



EXCELPOINT TECHNOLOGY LTD.

ENABLING SUSTAINABILITY WITH OUR VALUES

SUSTAINABILITY REPORT 2020

CONTENTS

01

CONTENTS

02

ABOUT EXCELPPOINT
TECHNOLOGY LTD.

04

MESSAGE FROM OUR CHAIRMAN
AND GROUP CEO

06

ABOUT THIS REPORT

09

STAKEHOLDERS

13

SUSTAINABILITY STRATEGY

17

MARKETPLACE

21

PEOPLE

27

ENVIRONMENT

29

COMMUNITY

32

ECONOMIC PERFORMANCE

34

GRI CONTENT INDEX

ABOUT EXCELPPOINT TECHNOLOGY LTD.

(Company Registration No. 200103280C)

Excelpoint Technology Ltd. (the “Company”) and its subsidiaries (“Excelpoint” or the “Group”) are one of the leading regional business-to-business platforms providing quality electronic components, engineering design services and supply chain management to original equipment manufacturers, original design manufacturers and electronics manufacturing services in the Asia Pacific region. Excelpoint has been recognised in the top 25 Global Electronics Distributors and top Global Distributors lists by Electronic Business News (“EBN”), an online community for global supply chain professionals and Electronics Purchasing Strategies (“EPS”), a US-based information and data portal and resource centre for electronics and supply chain industries.

Excelpoint works closely with its principals to create innovative solutions to complement its customers’ products and solutions. Aimed at improving operational efficiency and cost competitiveness, it has research and development (“R&D”) centres in Singapore, China and Vietnam helped by a team of professional engineers.

Established in 1987 and headquartered in Singapore, Excelpoint has more than 650 employees.

OUR POSITIONING

As a value-added partner to our principals and customers, we aim to bridge the electronics technology value chain closer together as a total solution and service provider.

We create new value propositions for our principals and customers through R&D, bringing products to market in the shortest time possible.

We believe in creating a positive working relationship with our stakeholders and building tomorrow’s future together.

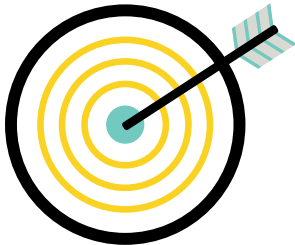
Our Role in the Electronics Technology Value Chain



ABOUT EXCELPOINT TECHNOLOGY LTD.

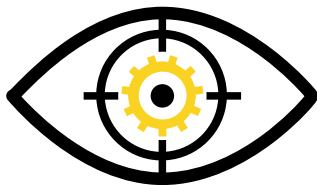
(Company Registration No. 200103280C)

OUR VISION, OUR MISSION, OUR CORE VALUES



OUR VISION

To be the leading value-added partner to electronics manufacturers and industrial companies in the Asia Pacific region.



OUR MISSION

To be the key link between our principals and customers as the leading total solutions provider and continuously creating value for our stakeholders through:

- **Innovation**

Drive innovation across our entire organisation and supply chain to create and enhance solutions to support the current and future demands of our customers.

- **Sustainability Planning**

Maintain strong business controls and effective risk management policies to drive good performance for the long-term sustainability of the business and shareholder value.

- **Nurturing Human Capital**

Nurture a company of talents and leaders with strong values and professionalism.



OUR CORE VALUES

PASSION

We believe that passion is the key to the success of our business.

INTEGRITY

We demonstrate honest, ethical and professional conduct in everything that we do.

COMMITMENT

We are committed to excelling in our core competencies and services to stay competitive and bringing value to our stakeholders.

TRUST

We strive to build trust in all our relationships with our principals and customers, and exceed expectations with our excellent services.

MESSAGE FROM OUR CHAIRMAN AND GROUP CEO



On behalf of our Board of Directors (the “Board”), I am pleased to present Excelpoint’s Annual Sustainability Report 2020 for the financial year ended 31 December 2020. This is our fourth Sustainability Report, prepared following the GRI Standards, the most recognised global framework for sustainability reporting. The report reaffirms our commitment to growing business sustainably.

The COVID-19 pandemic made 2020 an unprecedented year by hugely disrupting economies, societies, healthcare and how people work, live and communicate. As social distancing and frequent lockdowns became the norms, people turned to information and communication technology to adjust to the new normal.

As we navigated the waves of COVID-19 restrictions and challenges, placing the health and safety of our employees was our top priority. We also sharpened our attention to the impact of the pandemic in the markets we operate in, taking steps to remain resilient such as managing costs to improve efficiencies, strengthening our credit and inventory control and improving our cash flow.

Despite existing uncertainties and challenges, Excelpoint as a group has worked hard to deliver a set of good results with a revenue of US\$1,108.6 million and profit after tax of US\$10.3 million.

MESSAGE FROM OUR CHAIRMAN AND GROUP CEO

The COVID-19 pandemic has resulted in a huge disruption, bringing into sharp focus the importance of sustainability. Excelpoint as a Group has remained committed throughout the year in our sustainability drive, drawing on our time-tested values and robust risk management approaches. As we continued to operate with a focus on our people's health and well-being, resource efficiency, innovation and customer satisfaction, we see the role we can play in our stakeholders' journey. Addressing the most significant environmental, social and governance ("ESG") impacts, risks and opportunities, and the United Nation's ("UN") Sustainable Development Goals have remained the central theme of our sustainability efforts. Our sustainability strategy is part of our business strategy and in this report, we detail our most material impacts.

We continuously review what is material for the Group to balance growth with responsibility and promote amongst our stakeholders the understanding of ESG factors in their partnerships with us.

INNOVATION

Over the years, we have built a strong foundation of innovation and in 2020, we witnessed how this gave our business a competitive edge. We set up the PlanetSpark Innovation Centre in 2020 to onboard hardware technology start-ups, and within this centre, one pillar of focus is on Smart Sustainability. Under this pillar, we look to collaborate with innovative technologies within the ecosystems of Electric Vehicles and Charging, Smart Agri-Technology, and more to support the Net Zero goal, aligning with our Government's The Green Plan 2030. We may play a niche role by nurturing and partnering these companies to commercialise their technologies, but we believe in the multiplier effect and we strive to be the enabler of a cleaner environment.

CARING FOR AND SHARING WITH OUR COLLEAGUES

This pandemic has impacted everyone's personal lives and we were dedicated to prioritise the physical safety and mental well-being of all our colleagues. Following the need to work-from-home, we ensured our colleagues across the regions we operate in remain safe, and as a Group, we shared amenities required to keep them safe during this trying period. We also managed to set new work-from-home structure for the convenience of our colleagues. We remained committed to protecting the jobs of our people and took this chance to enhance our talent development and incentive initiatives as part of our plans to build, nurture and align the next generation of leaders, who play a key role in the sustainability of Excelpoint.

Gender diversity continues to be an integral part of our inclusivity efforts. In FY2020, women represented 42.8% of our employee base, up from 39.1% in FY2019.

We continued our efforts in giving back to the communities where we operate in to support both educational and social programmes. In FY2020, we invested S\$93,044 (US\$70,381) to support a range of programmes benefitting the local communities.

GENERATING LONG-TERM VALUE

Sustainability is not an end goal to be achieved but a fundamental ongoing mindset we have to instill to drive sustainable growth for our business. It is an extension of our values as we create long-term value for our stakeholders. We believe together, we can create a greater impact on improving the economic, environmental and social well-being of the communities we operate in. With our dedication and commitment, we can enable a sustainable future for our next generations. Our Board continues to work closely with the Management in developing and implementing sustainability approaches to address the ESG issues identified as material and of interest to our stakeholders.

The Board believes that our people, our relationships with partners and stakeholders, and our core are fundamentally strong to grow the business sustainably. These will remain the backbone of Excelpoint and become our key drivers of growth even as the events relating to COVID-19 are still unfolding globally, coupled with uncertainties in the geopolitical outlook.

ALBERT PHUAY YONG HEN

Chairman and Group CEO

ABOUT THIS REPORT

This is Excelpoint Technology Ltd.'s fourth Sustainability Report. This report complements our Annual Report, which is published separately.

This report contains the ESG data from 1 January 2020 to 31 December 2020 from the Excelpoint Group of Companies.

STANDARDS AND FRAMEWORKS

The report has been prepared in accordance with the Global Reporting Initiative's GRI Standards: Core Option. This report has also been prepared in accordance with the sustainability reporting requirements set out in the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") (Rules 711A and 711B). We have continued to integrate the report with the UN Sustainable Development Goals (SDGs).

REPORT CONTENT AND QUALITY

We have applied the GRI reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness to determine the topics for this report. As such, the report focuses on Excelpoint's most significant economic, environmental, social and governance factors and stakeholder interests. We have applied GRI's principles of accuracy, balance, clarity, comparability, reliability, and timeliness to ensure content quality. The data provided in this report has been extracted from official records to ensure accuracy and consistency.

All the data presented in the report use internationally accepted measurement units. Financial figures are in United States (US) dollars unless stated otherwise.

EXTERNAL ASSURANCE	RESTATEMENTS	AVAILABILITY	CONTACT
We rely on our internal verification mechanism to ensure the accuracy and reliability of the data reported. Seeking external assurance for future reports remains under consideration.	There are no restatements in this report.	This report is available for download via our website at www.excelpoint.com	We welcome stakeholders' feedback and suggestions. If you have any questions about this report, please contact us at sustainability@excelpoint.com

BOARD STATEMENT

The Board of Directors of Excelpoint provides direction and oversight for managing the Group's sustainability issues. The Board considers sustainability risks and opportunities as part of developing business strategies. The Board has determined the ESG factors presented in this report and provided oversight for the management and monitoring of these material ESG factors through periodic review of the key performance indicators. The Board has also endorsed this sustainability report.

The Excelpoint Group remains committed to conducting business with responsibility and integrity. The Group's policies and practices are guided by its core values of passion, integrity, commitment and trust. The Group's sustainability strategy builds on its well-established value-based management approach and focuses on the most significant ESG drivers for creating long-term value.

Innovation, risk management, sustainability planning, and nurturing human capital continue to be the Group's main value drivers.

ABOUT THIS REPORT

SUSTAINABILITY GOVERNANCE

At Excelpoint, the Board has oversight over sustainability issues and strategies. Under the Board's guidance, the management develops and implements sustainability strategies, policies, key performance indicators, targets, and initiatives.

Our Sustainability Management Council (the "Council") is responsible for driving sustainability strategies across the Group. Our Chairman & Group CEO chairs the Council that comprises senior management representatives from major functions and departments. The Council oversees the preparation of the sustainability report and provides regular updates to the Board.

The Council is assisted by a Sustainability Reporting Project Team responsible for collecting, verifying and providing sustainability performance data for reporting. Representatives from various business units and functions are members of the project team.

Our Head of Corporate Development, who is also a member of this Council, oversees the development of the sustainability report.

BOARD OF DIRECTORS

SUSTAINABILITY MANAGEMENT COUNCIL

(chaired by Chairman and Group CEO)

COUNCIL MEMBERS

Executive Directors
Group Chief Financial Officer
Senior Vice President, Operations
Head, Corporate Development

SUSTAINABILITY REPORTING PROJECT TEAM

Vice President, Business Development
Director, Field Applications
Vice President, Product Marketing
Vice President, Research and Development
Director, Sales
Group Head, Human Resources and Administration
Manager, Management Information System

ABOUT THIS REPORT

SUSTAINABILITY PERFORMANCE OVERVIEW			
ESG FACTORS	FY2020	FY2019	FY2018
ENVIRONMENTAL			
Total electricity used (kWh)	551,745	977,130	964,375
Electricity used per employee (kWh)	816	1,350	1,282
Energy consumption (GJ)	2,177	4,035	4,258
Energy intensity (GJ/Employee)	3.2	5.6	5.7
Carbon dioxide (CO ₂) emissions (tCO ₂)	378	659	619
CO ₂ emissions intensity (tCO ₂ /Employee)	0.56	0.91	0.82
SOCIAL			
Employees			
Total number of employees	676	724	752
Number of new hires	112	125	223
Female employees (%)	42.8	39.1	38.4
Female managers and supervisors (%)	18	25.9	31.9
Employee annual attrition rate (%)	22.6	20.8	21.4
Community			
Community investment and donations to charities (US\$)	70,381	95,242	84,923
GOVERNANCE			
Confirmed incidents of corruption, bribery or fraud	Zero	Zero	Zero
FINANCIAL			
Revenue (US\$ '000)	1,108,638	976,976	1,255,975
Cost of sales (US\$ '000)	(1,048,356)	(922,790)	(1,188,142)
Income tax expense (US\$ '000)	(1,726)	(336)	(293)
Profit after tax (US\$ '000)	10,339	1,599	8,103
Employee benefit expenses (US\$ '000)	(34,544)	(30,463)	(34,639)
Dividends declared and paid (US\$ '000)	NIL	3,501	4,028

Notes:

- Energy and carbon dioxide emissions figures refer to purchased electricity, and diesel and petrol consumption.
- Electricity consumption is significantly lower in FY2020 as more employees worked from homes amid the COVID-19 pandemic and the Company ceased warehouse operations in Singapore. Lower energy consumption has resulted in lower carbon emissions and energy use.
- The Company declared first and final ordinary tax exempt one-tier dividend of S\$0.03 per ordinary share ("Final dividend") and special tax exempt one-tier dividend of S\$0.015 per ordinary share ("Special dividend") for financial year ended 31 December 2020. The Final dividend and Special dividend were paid in May 2021.

STAKEHOLDERS

Building long-term trusted relationships with our key stakeholders remains an essential aspect of our approach to business. Ongoing engagement with our stakeholders helps us understand and respond to their expectations and concerns.

We prioritise engagement with those stakeholders who may be impacted by our business operations or who may potentially affect our business through their opinions or actions. Our engagement with our key stakeholders is ongoing. We engaged internal stakeholders in preparing this report while considering the insights gathered by our senior management through their continued interactions with various stakeholders.

Due to the COVID-19 pandemic in 2020, many engagement activities were affected such as trade exhibitions and other events involving in-person interactions. To adapt to these changes, we have adopted new digital ways to connect with our stakeholders that included virtual reality tradeshow, online webinars, video conferences and digital marketing initiatives. We have summarised our engagement with key stakeholders in the table below.

OUR STAKEHOLDERS	STAKEHOLDER EXPECTATIONS	HOW WE ENGAGE	HOW WE RESPOND
CUSTOMERS	<ul style="list-style-type: none"> • Prompt customer service • Rebates and material planning programme • Reasonable payment terms • Competitive pricing • On-time delivery and services • Technical support • Quality control 	<ul style="list-style-type: none"> • Trade exhibitions • Sales calls • Telemarketing • Websites and online presence • Regular meetings • Quarterly/half-yearly business review 	<ul style="list-style-type: none"> • Manage our key accounts • Do active telemarketing • Build stronger relationships with our customers • Expand product lines • Conduct regular internal management reviews to ensure we are fulfilling the needs of our customers • Provide timely feedback
EMPLOYEES	<ul style="list-style-type: none"> • Career growth • Training opportunities • Competitive salaries and incentives • A pleasant and safe working environment • Welfare • Flexible working hours 	<ul style="list-style-type: none"> • Regular internal communications through an intranet platform • Annual performance appraisal • Half-yearly internal reviews • Welfare and social activities • Monthly newsletters 	<ul style="list-style-type: none"> • Ensure effective human resource policies and staff welfare • Provide a performance bonus, sales incentives, and long service awards • Offer an employee share programme, a performance management system, and training and development opportunities • Establish a recreation club • Provide tier-based working hours
SHAREHOLDERS AND INVESTORS	<ul style="list-style-type: none"> • Business growth • Consistent dividends • Profitability • Transparency • Risk management • Corporate governance 	<ul style="list-style-type: none"> • Annual General Meeting • Announcement of Half-yearly financial results • News Release updates on business • SGX filings • Annual reports • Sustainability reports 	<ul style="list-style-type: none"> • Practise good corporate governance • Manage risks and opportunities • Ensure sustainable business growth

STAKEHOLDERS

OUR STAKEHOLDERS	STAKEHOLDER EXPECTATIONS	HOW WE ENGAGE	HOW WE RESPOND
PRINCIPALS	<ul style="list-style-type: none"> • Good credibility and image to suppliers • Good product quality at all times • On-time payments • Value-added products • Good regulation of business practices 	<ul style="list-style-type: none"> • Frequent product promotion • Sufficient stocks • Joint visits for customer engagement • Meetings to understand the needs of principals and customers 	<ul style="list-style-type: none"> • Meet sales targets and promotional goals • Set quarterly reviews on key suppliers • Manage the expectations of suppliers and customers
GOVERNMENT AND REGULATORS	<ul style="list-style-type: none"> • Regulatory compliance 	<ul style="list-style-type: none"> • Seminars • Meetings • Relevant government association memberships • Frequent communication with relevant parties 	<ul style="list-style-type: none"> • Ensure compliance with applicable laws • Participate in consultations, surveys, forums, and roundtables • Participate in networking sessions and talks held by the government to understand industry regulations and share our perspectives
COMMUNITY	<ul style="list-style-type: none"> • Responsible business practices • Support community projects 	<ul style="list-style-type: none"> • Meetings with different non-profit organisations to learn about areas in which the Company can assist • Participation in corporate social responsibility activities 	<ul style="list-style-type: none"> • Support community programmes aimed at the welfare of children and youth • Collaborations with different community groups
INDUSTRY ASSOCIATIONS	<ul style="list-style-type: none"> • Participation through memberships, seminars, conferences, and dialogues organised by the associations 	<ul style="list-style-type: none"> • Meetings with industry bodies • Participation in trade exhibitions in different countries, such as China and India 	<ul style="list-style-type: none"> • Join trade associations as a member • Participate actively in industry initiatives
MEDIA	<ul style="list-style-type: none"> • Timely information about company affairs that are of public interest • Prompt response to media enquiries 	<ul style="list-style-type: none"> • Regular press releases and briefings 	<ul style="list-style-type: none"> • Provide updates on the Company's financial performance and other significant events

STAKEHOLDERS

MEMBERSHIP OF ASSOCIATIONS

We support the following industry associations through membership and subscriptions and participate in industry dialogues hosted by them:

- Singapore Business Federation
- Singapore National Employers Federation

AWARDS AND RECOGNITIONS

Over the years, we have received several accolades for our business excellence from our stakeholders and other organisations. Our most recent awards and recognition are listed below.

FY2020

Award Titles	Presented By
Distributor Excellence Award	Nova Electronics (Shanghai) Co., Ltd.
Supplier Excellence Award	Hunan Next Generation Instrumental T&C Tech Co Ltd
Supplier Excellence Award	Shenzhen Huaptec Co., Ltd
LED Market Development Award	Seoul Semiconductor
Distributor Excellence Award	SIMCom Wireless Solutions Co., Ltd.
2020 Outstanding International Branded Distributor Award	AspenCore
Listed in ESMC 2019 Global Distributor Revenue Top 86, Ranked #23	ESM China (Trade Publication)
Ten-Year Partnership Award	Seoul Semiconductor
Best Collaboration Award	CSG Smart Electrical Technology Co Ltd
Best Supplier Award	Sinier (Nanjing) Process Control Co., Ltd.
2019 Best Supplier	Zhuhai Gopower Smart Grid Co., Ltd.
Microchip Award 2019 - West China 2019 Net New Revenue NO.3	Microchip Technology Inc.
Microchip Award 2019 – West China 2019 Business Drive Growth NO.2	Microchip Technology Inc.
2019 Strategic Partner	Shenzhen Xinzhongxin Technology Co. Ltd.
Partnership Award 2020	Microchip Technology Inc.

FY2019

Award Titles	Presented By
Best Demand Creation Partner and Technical Qualification	TE Sensor Solutions (TESS)
Ranked #12 in the 2019 Top Global Distributors	EPS News
Best Demand Creation 2018 – South Asia	Microchip Technology Incorporated
Best Demand Creation 2018 – ASEAN	Microchip Technology Incorporated
Supplier Excellence Award 2018	Sunitec Enterprise Co., Ltd
Best Overseas Business Development Partner Award 2018	Bright Power Semiconductor Co., Ltd.

STAKEHOLDERS

FY2018

Award Titles	Presented By
Best Business Growth Partner 2018	TE Connectivity Sensor Solutions
Best Marketing Effort Partner 2018	TE Connectivity Sensor Solutions
Distributor Award of Excellence	Qualcomm
Ranked #13 in the 2018 Top Global Distributors	EPS News
2018 Top 10 International Branded Distributor	Electronics Supply & Manufacturing – China (a leading electronics management magazine in China)
2018 Excellent Innovative Franchised Semiconductor Distributor in China	China Electronics Distributor Association
2018 Excellent Supplier Award	Siglent Technologies Co., Ltd
2018 Excellent Supplier Award	CYG Sunri Co., Ltd
FT1000 High-Growth Companies Asia-Pacific 2018	Financial Times
Distributor Award of Excellence 2017	Qualcomm Technologies International, Ltd.
2018 Spirit of Microchip Award	Microchip Technology (India) Pvt Ltd
2017 Partnership in Excellence Award	Bourns Inc.
Supplier Excellence Award 2017	Sunitec Enterprise Co., Ltd.
Singapore 1000 Company 2018	DP Information Group
Singapore 1000 Company – Public listed Company 2018	DP Information Group
2017 Excellent Distributor Award	Samsung Asia Pte. Ltd.
2017 Excellent Sales Partner Award	Samsung Electro-Mechanics Pte. Ltd.

For the complete list of awards over the years,
please visit <https://www.excelpoint.com/about-us/corporate/milestones>

SUSTAINABILITY STRATEGY

We are committed to creating sustainable value for our stakeholders and shareholders.

MATERIALITY ASSESSMENT

Our sustainability strategy focuses on managing our economic, environmental and social impacts, risks and opportunities. We use the GRI principles of stakeholder inclusiveness, materiality, sustainability context and completeness to identify sustainability topics for reporting. In line with the GRI principles, we prioritise sustainability topics based on the significance of their impacts and the expectations of our stakeholders. In identifying material topics for reporting, we also consider the broader sustainability trends and emerging issues relevant to our business. Complying with GRI's completeness principle, we report our performance on all topics considered material.

We continue to integrate the UN Sustainable Development Goals ("SDGs") into our sustainability reporting to underline our contribution to sustainable development.

Assisted by our Sustainability Management Council, the Board of Directors, reviews and determines material ESG factors for sustainability reporting.

MATERIAL TOPICS

In 2020, we reviewed our material topics. Based on the latest review, we have identified innovation, economic performance, diversity, anti-corruption and regulatory compliance as the most material ESG topics for our reporting. We will also continue to report on energy consumption, greenhouse gas emissions, employee training, employment and employee well-being, human rights and marketing and labelling which are considered important, but not material. We have also reclassified occupational health and safety as an important topic but not relatively material. Our occupational health and safety hazards were mainly associated with our warehousing operations which we ceased in 2020. The rest of our operations primarily comprise trading, distribution, research, and development, all in an office-based environment.

We source all products and components used in our solutions from our principals, who themselves are large organisations with a public commitment to sustainability. We have almost no control over their policies and practices. Our reporting, therefore, focuses on the direct economic, environmental and social impacts of our operations.

The table below outlines our material sustainability impacts and their boundaries:

MATERIAL ESG FACTORS		
MATERIAL TOPICS	WHERE THE IMPACT OCCURS	MANAGEMENT APPROACH
Environment		
Innovation*	In our business where we believe that the technologies we develop can play a part towards a cleaner environment.	Continuous innovation is necessary for us to stay ahead of the curve, but at the same time, we are dedicated to develop innovative solutions and be an enabler towards smart sustainability.
Energy Consumption	In our buildings and offices from the use of electricity and fuels used in company vehicles	Adopt energy efficiency measures where possible, increase employee awareness about energy saving
Greenhouse Gas ("GHG") Emissions	Results from the use of electricity and vehicle fuel	Reduce emissions intensity through energy efficiency and alternative energy where possible

SUSTAINABILITY STRATEGY

MATERIAL ESG FACTORS		
MATERIAL TOPICS	WHERE THE IMPACT OCCURS	MANAGEMENT APPROACH
PEOPLE		
Supporting Diversity*	In our workforce	Nurture an inclusive, caring and enabling workplace where employees of all ages and races have ample personal and professional development opportunities to perform their best
Employee Well-being	In our workforce	Focus on ensuring employees' safety and mental well-being, and providing a safe and open work environment
CUSTOMERS		
Marketing and Labelling	In our sales, marketing and packaging operations	Comply with product labelling and information rules, regulations and industry standards
COMMUNITY		
Local Communities*	Underserved communities where we make charitable contributions	Adopt corporate social responsibility programmes to support local communities
ECONOMIC		
Economic Performance*	Our financial performance has an impact on our investors and shareholders, principals, employees, governments and local communities	Create sustainable value for shareholders and stakeholders
Anti-corruption*	With an international business operation, corruption risk mitigation at all levels of the organisation is a significant issue for us	Zero tolerance for corruption, bribery and fraud
Regulatory Compliance*	Lawfully conducting our business is critical for our corporate reputation	Ensure compliance with applicable laws, including socio-economic and environmental regulations


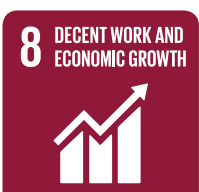
* Most important material aspects for the organisation and will be used for target setting, as detailed in the next sections

SUSTAINABILITY STRATEGY


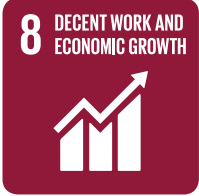


UN SUSTAINABLE DEVELOPMENT GOALS

Ratified by the United Nations General Assembly in September 2015, the UN SDGs represent a roadmap for governments, businesses and civil society to achieve inclusive global prosperity by 2030. We recognise businesses can play a critical role in achieving the SDGs. We have mapped our material factors over the 17 SDGs to identify the most relevant Goals for aligning our sustainability reporting. In this report, we have continued to integrate the UN SDGs into our sustainability reporting.

How our material ESG topics link with some of the specific SDG targets is illustrated below.

MATERIAL ESG FACTORS	GRI STANDARDS	SDG TARGETS SUPPORTED	SDGs
Energy	GRI 302: Energy 2016	<p>7.3 By 2030, double the global rate of improvement in energy efficiency</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	 
GHG Emissions	GRI 305: Emissions 2016	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	
Employment	GRI 401: Employment 2016	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	
Employee Training	GRI 404: Training and Education 2016	4.3 By 2030, ensure equal access to for all women and men to affordable and quality technical, vocational and tertiary education, including university	

SUSTAINABILITY STRATEGY

MATERIAL ESG FACTORS	GRI STANDARDS	SDG TARGETS SUPPORTED	SDGs
Marketing and Labelling	GRI 417: Marketing and Labelling 2016	16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>
Economic Performance	GRI 201: Economic Performance 2016	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>
Anti-Corruption	GRI 205: Anti-Corruption 2016	<p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels</p>	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>
Regulatory Compliance	<p>GRI 419: Socioeconomic Compliance 2016</p> <p>GRI 307: Environmental Compliance 2016</p>	<p>16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels</p>	 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>

MARKETPLACE

Our innovative solutions developed in partnership with our principals complement our customers' products and offerings and help improve their operational efficiency and cost-effectiveness.



Excelpoint is a leading regional electronic components distributor specialising in quality components, engineering design services and supply chain management. Nurturing trusted relationships with original equipment manufacturers ("OEMs"), original design manufacturers ("ODMs"), and electronics manufacturing services ("EMS") providers are essential for our business success.

OUR SOLUTIONS

We offer a wide range of solutions in the consumer and industrial categories. Our solutions are backed by over three decades of deep experience, expertise, and research and development. We work closely with our partners to bring the latest technology to our customers.

Our primary solutions include wireless audio, wearable devices and accessories, automotive, smart homes, and power distribution and transmission.

Product Category	Our Solutions
IOT, ARTIFICIAL INTELLIGENCE AND FAR-FIELD VOICE TECHNOLOGY	System-on-module for: <ul style="list-style-type: none"> • Smart speaker • Smart speaker development kit • Voice assistant headset
WIRELESS AUDIO	<ul style="list-style-type: none"> • Wireless solutions • Consumer wireless audio solutions
Examples of applications: <ul style="list-style-type: none"> • Portable wireless speaker • Wireless music headphone • Mini combo • Soundbar and wireless subwoofer • Audio transmitter dongle 	Examples of applications: <ul style="list-style-type: none"> • Bluetooth Low Energy ("BLE") remote control for TV and audio devices • TWS wireless headset with sensors • Smart speakers with voice assistance • Wireless headset with voice assistance
WEARABLE DEVICES AND ACCESSORIES	<ul style="list-style-type: none"> • Wearables and smart accessories for iPhones and iPads • Solutions for Bluetooth-enabled massage chairs and lost-and-found tags • Entry-level and mid-tier platforms for wearables and smart accessories applications
AUTOMOTIVE	<ul style="list-style-type: none"> • Reference car infotainment system and core board • Qi-compliant wireless charging solutions
SMART HOMES	Connectivity solutions for smart homes: <ul style="list-style-type: none"> • BLE module • Bluetooth module • BLE/Bluetooth combo module • Embedded Wi-Fi module • Sub-GHz module
POWER DISTRIBUTION AND TRANSMISSION	<ul style="list-style-type: none"> • Distribution automation control • Motor control • Photovoltaic inverter control • Other embedded control applications

You can read more about our business lines, products and services in our Annual Report 2020 on page [4-5].

MARKETPLACE

PROMOTING QUALITY CULTURE

Building and supporting a quality culture is at the core of our quality policy. We are committed to adhering to the highest quality standards to serve our principals and customers. Our quality management system is certified to ISO 9001 standards. The quality management system allows us to maintain consistently high standards and make continuous improvements in our processes.

Also, we invest in ongoing training and education of our employees in their fields to ensure the high quality of our products and services.

INVESTING IN RESEARCH AND DEVELOPMENT (“R&D”)

We continuously invest in building up our R&D capabilities to drive innovation and to create cost-effective solutions for our customers. Our R&D centres in Singapore and China are supported by our dedicated team of professional engineers who have extensive experience in the connectivity segment. One of our key R&D goals is to add value to our suppliers and customers by creating reference designs.

Our strength lies in our ability to provide our principals and customers with a wide range of innovative technological solutions to shorten the entry-to-market time at a more competitive cost. We offer innovative applications and solutions by leveraging on the most advanced technologies from our principals and by integrating the strengths of different principals.

Our R&D team focuses on innovating new technologies that solve our customers’ problems. Our R&D experts stay abreast with market trends to develop required technology solutions and working closely with our suppliers. Over the years, we have excelled in communication technologies such as Bluetooth, BLE, Wi-Fi, near field communication, wireless charging and wireless audio, which prepares us for the next wave of technology – the world of Internet of Things (“IoT”).



MARKETPLACE

PLANETSPARK INNOVATION CENTRE

Excelpoint's subsidiary, PlanetSpark Pte. Ltd., ("PlanetSpark"), is our entrepreneurial and strategic investment arm, that is dedicated to helping Artificial Intelligence of Things ("AIoT") hardware start-ups develop market-deployable solutions that can be commercialised.

In 2020, we set up the PlanetSpark Innovation Centre. The new centre will showcase the latest technologies from our strategic suppliers, as well as demonstrate our competitive strengths in custom solutions that target the artificial intelligence ("AI") and IoT hardware market. The facility is designed to provide a simulated environment in which our partners and potential customers can have an immersive experience into the functionality and practicality of various applications. Our work in the centre have focused on nurturing start-ups within the fields of Smart Building, Systems and Security, Smart Sustainability, and Smart Healthtech. Our hardware niche will allow us to work closely with these start-ups to tackle real world problem statements in these arenas.

We have long recognised the importance of innovation to stay competitive. In 2017, we built a Far-field Voice Technology ("FFVT") lab to better cater to our customers in the field of advanced AI speech recognition technology and other voice-activated smart applications. Established in collaboration with our partners, this is the first-of-its-kind lab in Singapore that will serve as a standards-based facility for both local and global companies to augment their products with FFVT functionalities for spurring greater market demand in the shortest time possible.

Our Ongoing Target	Performance in FY2020
We aim to nurture at least 2 companies within our Smart Sustainability pillar in the innovation centre in 2021.	NA, as innovation centre was just set up.



MARKETPLACE

PROVIDING CUSTOMER SERVICE

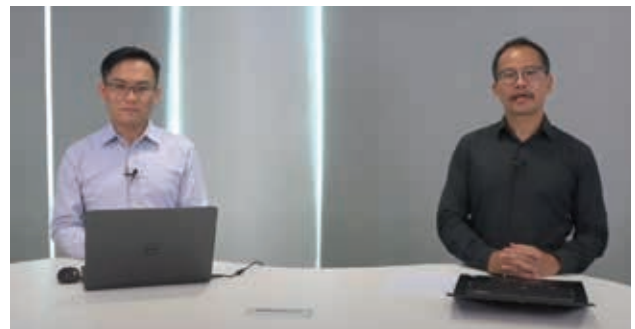
Providing our customers with prompt service and exceeding their expectations remains our topmost priority. We have implemented standard operating procedures to address our customers' needs promptly. We maintain close relationships with our customers to provide them with intensive frontline technical support.



Excelpoint's first 3D Virtual Reality Tradeshow at Smart ConnecTech Asia 2020.

DELIVERING CUSTOMER SATISFACTION

Our quarterly customer feedback surveys help us understand their expectations. Our teams review the survey results to identify the strengths and improvement areas and develop strategies to rectify processes to enhance our customer relations and experiences. Due to the COVID-19 pandemic, we have partnered with our suppliers closely to organise virtual webinars and tradeshows. These emphasise our value-add to our stakeholders.



Excelpoint delivering a technical webinar on solutions based on our principal's products.

PROTECTING PERSONAL DATA

We are committed to safeguarding the personal data of our employees and other stakeholders. We have implemented the necessary measures to protect our employees, suppliers, and customers' privacy and protect their personal data. In line with our Personal Data Protection Policy, only authorised personnel have access to personal data.

In Singapore, we abide by the Personal Data Protection Act. Our Personal Data Protection Policy governs the collection, use, disclosure and care of personal data. In other countries where we operate, we also comply with applicable laws relating to personal data protection.

There were no complaints received concerning breaches of customer privacy during the reported period.

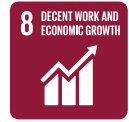
PROTECTING INTELLECTUAL PROPERTY

We have implemented a range of measures to protect our intellectual property. We require our employees to agree and sign our Non-Disclosure Agreement before they commence work. Employees are required to comply with the terms and conditions in the Agreement, such as confidentiality of Excelpoint's information and software programmes, confidential third-party information, and ownership of post-employment inventions.

PEOPLE

Our approach is to attract, retain and develop the best talent to serve our customers professionally.

We aim to provide an inspiring and inclusive workplace where our people can realise their full potential. Our human resource policies and strategies are aimed at attracting and retaining the best talent. Hiring highly skilled, talented and experienced people is vital to maintaining high standards of customer service. Investing in people development is an essential part of our human capital management. We support the ongoing personal and professional growth of our employees. Regular training helps us develop the expertise to stay at the forefront of technological advancements in our sector.



We periodically review our human resource policies to meet the expectations of our employees.

EMPLOYMENT

At the end of FY2020, we employed 676 full-time employees. Permanent employees represented 57.5% of our workforce, with the rest being fixed-term contract and temporary staff. Hong Kong and China accounted for 63.9% of our workforce, followed by Singapore, where 20.1% of our employees are based.

HIRING AND TURNOVER

We hired 112 new employees in 2020. Hong Kong and The People's Republic of China accounted for 55.4% of the new hiring, followed by Singapore with a 19.6% share.

During the year, 154 permanent employees left the organisation. Our overall turnover rate was 22.6% in 2020, slightly higher than the figure of 20.8% for the previous year. We continuously review our attrition rate and review how it is benchmarked with the industry. We then take the necessary measures to retain the right talent.

PROTECTING PEOPLE AMID THE PANDEMIC

Employee well-being has always been a key to the Group. In our Singapore office, we have taken a meticulous approach to prioritise the physical and mental well-being of all our colleagues. We monitor the COVID-19 situation closely in the countries we operate in and have put in place new work-from-home structure for the convenience of our colleagues. We remained committed to protecting the jobs of our people and took this chance to enhance our talent development and incentive initiatives as part of our plans to build, nurture and align the next generation of leaders, who play a key role in the sustainability of Excelpoint.

EMPLOYEE WELL-BEING

Besides provision of medical benefits, Excelpoint often collaborate with partners to provide healthcare talks for our colleagues. Similarly, with the onset of the COVID-19 pandemic, we have been ensuring our employees' safety and mental well-being. The company constantly ensures good communication, open engagements as well as ensuring our employees feel at ease. Social isolation, employment uncertainty and the virus itself have changed the notion of health and well-being of people around the world. At Excelpoint, we assured our colleagues that we will protect their jobs and do what we can to make work arrangements safe for all.

PEOPLE

HEALTH AND SAFETY

We are committed to ensuring the safety, health and well-being of our employees at work. Our approach is to prevent and mitigate safety and health risks through effective risk management. Our target is to maintain a zero accident workplace.

Based on a risk assessment to identify potential workplace safety and health hazards, we have implemented the necessary preventive measures. A safety committee consisting of representatives from all departments and our senior management reviews safety standards, systems and performances periodically.

Our office in Singapore has obtained BizSafe Level 3 certification awarded by the Workplace Safety and Health Council, based on an audit conducted by an approved third-party assessor.

In 2020, there were no incidents of severe or fatal workplace injuries.

EMPLOYEE BENEFITS

We regularly benchmark our employee compensation against industry practice. Our full-time employees receive competitive wages and benefits. Benefits offered to our permanent staff include paid annual leave, insurance coverage, an employee share option scheme for our long-serving staff, medical, dental and specialist outpatient benefits, staggered work schedules for our support team, and recreational facilities.

EMPLOYEE ENGAGEMENT

We believe employee engagement is crucial for maintaining motivation, productivity, teamwork, and workplace harmony. It is our policy to encourage open communication CEO dialogues. We also engage our people through upskilling programmes, career growth opportunities, tier-based working hours, and recreational activities such as festival celebrations (e.g. Chinese New Year and Christmas), bowling, futsal, movie screenings, and local and overseas bonding trips. In 2020, some of these activities were affected due to the pandemic.



Celebrating Chinese New Year at Excelpoint in Singapore before the COVID-19 pandemic.

PEOPLE



Celebrating Diwali festival at Excelpoint New Delhi, India, during the COVID-19 pandemic.

SUPPORTING DIVERSITY

We are committed to promoting diversity, inclusivity and equality at the workplace where everyone has opportunities for progress. We employ a multinational and multi-racial workforce that reflects the diverse markets we serve. We are particularly supportive of advancing women in our workforce, management and governance. There is one woman director on our eight-member Board.

The proportion of women in our workforce has continually increased over the years. Women employees represented 42.8% of the total employee base in 2020, up from 39.1% in 2019. In senior management, women occupied 25% of the positions, up from 22% reported for 2019. Women also held 18% of the managerial roles. Among the new hires in 2020, the share of women was 37.5%.

At the same time, with the PlanetSpark Innovation Centre in place, we are looking to attract a more diversified talent pool. This would require culture shifts but it will be key for innovation to take place. Since we have placed innovation as a key to our sustained growth, our search for good talents in the innovation and engineering area is important. We hope to grow our Research and Development Team by 5% to aid with our new pillars of growth.

Our Ongoing Annual Target	Performance in 2020
Supporting Diversity We hope to expand our engineering capabilities and team by 5%, in line with our plans to develop more innovative solutions and value-add to our partners.	NA, as it is a new target set.

PERFORMANCE APPRAISAL AND MANAGEMENT

An objective and fair performance management system is fundamental to recognising and rewarding performance and developing people. A formal performance appraisal is conducted once a year for all employees. The assessment evaluates an employee's job performance, growth and development, and potential and unique skills and talents useful for the organisation. The process begins with employees carrying out a self-appraisal followed by assessment and feedback by their supervisors. Also, managers engage their staff in development discussions throughout the year.

PEOPLE

HUMAN RIGHTS

We are committed to upholding internationally accepted human rights principles. Our policies prohibit child labour, forced or compulsory labour, and discrimination. In our assessment, human rights risk within our organization is negligible.

There were no reported incidents of child labour, forced or compulsory labour and discrimination in the reported period. We respect our employees' right to freedom of association and collective bargaining in accordance with local laws. Currently, our employees are not covered by any collective bargaining agreement.

DEVELOPING PEOPLE

Regular upgrading of skills is crucial for our business success due to constant technological advancements and innovation in our industry sector. To keep pace with new technologies, we invest in continuous training of our people. Our employees attend external as well as in-house or on the job training regularly. They also attend conferences to stay updated on the latest developments and future trends.

In 2020, the disruptions caused by the COVID-19 pandemic affected our training plans. We provided a total of 141 hours of training to our employees compared with 538 hours in 2019. The average hours of training for male and female employees were one hour each.

The workshops and webinars attended by our staff in 2020 included ISO9001:2015 Awareness Training, Building Supply Chain Resilience, ISO9001:2015 QMS & Internal Quality Auditor Training, Accessing Analog Devices Virtual Field Applications Training, and SNEF-SBF Webinar on National Wages Council (NWC) 2020/2021 Supplementary Guidelines for 2020/2021.

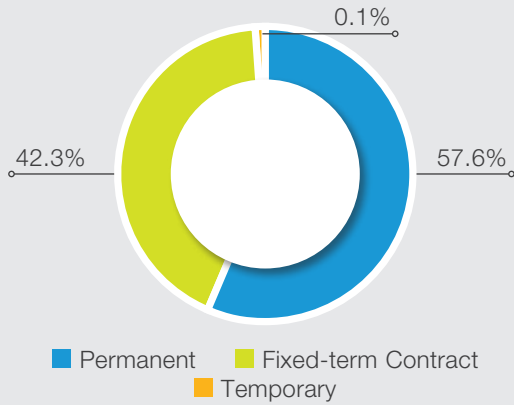
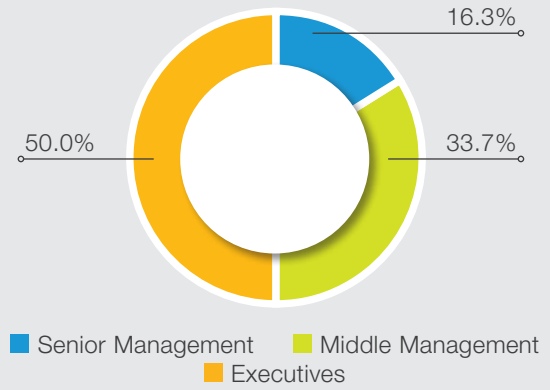
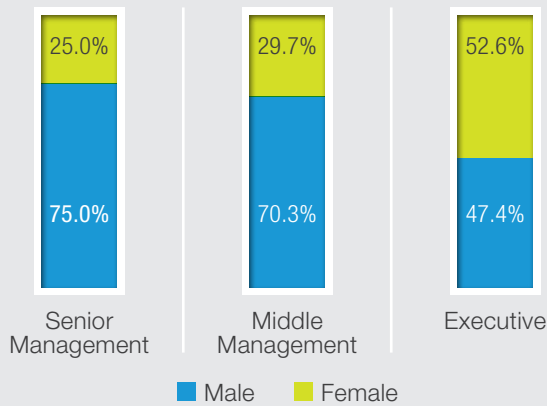
Our target is to continue providing our employees with the opportunities to enhance and improve themselves. As the COVID-19 situation continues to evolve around the globe, we hope to use more digital approaches such as webinars for employee training. The digital approaches would enable us to achieve the same goal without compromising the health and safety of our employees.



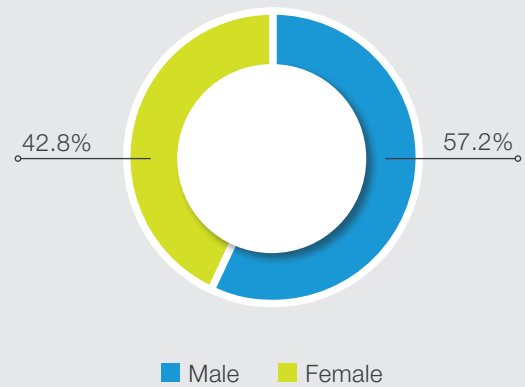
Long Service Award 2020 ceremony before the COVID-19 pandemic.

PEOPLE

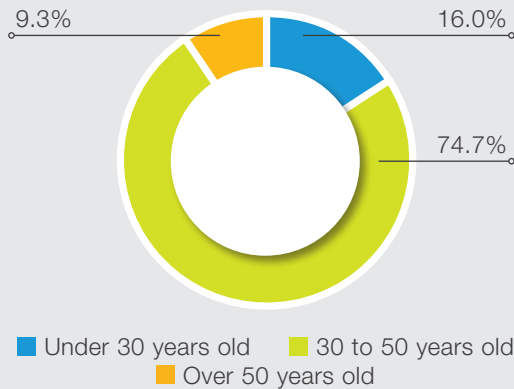
OUR WORKPLACE PERFORMANCE SUMMARY

WORKFORCE BY EMPLOYMENT
TYPE – FY2020WORKFORCE BY EMPLOYMENT
CATEGORY – 2020GENDER DIVERSITY BY EMPLOYMENT
CATEGORY – FY2020

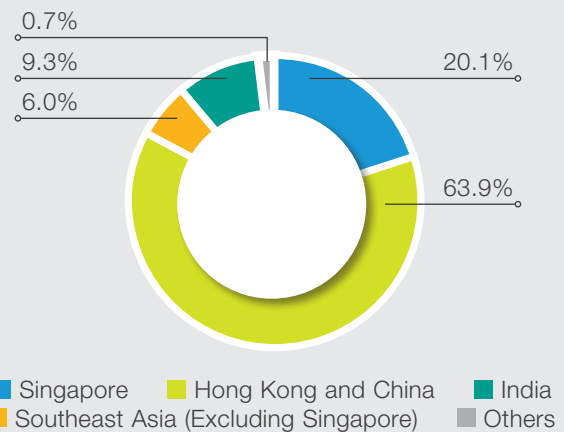
GENDER DIVERSITY – FY2020



AGE DIVERSITY – FY2020

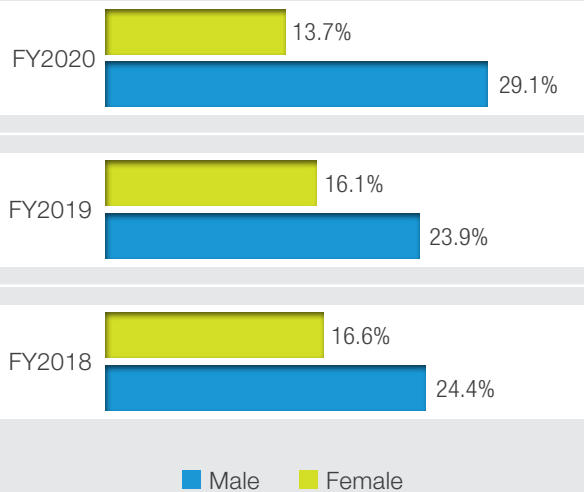


EMPLOYEES BY REGION – FY2020

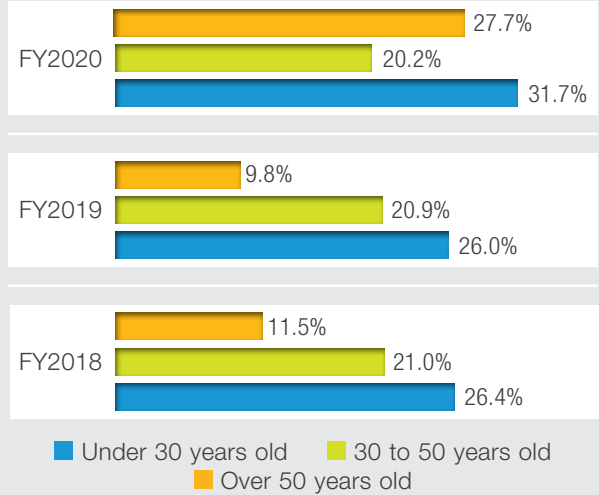


PEOPLE

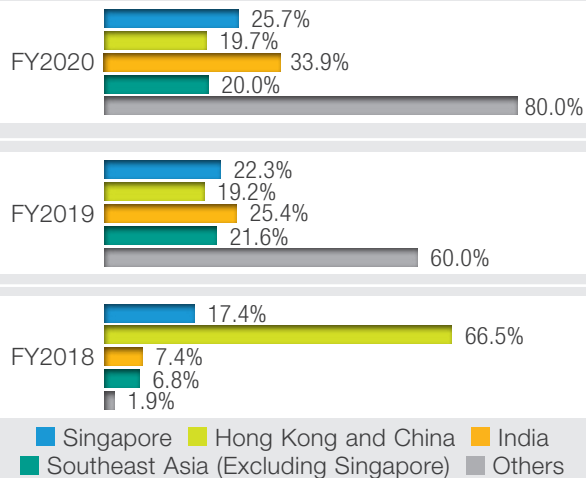
EMPLOYEE ATTRITION RATE BY GENDER



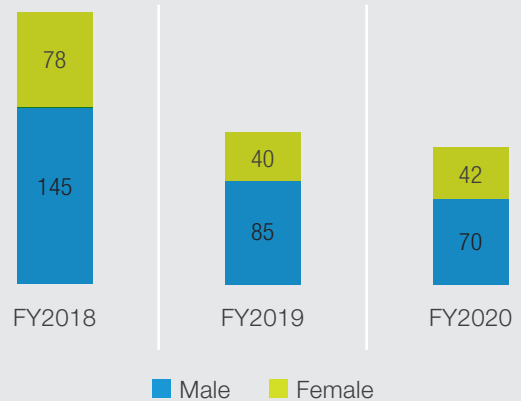
EMPLOYEE ATTRITION RATE BY AGE



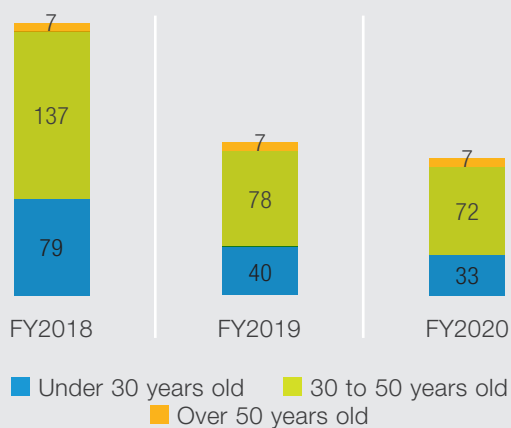
EMPLOYEE ATTRITION RATE BY REGION



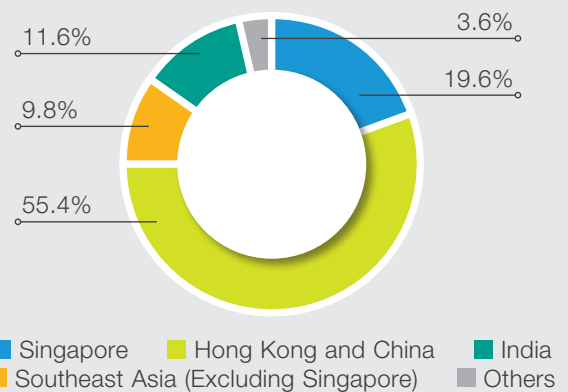
NEW HIRES BY GENDER



NEW HIRES BY AGE GROUP



NEW HIRES BY REGION – FY2020



ENVIRONMENT

We are committed to minimising our environmental footprint through the efficient use and conservation of our resources.

As a trading, distribution and research and development business, our direct environmental footprint is relatively small. The main environmental impact of our operations arises from electricity consumption in our offices, fuel consumption in transportation for deliveries, packaging, and general waste generated from the re-packaging of goods.



Our policy is to minimise the impact of our business activities on the environment. All of our offices are located in rented properties where we have little or no control over energy efficiency. In some places, the landlords include the energy cost into their rent without indicating the actual energy use. However, we are committed to do our best to minimise energy consumption where possible. Our efforts focus on prudent energy use and GHG emission reductions. We monitor and review our energy consumption and carbon emissions to evaluate our performance regularly. Where possible, we would explore using renewable energy to reduce our footprint.

CLIMATE CHANGE

We recognise the urgent need to mitigate climate risks and meet the Paris Agreement's goal of limiting the global rise in temperature to well under 2°C from pre-industrial levels. We support industry-wide initiatives undertaken by electronics manufacturers, many of them are our principals or customers, to reduce greenhouse gas emissions. The R&D efforts in the electronics sector are already focusing on developing environmentally smart technologies as detailed under the "PlanetSpark Innovation Centre" Section, we hope to work with our principals and suppliers, as well as the new start-ups to develop more energy-efficient solutions for a cleaner environment.

ENERGY

We regularly measure, monitor and review how we use electricity across our offices to find ways to lower consumption. Our employees do their part by turning off lights and air-conditioning in offices when they are not in use to save energy.

This report includes electricity, diesel, and fuel consumption data. In 2020, we purchased 551,745 kWh of electricity, while the electricity intensity was 816 kWh per employee. The electricity use in 2020 was lower by 44% compared to 2019 as we ceased warehouse operations, and most of our employees worked from home due to government-imposed restrictions and lockdowns to control the COVID-19 outbreak. Hong Kong and China accounted for 54.7% of the total electricity used, followed by Singapore, with a 36.8% share. The energy intensity was 3.2GJ per employee in 2020 compared with 5.6 GJ in 2019.

CARBON DIOXIDE EMISSIONS

Our carbon dioxide (CO₂) emissions originate from electricity consumption within our facilities and fuel combustion in our vehicles. We regularly monitor our carbon dioxide (CO₂) emissions. In line with the Greenhouse Gas (GHG) Protocol, we report our Scope 1 and Scope 2 carbon dioxide emissions and exclude fugitive emissions from refrigerant gases that are not material due to minimal amount.

In 2020, our total CO₂ emissions from electricity, diesel and petrol consumption amounted to 378 tCO₂. For the same period, our CO₂ emission intensity was 0.56 tCO₂ per employee.

Overall, the energy consumption and the related carbon emissions were comparatively lower in 2020 as we discontinued our warehouse facilities and outsourced the operations to an external service provider.

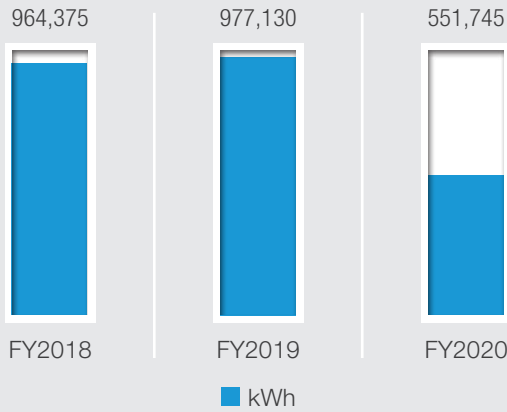
GENERAL WASTE

Our waste is mostly non-hazardous, mainly packaging materials, including cartons, plastic, strings, plastic wraps, wooden pallets, and paper. We make efforts to minimise, recycle and reuse waste where possible. We dispose of our waste through licensed contractors.

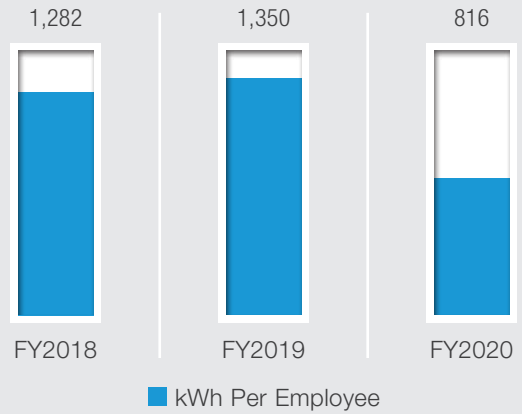
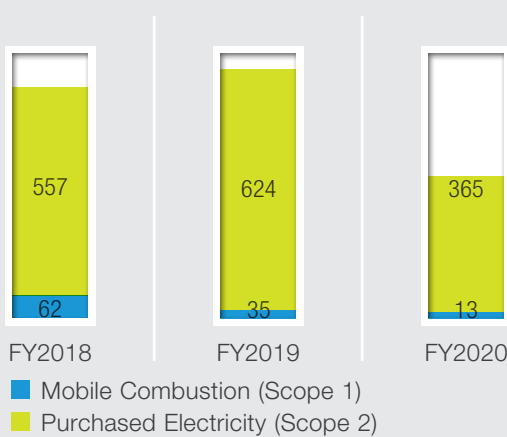
ENVIRONMENT

OUR ENVIRONMENTAL PERFORMANCE SUMMARY

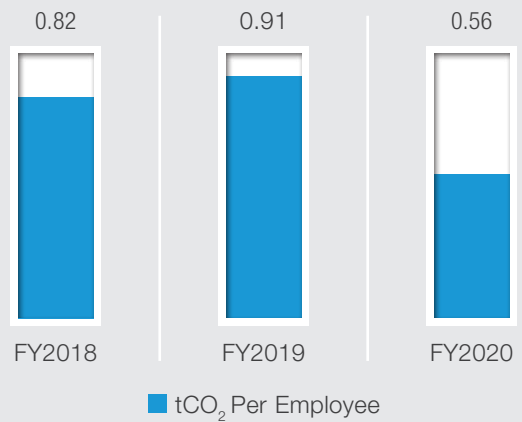
TOTAL ELECTRICITY CONSUMPTION



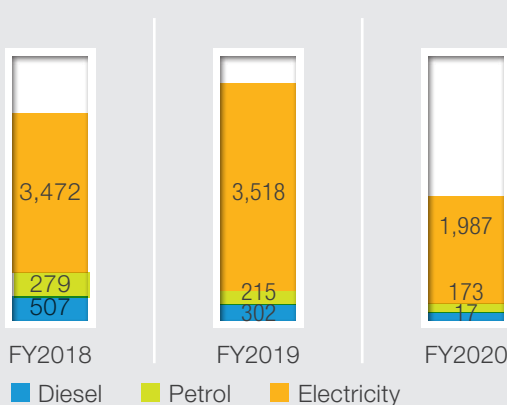
ELECTRICITY INTENSITY

CARBON DIOXIDE EMISSIONS (tCO₂)

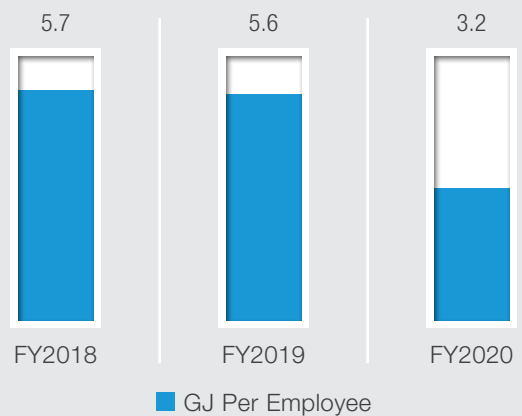
CARBON EMISSION INTENSITY



ENERGY CONSUMPTION (GJ)



ENERGY INTENSITY



COMMUNITY

We are committed to playing our part in supporting local communities through charitable contributions and employee volunteering.

Firmly believing in “We Share, We Care”, we set aside a budget every year to give back to society. Our corporate social responsibility programmes comprise supporting education, forging collaborative partnerships, and providing opportunities for employee volunteering. Our initiatives focus on helping children and youths and building the next generation of leaders. Our employees actively participate in community volunteering efforts.

Our Ongoing Annual Target	Performance in 2020
We believe in giving back to our community, and target to put aside 1% of our PAT to help our communities in 2021.	Through our initiatives in the educational and social areas, we invested S\$93,044 (US\$70,381) to support a range of programmes benefitting the local communities.

A summary of our community initiatives over the past three years presented below:

FY2020

- Sowers Action Sending Love Programme: We donated S\$6,156 (HK\$36,000) to purchase 300 jackets for needy school children in Qinghai, China.
- UOB Singapore Chinese New Year Donation Drive: We donated S\$26,888 for the chosen beneficiaries:
 - The Business Times Budding Artists Fund
 - The Straits Times School Pocket Money Fund
 - UOB-SMU Asian Enterprise Institute

The Business Times Budding Artists Fund supports and nurtures Singapore’s next generation of artists and creative professionals. The Straits Times School Pocket Money Fund supports children from financially disadvantaged backgrounds. UOB-SMU Asian Enterprise Institute supports local small and medium-sized enterprise (SME) in innovation.

- National University of Singapore’s Innovation & Design Centric Programme (iDCP): Since 2017, Excelpoint has supported students’ projects through sponsorship totaling S\$300K. With this sponsorship, students would be able to engineer and market new ideas, products and technologies that could improve lives, enhance productivity, create opportunities and a better future for Singapore.

COMMUNITY



Community programmes for Sowers Action in China

FY2019

- In our continued support to the National University of Singapore's Innovation & Design-Centric Programme ("iDCP"), Excelpoint provided sponsorship of S\$60,000 towards students' emerging engineering and technological projects.
- We supported UOB Singapore's Chinese New Year 2019 Donation Drive through a gift of S\$20,888, where the event proceeds benefited Central Singapore Community Development Council, The Business Times Budding Artists Fund, The Straits Times School Pocket Money Fund, and The Red Pencil Singapore. In addition, we participated in the annual golf charity event for a donation of S\$15,000.
- In collaboration with Singapore Management University, we made a gift for S\$5,000 towards the university's Excelpoint Resilience Award. This award will assist students who require financial assistance while achieving good academic standing.
- At Excelpoint, we believe the youths are our future and key to the next generation. We support Halogen Foundation and its youth empowerment programmes to provide for every young person. We sponsored S\$5,000 at Halogen Foundation's Charity Golf Challenge to support the latter's efforts to help youths in need.
- In the heart of helping the communities, we made gifts to SP Heartware Fund worth S\$10,000 to support needy elderly Singaporeans under Community Chest. We provided a grant of \$8,000 to Siaw Lim Hood Sun Thong Temple.
- We extended our support to Sowers Action in China through its Sowers Action Sending Love Programme, where we donated approximately S\$6,300 (HK\$36,000) to purchase 345 jackets for needy school children in Qinghai, China.

COMMUNITY

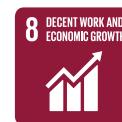
FY2018

- Supporting Singapore Management University since 2014, our Excelpoint Bursary has continued into its fifth and final year, disbursing S\$260,000 over five years for disadvantaged students to pursue their studies without financial worries.
- Since 2017, we have been funding the National University of Singapore (“NUS”) ‘s Innovation & Design Programme (“iDP”) (formerly known as Innovation & Design Centric Programme) to support students’ engineering and technology projects through sponsorship of S\$300,000 (to be disbursed over five years).
- We supported UOB Singapore’s Chinese New Year 2018 Donation Drive through a donation of S\$20,888, where the event proceeds benefited Central Singapore Community Development Council, The Business Times Budding Artists Fund, The Straits Times School Pocket Money Fund, and The Red Pencil Singapore.
- We extended our support to Sowers Action in China through the following two programmes:
 - Sowers Action Challenging 12 Hours Charity Marathon, where we donated approximately S\$2,320 (HK\$13,500) and actively participated in the 12km and 26km marathons.
 - Sowers Action Sending Love Programme, where we donated approximately S\$6,185 (HK\$36,000) to purchase 432 jackets for needy school children in Yunnan, China.

ECONOMIC PERFORMANCE

We are committed to creating long-term value for our shareholders and stakeholders by pursuing sustainable business growth.

Our annual report that details our financial performance, corporate governance and risk management is published separately in conformance with the Singapore Exchange's (SGX) listing requirements. A summary of our economic performance extracted from our annual report is provided below. Please refer to the financial statements in our Annual Report 2020 for more detailed information.



Economic Performance Indicators (US\$'000)	FY2020	FY2019	FY2018
Revenue	1,108,638	976,976	1,255,975
Cost of sales	(1,048,356)	(922,790)	(1,188,142)
Income tax expenses	(1,726)	(336)	(293)
Employee benefit expenses	(34,544)	(30,463)	(34,639)
Profit after tax	10,339	1,599	8,103
Dividends declared and paid	NIL	3,501	4,028

Our Ongoing Annual Target	Performance in 2020
Economic Performance Maintain consistent and sustainable financial performance	Please refer to the financial statement in our Annual Report 2020

ANTI-CORRUPTION

We maintain zero tolerance for bribery, corruption, fraud and money laundering. Our Anti-corruption Policy prohibits giving or receiving bribes, making facilitation payments, and giving or receiving favours. The policy requires all employees, officers and directors to conduct business worldwide with integrity, transparency, and compliance with applicable legal requirements relating to bribery and corruption.

We explain our anti-corruption policy to all employees as part of the onboarding orientation. Our Employee Code of Conduct includes the Anti-corruption Policy to reinforce the importance of conducting business with integrity and transparency.

There were no confirmed incidents of corruption or bribery during the reporting period.

Our Ongoing Annual Target	Performance in 2020
Anti-corruption No incidents of corruption, bribery or fraud	No incidents of corruption, bribery or fraud

CORPORATE GOVERNANCE

Excelpoint is committed to having and maintaining high standards of corporate governance. The Company believes that good corporate governance inculcates an ethical environment and enhances the interest of all shareholders. The Company has adopted the Code of Corporate Governance 2018 (the "Code") for the financial year ended 31 December 2020 ("FY2020") and is working to adopt the other changes where appropriate.

For more details, please refer to our Corporate Governance report, which is available in our Annual Report 2020.

ECONOMIC PERFORMANCE

SUPPLIERS

Our supply chain includes a mix of business partners, principals, vendors, customers to deliver electronics components for the electronics value chain. They are part of a global chain across many countries, and we have regulated distribution contracts with them. We regularly engage with our suppliers to build trusted partnerships and ensure reliable supplies, price protection and stock rotation.

REGULATORY COMPLIANCE

We ensure compliance with applicable laws, including socio-economic and environmental regulations. There were no incidents of confirmed non-compliance with socio-economic rules or environmental regulations in the reporting period.

We ensure compliance with product labelling and information rules, regulations and industry standards. There were no incidents of non-compliance concerning product and service information and labelling in the reported period.

Our Ongoing Annual Target	Performance in 2020
Regulatory Compliance No significant incidents or penalties for legal non-compliance	<ul style="list-style-type: none">• No incidents of legal non-compliance covering socio-economic regulations.• No incidents of non-compliance with environmental regulations.• No incidents of non-compliance with marketing and labelling regulations.• Zero breaches concerning customer privacy or loss of customer data.

GRI CONTENT INDEX

GRI Content Index 'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
GRI 101: Foundation 2016		
GENERAL DISCLOSURES		
GRI 102: General Disclosures 2016	ORGANISATIONAL PROFILE	
	102-1 Name of the organisation	2
	102-2 Activities, brands, products, and services	2, 16, Annual Report ("AR") 4-5
	102-3 Location of headquarters	2
	102-4 Location of operations	2, AR 12-14
	102-5 Ownership and legal form	AR 17, 134-135
	102-6 Markets served	2, 16, AR 4-5, 12-13
	102-7 Scale of the organisation	8, 21, AR 6-7, 12-14
	102-8 Information on employees and other workers	21, 25
	102-9 Supply chain	33
	102-10 Significant changes to the organisation and its supply chain	AR 5
	102-11 Precautionary Principle or approach	27
	102-12 External initiatives	15, 18
	102-13 Membership of associations	11
	STRATEGY	
	102-14 Statement from senior decision-maker	4-5
	ETHICS AND INTEGRITY	
	102-16 Values, principles, standards, and norms of behaviour	3
	GOVERNANCE	
	102-18 Governance structure	7, AR 8-11
	102-19 Delegating authority	7, AR 17-18
	102-20 Executive-level responsibility for economic, environmental, and social topics	7
	102-21 Consulting stakeholders on economic, environmental, and social topics	7-10, AR 63
	102-22 Composition of the highest governance body and its committees	AR 9-10, 22
	102-23 Chair of the highest governance body	AR 27
	102-24 Nominating and selecting the highest governance body	AR 28-31
	102-25 Conflicts of interest	AR 17, 29, 33, 56

GRI CONTENT INDEX

GRI Content Index 'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
	102-26 Role of highest governance body in setting purpose, values, and strategy	7, AR 17
	102-27 Collective knowledge of highest governance body	AR 19-20
	102-28 Evaluating the highest governance body's performance	AR 15, 43-45
	102-29 Identifying and managing economic, environmental, and social impacts	7, 9-10
	102-30 Effectiveness of risk management processes	AR 17, 51-54
	102-31 Review of economic, environmental, and social topics	7, AR 63
	102-32 Highest governance body's role in sustainability reporting	7
STAKEHOLDER ENGAGEMENT		
	102-40 List of stakeholder groups	9-10
	102-41 Collective bargaining agreements	24
	102-42 Identifying and selecting stakeholders	9
	102-43 Approach to stakeholder engagement	9-10
	102-44 Key topics and concerns raised	9-10, 13-14
REPORTING PRACTICE		
	102-45 Entities included in the consolidated financial statements	AR 14
	102-46 Defining report content and topic Boundaries	13-14
	102-47 List of material topics	13-14
	102-48 Restatements of information	None
	102-49 Changes in reporting	None
	102-50 Reporting period	6
	102-51 Date of most recent report	May 2020
	102-52 Reporting cycle	6
	102-53 Contact point for questions regarding the report	6
	102-54 Claims of reporting in accordance with the GRI Standards	6
	102-55 GRI content index	34-38
	102-56 External assurance	6

GRI CONTENT INDEX

GRI Content Index 'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
ECONOMIC PERFORMANCE		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 16, 32-33
	103-3 Evaluation of the management approach	32-33
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	79-81
ANTI-CORRUPTION		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 16, 32
	103-3 Evaluation of the management approach	32
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	32
ENERGY		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	13
	103-2 The management approach and its components	13, 15, 27
	103-3 Evaluation of the management approach	27
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	8, 28
	302-3 Energy intensity	8, 28
EMISSIONS		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	13
	103-2 The management approach and its components	13, 15, 27
	103-3 Evaluation of the management approach	8, 28
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	28
	305-2 Energy indirect (Scope 2) GHG emissions	28
	305-4 GHG emission intensity	8, 28

GRI CONTENT INDEX

GRI Content Index 'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
ENVIRONMENTAL COMPLIANCE		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 16, 33
	103-3 Evaluation of the management approach	33
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	33
EMPLOYMENT		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 15, 21-22
	103-3 Evaluation of the management approach	21-22
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	8, 26
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	22
TRAINING AND EDUCATION		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14-15, 18, 21, 24
	103-3 Evaluation of the management approach	18, 21, 24
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	24
	404-3 Percentage of employees receiving regular performance and career development reviews	23
DIVERSITY AND EQUAL OPPORTUNITIES		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 23
	103-3 Evaluation of the management approach	23
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	8, 28

GRI CONTENT INDEX

GRI Content Index 'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
NON-DISCRIMINATION		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 24
	103-3 Evaluation of the management approach	24
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	24
LOCAL COMMUNITIES		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 29-31
	103-3 Evaluation of the management approach	29-31
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	29-31
MARKETING AND LABELLING		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 16, 33
	103-3 Evaluation of the management approach	33
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	33
CUSTOMER PRIVACY		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	20
	103-2 The management approach and its components	20
	103-3 Evaluation of the management approach	20
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	20, 33
SOCIO-ECONOMIC COMPLIANCE		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
	103-2 The management approach and its components	14, 16, 33
	103-3 Evaluation of the management approach	33
GRI 419: Socio-economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	33



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