends. The details of each material Sustainability Factor are presented as follows:

9.1 Total customer satisfaction

In line with our mission to develop innovative adaptable and robust product designs, grow our customer partnership and service network worldwide, we are committed to provide value to our customers through the following strategies:

Offering reliable and efficient products

We aim to deliver the best to our customers by providing them with reliable and efficient products.

On product reliability, our products are certified under various internationally recognised quality standards with details as follows:

Standard/ certification	Area
ISO 9001	Covers quality management systems and functions within the organisation, including designs, development, production, installation and servicing
IEC 60034-5	Demonstrate protection from particles and a good level of protection against water
<ul style="list-style-type: none"> ATEX certificate IEC Ex Certificate 	Regulate product safety in explosive atmosphere
<ul style="list-style-type: none"> UL Certificate CSA Certificate 	Regulate product safety in safe and explosive atmospheres

In keeping up with our commitment to product quality, we conduct regular on-site inspections of supplier's manufacturing facilities to ensure that guidelines and customer specifications are adhered to. In addition, we track product defect level diligently and this is measured by the amount of warranty claims made to as a percentage of total purchases. During the Reporting Period, we successfully maintained a product defect rate of less than 1% (FY2019: less than 1%).

SUSTAINABILITY REPORT FY2020

With regards to product efficiency, we believe that offering products that are highly efficient helps our customers to achieve lower long-term cost ownership and also to preserve the environment through lower emissions. Refer to Section 9.4 Energy-efficient products for more details.

Offer a comprehensive product range that meets customers' needs

We offer a wide range of electric motors for operations in safe area segments, hazardous atmospheres and hostile environments to meet our customers' varied needs. Refer to our product applications disclosed in this Annual Report and also a comprehensive list of our products at our corporate website: <http://www.brookcrompton.com>

Maintain presence and proximity

Through our global network of sales offices and warehouses in the Key Markets, we are able to better serve our customers through:

- Customising our products to meet the requirements of our customers so as to build trust and confidence in our brand and products. With our extensive technical knowledge and experience, we are able to design bespoke products that meet individual customer's specifications; and
- Providing efficient and effective post-sale customer care services.

Our service centres are typically located alongside solution distribution centres in our Key Markets to bring us closer to our customers. Refer to the geographical presence of this annual report for further details.

Nurture a team of experienced employees

With over 110 years of technical and design expertise, our global footprint is driven by a core regional team and experienced professional staff that supports our operations in the development and delivery of complex end-to-end turnkey solutions to our clients.

For information on employees' years of service to our Group, please refer to Section 9.7 Employee retention.

Improving our products through gathering continuous feedback

We recognise the need to constantly develop new and better products that meet our clients' requirements. Customer feedback is collected from various channels such as face-to-face meetings, visits, email communications, phone calls and teleconferences. Feedback collected is mined to gather valuable insights into current and future customer requirements. Insights gathered are discussed during regular management meetings to drive product improvements, enhance service level and provide inputs for strategies.

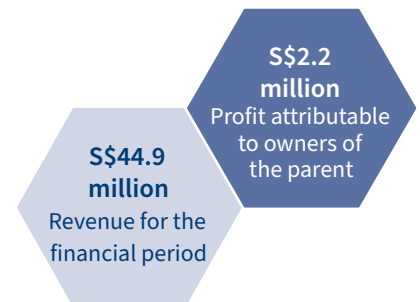
Target for FY2020	Performance in FY2020	Target for FY2021
<ul style="list-style-type: none"> • Maintain or improve market presence • Improve or maintain product defect rate 	Target met as follows: No material changes in market presence and product defect rate	<ul style="list-style-type: none"> • Maintain or improve market presence • Improve or maintain product defect rate

SUSTAINABILITY REPORT FY2020

9.2 Sustainable business performance

We believe in creating long-term economic value for shareholders by rewarding shareholders by way of consistent profits and dividend payments.

For FY2020, our Group has recorded revenue of S\$44.9 million (FY2019: S\$46.7 million) and generated S\$2.2 million (FY2019: S\$3.9 million) of profit attributable to owners of the parent. No dividend (FY2019: 2.0 Singapore cents per ordinary share) is declared for FY2020 as the Board has opted to conserve cash in light of the global economic crisis caused by the Pandemic. We will continue to focus on controlling our costs prudently and look for opportunities to invest for growth.



Details of our Group's economic performance can be found in the financial contents and audited financial statements of this Annual Report.

Target for FY2020	Performance in FY2020	Target for FY2021
Maintain or improve our financial performance while retaining our dividend rate where applicable	Target not met as follows: <ul style="list-style-type: none"> In light of the Pandemic, revenue and profit attributable to owners of the parent have declined. No dividends have been declared by the Board as the Board has opted to conserve cash to face the challenge of the global economic crisis caused by the Pandemic 	Maintain or improve our financial performance subject to market conditions

9.3 Proactive anti-corruption practices

We are committed to carry out business with integrity by avoiding corruption in any form, including bribery, and complying with the Prevention of Corruption Act of Singapore.

We have implemented a whistle blowing policy to provide a mechanism for employees to raise concerns through accessible confidential disclosure channels about possible improprieties in matters of financial reporting and others. In addition, a code of conduct is in place to provide guidance on business culture and corporate behaviour. In FY2020, there are no reported incidents of serious offence² (FY2019: zero incident).

Target for FY2020	Performance in FY2020	Target for FY2021
Maintain zero incident of serious offence	Target met as follows: There is no incident of serious offence	Maintain zero incident of serious offence

² A serious offence is defined as one that involves fraud or dishonesty amounting to not less than S\$100,000 and punishable by imprisonment for a term of not less than 2 years which is being or has been committed against the Company by officers or employees of the Company.

SUSTAINABILITY REPORT FY2020

9.4 Energy-efficient products

To ensure the sustainability of our business, we firmly believe in preserving the environment. Thus, we are committed to providing energy efficient products that contribute to the reduction of environmental impacts.

Such products include a range of energy efficient motors that comply with market recognised international standards as follows:

Organisation	Efficiency level	Percentage of products with the efficiency level	Region
IEC	<ul style="list-style-type: none"> IE3 Premium Efficiency IE4 Super Premium Efficiency 	100%	<ul style="list-style-type: none"> UK Middle East Asia Pacific European Union
Nema	Premium Standards	100%	North America

Efficiency level aims to measure the ratio of usable shaft power (output) to electric input power (input). Our products have attained the IE3 Premium Efficiency or IE4 Super Premium Efficiency and Premium Standards efficiency levels under IEC and Nema respectively.

Typically, electric motor systems consume large amount of electrical energy with the related cost contributing a high proportion of total motor operating costs over the motor's lifetime. An improvement in efficiency could result in significant energy and cost savings which will also reduce greenhouse gas emissions that contribute to climate change.

Target for FY2020	Performance in FY2020	Target for FY2021
Maintain or improve products' energy efficiency	Target met as follows: All our products have attained the IE3 Premium Efficiency or IE4 Super Premium Efficiency and Premium Standards efficiency levels under IEC and Nema respectively	Maintain or improve products' energy efficiency

9.5 Occupational health and safety

In our daily operations, our workers have to handle heavy lifting equipment such as a forklift to transfer inventories at our warehouses and machineries to modify our motor products. Accordingly, we are committed to maintain a safety-conscious culture amongst our employees.

The measures implemented to manage health and safety in the workplace environment are as follows:

- A set of safety rules and regulations is in place;
- A safety committee is in place and safety inspections are performed regularly by safety officers and reported to senior managers;
- All new employees are briefed on safety procedures during orientation; and
- Regularly track and monitor accidents at the workplace and corrective action plans are established to prevent recurrences of the accidents.

Our top priority lies with the health and safety of our employees and we strongly encourage our employees to work from home due to concerns over the spread of the Pandemic. Other measures implemented include segregating our employees into teams to minimise interaction, conducting temperature screening, requiring our employees to wear masks and enforcing social distancing measures.

SUSTAINABILITY REPORT FY2020

During the Reporting Period, we recorded zero (FY2019: zero) fatal workplace injury and non-fatal workplace injury³.

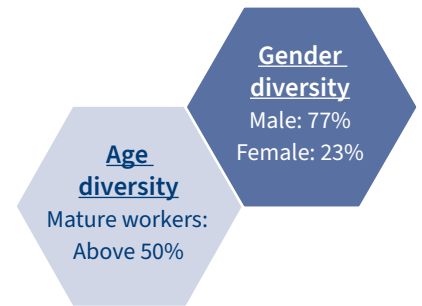
Target for FY2020	Performance in FY2020	Target for FY2021
Maintain zero workplace accident	Target met as follows: There is no incident of workplace accident.	Maintain zero workplace accident

9.6 Equality and diversity in the workplace

To inspire and nurture our people, we are committed to the goals of diversity and equal opportunity in employment by providing a work environment for our employees that fosters fairness, equity and respect for social and cultural diversity, regardless of their gender and age. The total number of full-time employees within our Group as at 31 December 2020 is 64 (FY2019: 69).

On gender diversity, the percentage of females over total permanent employees is 23% (FY2019: 19%) as at 31 December 2020.

On age diversity, matured workers are valued for their experience knowledge and skills. As at 31 December 2019, more than half (FY2019: above 50%) of our workforce is at least 40 years old.



To promote equal opportunity, we have implemented various human resource measures as follows:

- Staff assessment is performed regularly to evaluate the performance of employees and their remuneration is adjusted where justifiable;
- Staff recruitment advertisements do not state age, race, gender or religion preferences as requirement; and
- A discrimination and harassment guidelines is in place to support our overall commitment to equal employment opportunity without discrimination.

Target for FY2020	Performance in FY2020	Target for FY2021
Move towards a more balanced gender and age ratio	Target met as follows: No material changes in diversity ratios	<ul style="list-style-type: none"> • Ratio of female against male employees should not fall below 15% • Ratio of employees with age 40 and above should not fall below 50%

3 A non-fatal workplace injury is defined as one whereby an employee is injured in a work accident resulting in (i) hospitalisation of at least 24 hours and/or (ii) an issuance of a medical certificate of more than 3 days (need not be consecutive)

SUSTAINABILITY REPORT FY2020

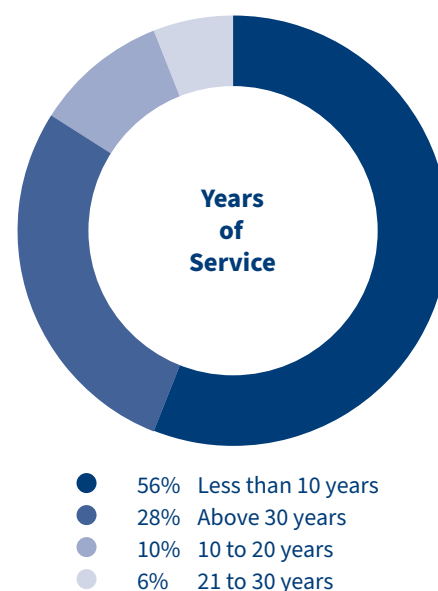
9.7 Employee retention

The continual success of our business depends on a team of professional, skilled and experienced staff and managers.

In line with our mission to inspire and nurture our people, we are committed to employee retention through the following efforts:

- Employees are engaged regularly via various channels such as appraisal exercises which allows employees to gain feedback on their career progress. This also encourages them to take self-initiated actions to improve their capabilities. During the Reporting Period, 100% (FY2019: 100%) of employees received regular performance reviews.
- In-house and external training courses are organised regularly for employees to improve their professional skills. For example, a systematic training program is in place in UK and North America to equip staff with the needed product and service knowledge.

We believe that a low turnover improves the sustainability of operations and allows us to contribute positively to the development of social and human capital in a wider community. As at 31 December 2020, our turnover rate⁴ is 23% (FY2019: 6%) and 44% (FY2019: 38%) of the employees have served more than 10 years with us. The increase in turnover rate is mainly attributable to retirement and rightsizing of our workforce in light of the Pandemic.



Target for FY2020

Improve or maintain performance measures identified on staff retention

Performance in FY2020

Target partially met as follows:

- 44% of employees served more than 10 years with us;
- 100% of employees received regular performance reviews; and
- Turnover rate is 23% and the increase is mainly attributable to retirement and rightsizing of our workforce in light of the Pandemic.

Target for FY2021

- Maintain proportion of staff who receives performance and career development reviews
- Improve or maintain performance measures identified on staff retention

9.8 Robust corporate governance framework

We are committed to high standards of corporate governance and believe that a high standard of corporate governance is integral in ensuring sustainability of our business as well as safeguarding shareholders' interests and maximising long-term shareholder's value.

We have put in place a risk management framework ("ERM framework"). We regularly assess and review our Group's business and operational environment to better identify and manage emerging and strategic sustainability risks.

Our overall Singapore Governance and Transparency Index ("SGTI") score assessed by National University of Singapore Business School is 72 for the year 2020. (year 2019: 70).

4 Turnover rate is calculated by dividing the total number of leavers by the average number of employees from entities covered





SUSTAINABILITY REPORT FY2020

You may refer to Corporate Governance Report of this Annual Report for details for our corporate governance practices.

Target for FY2020	Performance in FY2020	Target for FY2021
Maintain or improve SGTI score	Target met as follows: SGTI score assessed by National University of Singapore Business School increased to 72	SGTI score should not fall below 65 points

10. SUPPORTING THE UN SUSTAINABLE DEVELOPMENT GOALS

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (“SDGs”), which form an urgent call for action by all countries – developed and developing – in a global partnership. We believe that everyone plays an important role in advancing sustainable development and in order to align our business objectives with the SDGs, we have identified a number of SDGs which we can contribute to through our business practices, products and services. The SDGs that we focus on and the related Sustainability Factors are as follows:

	SDG	Our effort
 <p>3 GOOD HEALTH AND WELL-BEING</p>	Ensure healthy lives and promote well-being for all at all ages	Section 9.5 Occupational health and safety We adopt safety measures and procedures to avoid accidents that are preventable and in so doing, maintain the well-being and safety of our workers.
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	Ensure access to affordable, reliable, sustainable, and modern energy for all	Section 9.4 Energy efficient products We continuously strive to offer energy efficient products that comply with market-recognised international standards, improve energy efficiency rate of our products which contribute to sustainable development.
 <p>10 REDUCED INEQUALITIES</p>	Reduce inequality within and among countries	Section 9.6 Equality and diversity in the workplace We build a working environment in which employees can enjoy equal opportunities regardless of age, and gender.
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective accountable and inclusive institution at all levels	Section 9.3 Proactive anti-corruption practices We adopt a zero-tolerance approach on corruption through various practices that ensure transparency and integrity of our business. Section 9.8 Robust corporate governance framework We maintain a high standard of corporate governance to safeguard our shareholders’ interests which aim to maximise long-term economic value for our shareholders.

SUSTAINABILITY REPORT FY2020

APPENDIX 1 SUSTAINABILITY TRENDS

S/N	Performance indicator	Sustainability performance		
		FY20	FY19	FY18
Total customer satisfaction				
1	Product defect rate	Less than 1%	Less than 1%	1.1%
Sustainable business performance				
2	Revenue	S\$44.9 million	S\$46.7 million	S\$47.6 million
3	Profit attributable to owners of the parent	S\$2.2 million	S\$3.9 million	S\$3.6 million
4	Dividend	0	2.0 Singapore cents	2.0 Singapore cents
Proactive anti-corruption practices				
5	Number of incidents of serious offence	0	0	0
Energy-efficient products				
6	Percentage of products that attained efficiency level under relevant international standards	100%	100%	100%
Occupational health and safety				
7	Number of non-fatal workplace injury ⁵	0	0	1
Equality and diversity in the workplace				
8	Ratio of female against total full-time employees	23%	19%	23%
9	Ratio of employees who are at least 40 years old	Above 50%	Above 50%	Above 50%
Employee retention				
10	Percentage of employee receiving regular performance and career development reviews	100%	100%	100%
11	Turnover rate	23%	6%	- ⁶
12	Years of service (more than 10 years)	44%	38%	48%
Robust corporate governance framework				
13	SGTI score	72 points	70 points	53 points

5 A non-fatal workplace injury is defined as one whereby an employee is injured in a work accident resulting in (i) hospitalisation of at least 24 hours and/or (ii) an issuance of a medical certificate of more than 3 days (need not be consecutive)

6 Not applicable as this is newly disclosed performance indicator in FY2020

SUSTAINABILITY REPORT FY2020

APPENDIX 2 GRI CONTENT INDEX

GRI standard & disclosure title		Section reference	Refer to pages in FY2020 Annual Report
Organisational profile			
102-1	Name of the organisation	Cover page	–
102-2	Activities, brands, products, and services	<ul style="list-style-type: none"> Corporate Profile Product Application Industrial Application 	001 010 011
102-3	Location of headquarters	<ul style="list-style-type: none"> Corporate Information Financial Contents > Notes to Financial Statements > General Corporate Information 	012 067
102-4	Location of operations	Geographical Presence	003
102-5	Ownership and legal form	<ul style="list-style-type: none"> Financial Contents > Notes to Financial Statements > General Corporate Information Financial Contents > Notes to Financial Statements > Subsidiaries Analysis of Shareholdings 	067 085-086 127-129
102-6	Markets served	<ul style="list-style-type: none"> Corporate Profile Geographical Presence Sustainability Report > Reporting Period and Scope 	001 003 033
102-7	Scale of the organisation	<ul style="list-style-type: none"> Financial Highlights Sustainability Report > Material Factors > Sustainable Business Performance Sustainability Report > Material Factors > Equality and Diversity in the Workplace Financial Contents > Statements of Financial Position Financial Contents > Consolidated Statement of Profit or Loss Financial Contents > Consolidated Statement of Comprehensive Income 	002 039 041 059-060 061 062
102-8	Information on employees and other workers	Sustainability Report > Material Factors > Equality and Diversity in the Workplace	041
102-9	Supply chain	<ul style="list-style-type: none"> Corporate Profile Sustainability Report > Our Business 	001 033
102-10	Significant changes to the organisation and its supply chain	There were no significant changes to the organisation and its supply chain during the reporting period	–
102-11	Precautionary Principle or approach	None	–
102-12	External initiatives	Sustainability Report > Supporting the UN Sustainable Development Goals	043
102-13	Membership of associations	None	–
Strategy			
102-14	Statement from senior decision-maker	Sustainability Report > Board Statement	030-032

SUSTAINABILITY REPORT FY2020

GRI standard & disclosure title		Section reference	Refer to pages in FY2020 Annual Report
Ethics and integrity			
102-16	Values, principles, standards, and norms of behaviour	<ul style="list-style-type: none"> Corporate Governance Report Sustainability Report > Vision, Mission and Core Values Sustainability Report > Material Factors > Robust Corporate Governance Framework 	013-029 032 042-043
Governance			
102-18	Governance structure	<ul style="list-style-type: none"> Corporate Governance Report Sustainability Report > Policy, Practice and Performance Reporting > Reporting Structure 	013-029 035
Stakeholder engagement			
102-40	List of stakeholder groups	Sustainability Report > Stakeholder Engagement	034
102-41	Collective bargaining agreements	None of our employees are covered by collective bargaining agreements	–
102-42	Identifying and selecting stakeholders	Sustainability Report > Stakeholder Engagement	034
102-43	Approach to stakeholder engagement	Sustainability Report > Stakeholder Engagement	034
102-44	Key topics and concerns raised	<ul style="list-style-type: none"> Sustainability Report > Stakeholder Engagement Sustainability Report > Material Factors > Total Customer Satisfaction 	034 037-038
Reporting practice			
102-45	Entities included in the consolidated financial statements	<ul style="list-style-type: none"> Corporate Structure Financial Contents > Notes to Financial Statements > Subsidiaries 	003 085-086
102-46	Defining report content and topic Boundaries	Sustainability Report > Policy, Practice and Performance Reporting > Sustainability Reporting Processes	035
102-47	List of material topics	Sustainability Report > Material Factors	036-043
102-48	Restatements of information	None	–
102-49	Changes in reporting	None	–
102-50	Reporting period	Sustainability Report > Reporting Period and Scope	033
102-51	Date of most recent report	Annual Report 2019 > Sustainability Report	–
102-52	Reporting cycle	Sustainability Report > Reporting Period and Scope	033
102-53	Contact point for questions regarding the report	Sustainability Report > Feedback	033
102-54	Claims of reporting in accordance with the GRI Standards	<ul style="list-style-type: none"> Sustainability Report > Reporting Framework Sustainability Report > GRI Content Index 	033 045-047
102-55	GRI content index	Sustainability Report > GRI Content Index	045-047
102-56	External assurance	We may seek external assurance in the future	–

SUSTAINABILITY REPORT FY2020

GRI standard & disclosure title		Section reference	Refer to pages in FY2020 Annual Report
Management approach			
103-1	Explanation of the material topic and its Boundary	Sustainability Report > Material Factors	036-043
103-2	The management approach and its components	<ul style="list-style-type: none"> Sustainability Report > Board Statement Sustainability Report > Policy, Practice and Performance Reporting Sustainability Report > Material Factors 	030-032 035 036-043
103-3	Evaluation of the management approach	Sustainability Report > Material Factors	036-043
Category: Economic			
201-1	Direct economic value generated and distributed	<ul style="list-style-type: none"> Financial Highlights Sustainability Report > Material Factors > Sustainable Business Performance Financial Contents > Statements of Financial Position Financial Contents > Consolidated Statement of Profit or Loss Financial Contents > Consolidated Statement of Comprehensive Income 	002 039 059-060 061 062
205-3	Confirmed incidents of corruption and actions taken	Sustainability Report > Material Factors > Proactive Anti-Corruption Practices	039
Category: Environmental			
302-5	Reduction in energy requirements of products and services	Sustainability Report > Material Factors > Energy-Efficient Products	040
Category: Social			
401-1	New employee hires and employee turnover	Sustainability Report > Material Factors > Employee Retention	042
403-9	Work-related injuries	Sustainability Report > Material Factors > Occupational Health and Safety	040-041
404-3	Percentage of employees receiving regular performance and career development reviews	Sustainability Report > Material Factors > Employee Retention	042
405-1	Diversity of governance bodies and employees	Sustainability Report > Material Factors > Equality and Diversity in the Workplace	041