A large circular collage composed of several overlapping images. At the top left, there are rows of solar panels. To the right, a vertical garden with lush green plants is shown. In the center, a hand holds a glowing green plant inside a transparent sphere, surrounded by icons for wind, sun, recycling, and other sustainable technologies. Below this, a cityscape is visible with various icons overlaid, including a recycling symbol, a leaf, and a globe. At the bottom, a white electric car is shown plugged into a charging station. The entire collage is set against a light blue background.

TECHNOLOGY WITH PURPOSE

SUSTAINABILITY
REPORT
2021



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ABOUT EXCELPOINT TECHNOLOGY LTD.

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 Technology Ltd. has been recognised in the top 25 Global Electronics Distributors and top Global Distributors lists by EBN, an online community for global supply chain professionals and EPSNews, a US-based information and data portal and resource centre for electronics and supply 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 helmed by a team of professional engineers.

Established in 1987 and headquartered in Singapore, Excelpoint has more than 700 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 EXCELPPOINT TECHNOLOGY LTD.

VISION, MISSION AND CORE VALUES

We believe it is our responsibility to manage the Group successfully on a sustainable long-term basis. We are committed to deliver greater value and returns to our shareholders, business partners and employees.

Our employees operate according to a set of core values that guide all aspects of our business. We recognise that cooperation, communication and trust are essential for us to collaborate to compete, and that care and concern through respect, patience, empathy and consideration are essential, both between each other and among the communities in which we operate.



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	INTEGRITY
We believe that passion is the key to the success of our business.	We demonstrate honest, ethical and professional conduct in everything that we do.
COMMITMENT	TRUST
We are committed to excelling in our core competencies and services to stay competitive and bringing value to our stakeholders.	We strive to build trust in all our relationships with our principals and customers, and exceed expectations with our excellent services.

MESSAGE FROM CHAIRMAN AND GROUP CEO



“The fast pace of change in our industry makes it even more critical for embedding a sustainability mindset across our organisation, vital for the Group’s long-term growth and for generating long-term value for our stakeholders. As we step into our purpose of harnessing technology to address sustainability challenges, we can build a better world and leave a lasting legacy for our future generations.”

On behalf of our Board of Directors (the “Board”), I am pleased to present Excelpoint’s annual Sustainability Report 2021 for the financial year ended 31 December 2021 (“FY2021”). In our fifth Sustainability Report prepared according to the GRI Standards, we describe our progress in managing our Environmental, Social and Governance (“ESG”) imperative, with emphasis on generating long-term value for our stakeholders and embedding our sustainability strategy into our business.

As the COVID-19 pandemic extended into 2021, our utmost priority remained to protect the health and safety of our employees. To manage business continuity, we followed closely to the guidelines from the local authorities by swiftly implementing safe management measures, mandatory rostered testing regime for those working in the office, and providing complimentary face masks and antigen rapid test (“ART”) self-test kits.

All our markets were hit by new waves of COVID-19. Under those restrictions, we stepped up our digital capabilities for engaging with our principals, customers, ecosystem partners and employees. We conducted livestreaming of technical webinars, virtual meetings and officially launched our Asean e-commerce store.

Against the backdrop of uncertainties in the macroeconomic environment and operational challenges, we continued to take a prudent approach with regards to managing costs, enhancing risk processes, and improving our cash flow.

Despite facing the challenges and uncertainties amid the prolonged global pandemic, I am heartened to announce that Excelpoint as a group delivered a set of good results with a revenue of US\$1,598.5 million and profit after tax of US\$24.5 million.

Besides the pandemic, 2021 was also a year marked by extreme weather patterns, a strong reminder of the urgency for greater climate action.

With our core business being electronics distribution, our direct carbon footprint is relatively small. Our main approach to addressing sustainability challenges in the environment is through innovation and providing technology solutions to mitigate against climate change.

Through our PlanetSpark Innovation Centre, we nurtured four startups in FY2021 that are developing artificial intelligence (“AI”) and the internet-of-things (“IoT”) technology solutions that would pave the way to sustainable energy environments.

MESSAGE FROM CHAIRMAN AND GROUP CEO

We also leveraged on our comprehensive suite of green technology products and solutions in our technology-enabled response to climate change. To date, we have delivered modules and solutions that play an important role in the success of electric vehicle ("EV") charging solutions, low carbon light-emitting diode ("LED") street lights, brushless direct current ("BLDC") industrial fans, energy monitoring meters, smart Agritech sensors, demand-based utility management solutions and battery management systems. PlanetSpark also launched its flagship single board computers that can be deployed in Smart Cities to scale energy efficiency in urban networks by harnessing big data, intelligent networks and edge computing.

We remained steadfast in our ESG commitments. In FY2021, we donated US\$71,800 to support local communities and to help the underserved. We will continue this journey of giving and sharing as it is a strong value of our Group.

In addition to community donations, we also take pride in supplying technology solutions and products through our business that contribute to the well-being of our communities. In China, Excelppoint supplied solutions for molecular and bio-sensing diagnostic equipment used for remote health monitoring during the pandemic. In Singapore, we facilitated Singapore's contact tracing efforts by enabling our customers to deliver battery-powered Bluetooth wearable devices with very low power consumption and small form factor. As we emerge from the pandemic, we look forward to more in-person volunteer opportunities for our employees to participate in giving back.

The disruptions and rapid digitisations brought about by the prolonged pandemic put into sharp focus the importance of preparing our people to be future-ready. We are committed to instilling a culture of learning and innovation for keeping skillsets current to maintain our competitive edge. In 2021, we stepped up on our digital learning initiatives to provide a total of 848.5 hours of training to our employees, six times higher than that compared to 2020. The digital approaches made it possible for our employees to improve themselves without compromising on their health and safety.

At Excelppoint, we believe in building a diverse, inclusive and caring community in the workplace that fosters a sense of belonging in our people. We have been steadily widening our candidate pool to attract more diverse talents in our efforts to reach our ESG target of expanding our R&D team by 5%. In the competitive environment we operate in, there will always be challenges in hiring. However, we stay dedicated to growing our team, and building stronger engineering capabilities in order to enhance our value-add.

On the topic of gender diversity, we stepped up our recruitment to increase the representation of women in the workplace. In FY2021, women made up 39.9% of our new hires and 43.3% of our workforce, up from 37.5% and 42.8 % in FY2020, respectively. We will continue to review our company policies to ensure that women have access to opportunities to achieve their full potential in their careers without any unconscious bias.

While the prolonged pandemic has brought about dynamic disruptions across the semiconductor industry, our fundamentals remain strong. With technology and innovation being the core of our business, we are in a good position to play a key role in tackling the challenges of climate change and making a difference in people's lives. The fast pace of change in our industry makes it even more critical for embedding a sustainability mindset across our organisation, vital for the Group's long-term growth and for generating long-term value for our stakeholders. As we step into our purpose of harnessing technology to address sustainability challenges, we can build a better world and leave a lasting legacy for our future generations.

We sincerely thank each and everyone who supported us and believe in our journey.

ALBERT PHUAY YONG HEN
Chairman and Group CEO

ABOUT THE REPORT

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

This report contains the ESG data from 1 January 2021 to 31 December 2021 from the Excelpoint Group of Companies shown in the table below. The report focuses on selected material topics that are most relevant to our business, sustainability considerations and the impact to our stakeholders for tracking our environmental, social and governance performance.

Country	Entity
Singapore	Excelpoint Systems (Pte) Ltd
Singapore	PlanetSpark Pte. Ltd.
Malaysia	Excelpoint Systems Sdn. Bhd
India	Excelpoint Systems (India) PVT Ltd.
USA	Excelpoint Systems (USA) Inc.
Hong Kong	Excelpoint Systems (HK) Limited
China	Excelpoint International Trading (Shanghai) Co., Ltd.
Hong Kong	Synergy Electronics (H.K.) Limited
China	Synergy Electronics (Shenzhen) Co., Ltd.
Singapore	Excelpoint Technology Ltd. (Holding Company)

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). Our data are reported in good faith and to the best of our knowledge.

REPORT CONTENT AND STRUCTURE

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.

ABOUT THE REPORT

This Sustainability Report is structured into 5 main sections to reflect the interests of our key stakeholders and aims to give an overview of our performance review for our key sustainability areas in relation to our sustainability strategy.

- Marketplace
- People
- Environment
- Community
- Economic Performance

We have also identified key stakeholders that would have an impact on our business operations and business sustainability in the Stakeholder Engagement section of Page 11.

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 AND FEEDBACK
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 provided in PDF format only and is available for download on the following page of our website: https://excelpoint.listedcompany.com/sr.html	We welcome and value your 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 environmental, social and governance ("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.

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 and Group CEO chairs the Council that comprises senior management representatives from major functions and includes designated senior executives. The Council oversees the preparation of the sustainability report and provides regular updates to the Board.

ABOUT THE REPORT

The Council is supported by our Corporate Sustainability Champion (the “Champion”) and the Sustainability Reporting Project Team. The Champion is responsible for working with the Sustainability Reporting Project Team to coordinate, collect, calculate and verify sustainability performance data for disclosure. The Champion engages the project team in raising awareness of ESG factors and significance through education and training. The project team is made up of representatives from various business units and functions.

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
Group Chief Operations Officer
Head, Corporate Development

Corporate Sustainability Champion

(Manager, Group Corporate Communications)

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
Director, Management Information System

ABOUT THE REPORT

SUSTAINABILITY PERFORMANCE OVERVIEW			
ESG FACTORS	FY2021	FY2020	FY2019
ENVIRONMENTAL			
Total electricity used (kWh)	716,163	551,745	977,130
Electricity used per employee (kWh)	817	816	1,350
Energy consumption (GJ)	2,752	2,177	4,035
Energy intensity (GJ/Employee)	3.1	3.2	5.6
Carbon dioxide (CO ₂) emissions (tCO ₂)	534	378	659
CO ₂ emissions intensity (tCO ₂ /Employee)	0.61	0.56	0.91
SOCIAL			
Employees			
Total number of employees	741	676	724
Number of new hires	173	112	125
Female employees (%)	43.3	42.8	39.1
Female managers and supervisors (%)	13.4	18.0	25.9
Employee annual attrition rate (%)	18.0	22.6	20.8
Community			
Community investment and donations to charities (US\$)	71,800	70,381	95,242
GOVERNANCE			
Confirmed incidents of corruption, bribery or fraud	Zero	Zero	Zero
FINANCIAL			
Revenue (US\$`000)	1,598,467	1,108,638	976,976
Cost of sales (US\$`000)	1,496,649	1,048,356	(922,790)
Income tax expense (US\$`000)	(4,585)	(1,726)	(336)
Profit after tax (US\$`000)	24,522	10,339	1,599
Employee benefit expenses (US\$`000)	(54,662)	(34,544)	(30,463)
Dividends declared and paid (US\$`000)	4,063	NIL	3,501

Notes:

1. Energy and carbon dioxide emissions figures refer to purchased electricity, and diesel and petrol consumption.
2. Electricity consumption is significantly higher in FY2021 due to partial resumption of employees working from office.
3. Total number of employees in FY2021 is based on active working staff and new hires, excluding resignees.
4. Intensity calculations for electricity, energy consumption and CO₂ emissions in FY2021 are based on 877 employees as the denominator that accounts for all the active employees, new hires and resignees.

ABOUT THE REPORT

STAKEHOLDER ENGAGEMENT

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 value our relationships with our stakeholders and building long-term trusted relationships with them remains an essential aspect of our approach to business. Creating sustainable value for our key stakeholders is at the heart of our corporate sustainability roadmap. By actively engaging with our stakeholders, we can better identify issues and devise solutions in our business practice that can make a real impact.

We maintained strong engagement with our stakeholders during the ongoing COVID-19 pandemic by adopting digital means, such as via online webinars, digital marketing and video conferences to circumvent the limitations of in-person interactions.

We have summarised our engagement with key stakeholders (internal and external) 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 quarterly financial results SGX filings Annual reports Sustainability reports 	<ul style="list-style-type: none"> Practise good corporate governance Manage risks and opportunities Ensure sustainable business growth

ABOUT THE REPORT

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

ABOUT THE REPORT

MEMBERS 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

FY2021

Award Titles	Presented By
2021 Gold Model Award	SimCom Wireless Solutions Co., Ltd.
2021 Distributor Excellence Award	SimCom Wireless Solutions Co., Ltd.
2020 Strategic Partner	Shenzhen Shi Xinzhongxin Technology Co Ltd
2020 Supplier Excellence Award	Shenzhen TESmart Technology Co., Ltd.
Caring Company Logo 2020/2021	The Hong Kong Council of Social Service
Award for Partner dedication for attaining SAP Record Revenue & Growth FY2021	Xilinx, Inc. (now part of AMD)

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 Huaptex 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.

SUSTAINABILITY STRATEGY

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

MATERIALITY ASSESSMENT AND ESG FACTORS

In consultation with Sustainability Management Council and the Board, we have identified and prioritised material ESG factors with impacts that are of high significance to our business success and to our key stakeholders, while also taking into consideration GRI principles of stakeholder inclusiveness, materiality, sustainability context and completeness.

We are continuously improving the adequacy of our materiality assessment process in order to adapt and keep pace with the evolving macroeconomic environments and business operational needs.

MATERIAL TOPICS

This year, we report our progress based on the material topics identified in the FY2020 review.

The table below summarises our management approach and potential impact in relation to our ambition in making a difference to sustainable development.

MATERIAL ESG FACTORS		
MATERIAL TOPICS	WHERE THE IMPACT OCCURS	MANAGEMENT APPROACH
Environment		
Innovation in Technology for the Environment*	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
PEOPLE		
Employment and Employee Well-being*	In our workforce	Nurture an inclusive, caring and enabling workplace where employees have ample personal and professional development opportunities to perform their best
Employee Development and Training	Professional development of our employees within the organisation	
Diversity and Equal Opportunity	Our governance structure and management quality by harnessing diversity and inclusion	
Human Rights	In our workforce and supply chain	Uphold and respect human rights
CUSTOMERS		
Marketing and Labelling	In our sales, marketing and packaging operations	Comply with product labelling and information rules, regulations and industry standards

SUSTAINABILITY STRATEGY

MATERIAL ESG FACTORS		
MATERIAL TOPICS	WHERE THE IMPACT OCCURS	MANAGEMENT APPROACH
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.

UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

On 25 September 2015, the United Nations ("UN") General Assembly set the 17 Sustainable Development Goals ("SDGs") to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda. Each goal has specific targets to be achieved over the next 15 years.

Recognising that businesses can play a critical role in contributing towards the achievement of the SDGs, we have identified the Goals that are most relevant to our business that have guided us in integrating ESG considerations into our business strategy and sustainability roadmap.

We acknowledge that our participation in reaching the SDGs still has some way to go. We will continue to review our alignment with the SDGs and strive to manage our business sustainability pursuits and our business goals more effectively in addressing the goals.

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.

SDGs Logo Source: <http://www.un.org/sustainabledevelopment/news/communications-material>

SUSTAINABILITY STRATEGY

MATERIAL ESG FACTORS	GRI STANDARDS	UN's SDG Targets Our Business Supported (Source: http://sustainabledevelopment.un.org)	SDG
Energy	GRI: 302: Energy 2016	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.	
Energy	GRI: 302: Energy 2016	7.2: By 2030, increase substantially the share of renewable energy in the global energy mix. 7.b: By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked developing countries in accordance with their respective programmes of support.	
Employment	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.	
GHG Emissions	GRI 305: Emissions 2016	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	
Employee Training	GRI 404: Training and Education 2016	4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	
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	
Anti-Corruption	GRI 205: Anti-Corruption 2016	16.5 Substantially reduce corruption and bribery in all their forms. 16.6 Develop effective, accountable and transparent institutions at all levels.	

SUSTAINABILITY STRATEGY

MATERIAL ESG FACTORS	GRI STANDARDS	UN's SDG Targets Our Business Supported (Source: http://sustainabledevelopment.un.org)	SDG
Regulatory Compliance	GRI 419: Socioeconomic Compliance 2016 GRI 307: Environmental Compliance 2016	16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all. 16.6 Develop effective, accountable and transparent institutions at all levels.	 <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
INTELLIGENT COMPUTER VISION	PlanetSpark-exclusive PSX series single board computers deployable in Smart Sustainable Cities: <ul style="list-style-type: none"> • Vision guided automation • Traffic enforcement • Facilities management • Security surveillance
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"> • Portable wireless speaker • Wireless music headphone • Mini combo • Soundbar and wireless subwoofer • Audio transmitter dongle 	<ul style="list-style-type: none"> • Wireless solutions • Consumer wireless audio solutions <p>Examples of applications:</p> <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 <ul style="list-style-type: none"> • Wireless sensors • Wireless controls • BLE mesh network platforms 	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 2021 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

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 engineers stay abreast with market trends to develop required technology solutions, 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 IoT.

MARKETPLACE

PLANETSPARK INNOVATION CENTRE

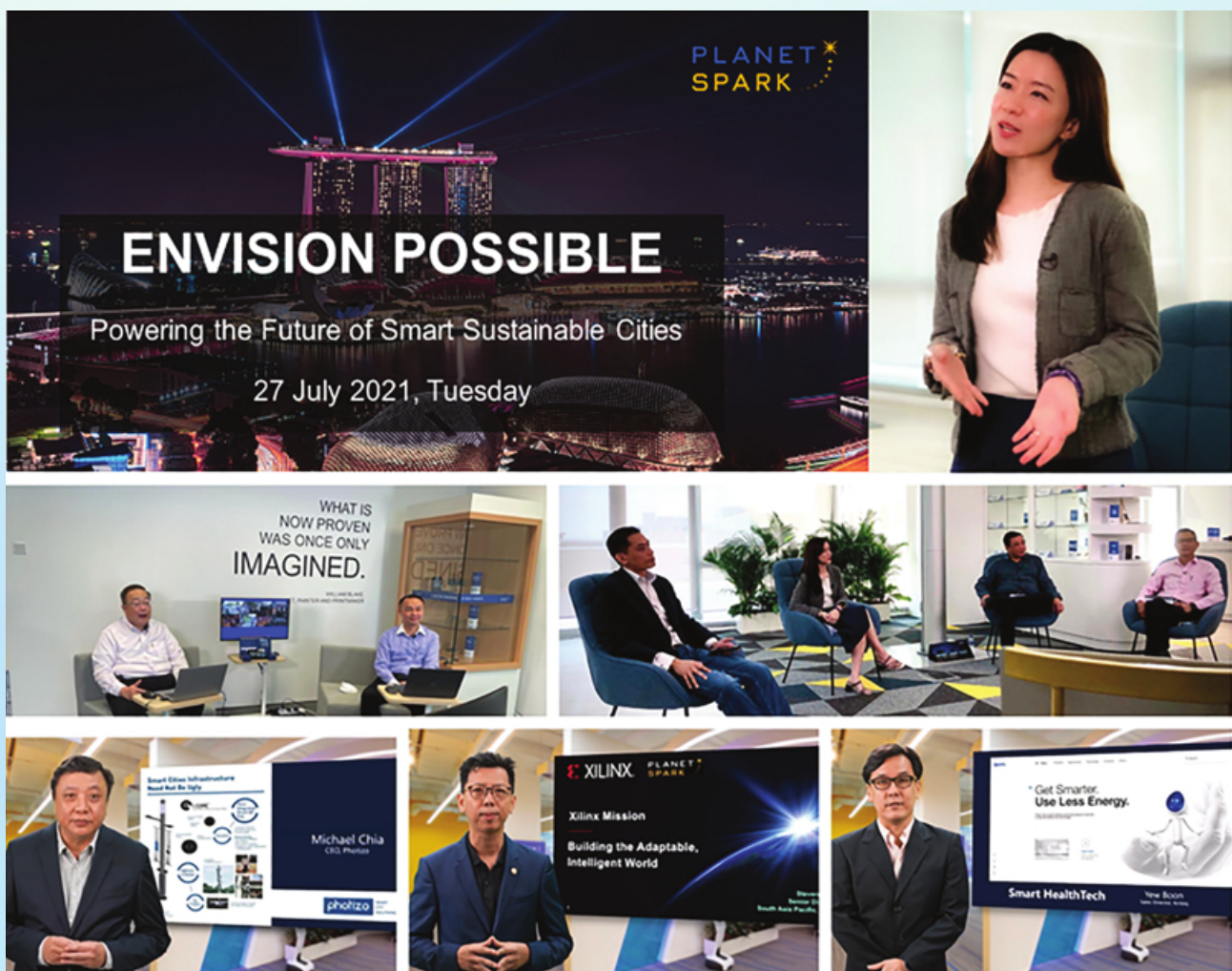


Highlights of the official opening of the PlanetSpark Innovation Centre on 12 January 2021 in Singapore.

MARKETPLACE

In 2021, we announced the official opening of the PlanetSpark Innovation Centre, our IoT demonstration facility in Singapore. Our work in the centre focuses on building an ecosystem of strategic partners that includes our principals and business networks, as well as on nurturing start-ups to accelerate the commercialisation of their AI and IoT innovations. The centre will also showcase the latest technologies from our strategic suppliers, as well as demonstrate our competitive strengths in custom solutions that target the AI and IoT hardware market. We nurtured a total of 4 startups in the areas of thermal imaging scanners (Meridian Innovation), facial recognition (Seventh Sense), high speed wireless data connectivity (NuSpace, ClopTech) – all of their technology have the potential to be mass deployed for powering Smart Sustainable Cities towards achieving net zero emissions.

Last year, PlanetSpark launched its flagship single board computers (“SBCs”) targeting smart vision AI applications we designed and built together with our long-term principal Xilinx-AMD, relevant to Smart Sustainability, Smart Building and Smart Wearables industry segments.



Virtual product launch event of PlanetSpark flagship single board computers.

We have long recognised the importance of innovation to stay competitive. In 2017, we built a Far-field Voice Technology

MARKETPLACE

("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 FY2021
We aim to nurture at least 2 companies within our Smart Sustainability pillar in the innovation centre.	Nurtured 4 startups developing technology solutions that can be mass deployed to power Smart Sustainable Cities.

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. We also have a supplier review process that we described in the Economic Performance section of this report.

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.



Excelpoint delivering technical webinars on our principals' products and solutions.

MARKETPLACE

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

In 2021, we employed 741 full-time employees¹. Permanent employees represented 96.8% of our workforce, with the rest being fixed-term contract. Hong Kong and China accounted for 64.2% of our workforce, followed by Southeast Asia², where 34.5% of our employees was based.



¹ Based on active working employees and new hire headcount, excluding resignees.

² Southeast Asia: Singapore, Malaysia, India, Indonesia, Philippines, Vietnam and Thailand.

PEOPLE

HIRING AND TURNOVER

We hired 173 new employees in 2021. Hong Kong and mainland China accounted for 57.2% of the new hiring, followed by Southeast Asia with a 40.1% share.

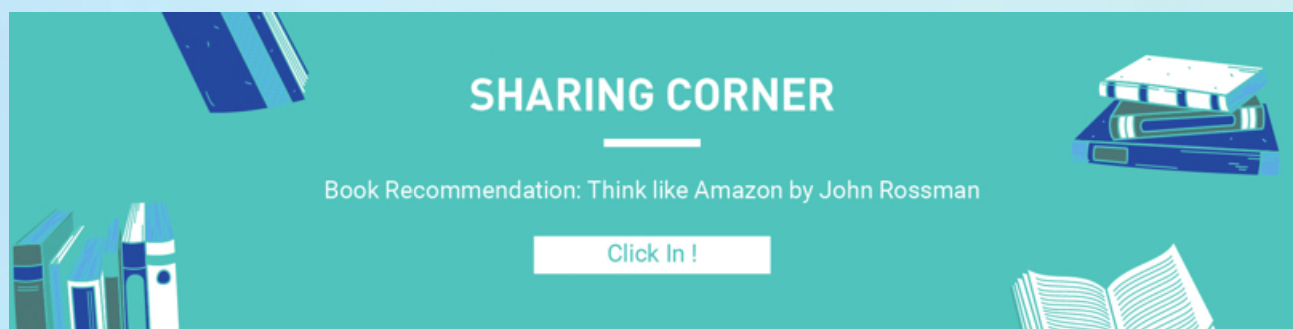
During the year, 137 permanent employees left the organisation. Our overall turnover rate was 18.0% in 2021, lower than the figure of 22.6% for the previous year. We continuously review our attrition rate and benchmark it with the industry. We then take the necessary measures to retain the right talent.

PROTECTING PEOPLE AMID THE PANDEMIC

Employee well-being has always been 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 remain 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. With vaccination programmes being progressively rolled out across the countries that have our business presence, we foresee it will not be long before we manage COVID-19 cases by treating them as endemic infections. As we are still emerging from the pandemic, we will continue to monitor the COVID-19 situation closely as it evolves.

EMPLOYEE WELL-BEING

We recognise that the prolonged COVID-19 pandemic has an impact on both the physical and mental well-being of our employees as social isolation and concerns surrounding the uncertainty of the economy and the pandemic situation can take a toll on our employees' mental health. At Excelpoint, we ensure good communication and open engagements, assuring them that we will protect their jobs and do what we can to make work arrangements safe for all. Through our monthly internal newsletter, we constantly emphasised to our people the importance of taking charge of their well-being by sharing articles on self-care, stress-management, nutrition, learning, professional growth and personal development.



A book review published on Excelpoint's internal newsletter on March 2021 to inspire professional development.

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.

In 2021, 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 and CEO dialogues. We also engage our people through our monthly internal newsletter, 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 2021, the majority of these in-person activities continued to be temporarily put on hold due to the pandemic. Undeterred by these limitations, the senior management informally took turns to self-sponsor special surprise lunch treats for employees as a gesture of encouragement to boost their morale during the prolonged 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. For the age profile of the Board members, 83% of the Board was above 50 years old and 17% fell in the age range of 30-50 years old.



PEOPLE

The proportion of women in our workforce has continually increased over the years. Women employees represented 43.3% of the total employee base in 2021, up from 42.8% in 2020. In senior management, women occupied 26.7% of the positions, up from 25.0% reported for 2020. Women also held 28.8% of the middle management roles. Among the new hires in 2021, the share of women was 39.9%, which was higher than the previous year of 37.5%.



Women leaders in Excelpoint.

PEOPLE

Since 2020, we have selected innovation as a material ESG factor that is integral to our sustained growth in order to enable our company to take on greater responsibilities when it comes to playing a role in the supply chain. To attract a more diverse talent pool, we set the target of expanding our R&D team by 5% to aid with our new pillars of growth. In 2021, our R&D headcount remained unchanged from the year before. The data highlighted the challenges of finding the right personnel with specialised technical skillset and their retention as their skills are highly sought after in the open market, especially in our industry. We will continue to step up our recruitment efforts, as well as to continue nurturing our R&D team by providing them with many opportunities for long-term career growth.

Our Ongoing Annual Target	Performance in 2021
Supporting Diversity Expand our engineering capabilities and R&D team by 5%, in line with our plans to develop more innovative solutions and value-add to our partners.	R&D headcount stood at 36, same as previous year. However, we expanded the capabilities of the team by training and upskilling them.

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.

HUMAN RIGHTS

We are committed to upholding internationally accepted human rights principles. Our policies prohibit child labour, forced or compulsory labour, and discrimination. 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 2021, we became more agile and nimble by embracing digital ways of learning using virtual platforms like Zoom webinars and online meetings to circumvent the restrictions of in-person gatherings brought about by the COVID-19 pandemic. We provided a total of 848.5 hours of training to our employees, six times higher compared to 141 hours in 2020. The average duration of training was 1 hour per employee.

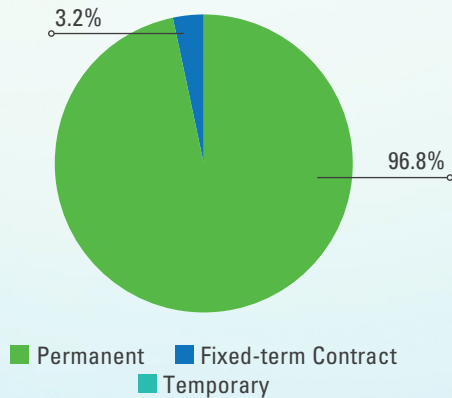
The workshops and webinars attended by our staff in 2021 included ISO9001:2015 Awareness Training, Investment Law in Vietnam, Occupational First Aid Course and technical marketing workshops.

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.

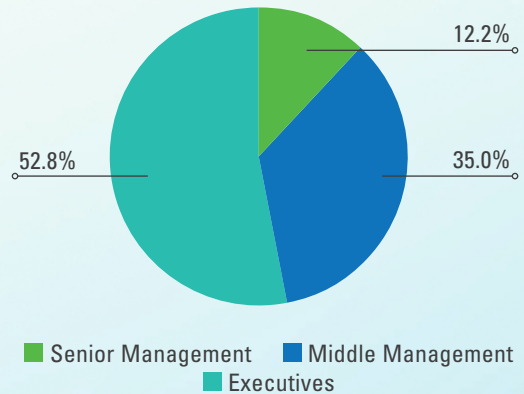
PEOPLE

OUR WORKPLACE PERFORMANCE SUMMARY

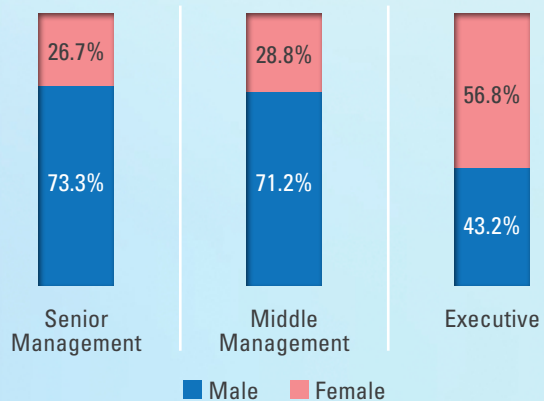
**WORKFORCE BY EMPLOYMENT TYPE
(ACTIVE & NEW HIRES)
FY2021**



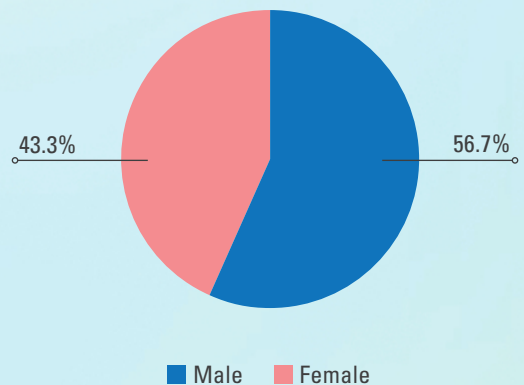
**WORKFORCE BY EMPLOYMENT CATEGORY
(ACTIVE & NEW HIRES)
FY2021**



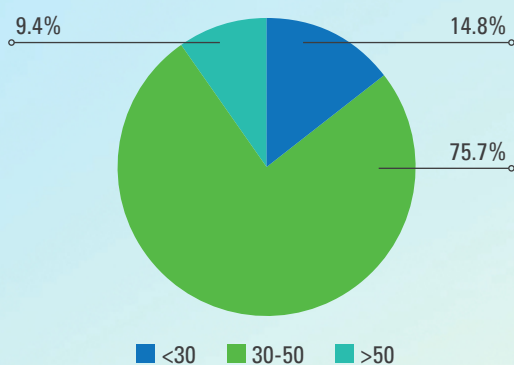
**GENDER DIVERSITY BY EMPLOYMENT CATEGORY
(ACTIVE & NEW HIRES)
FY2021**



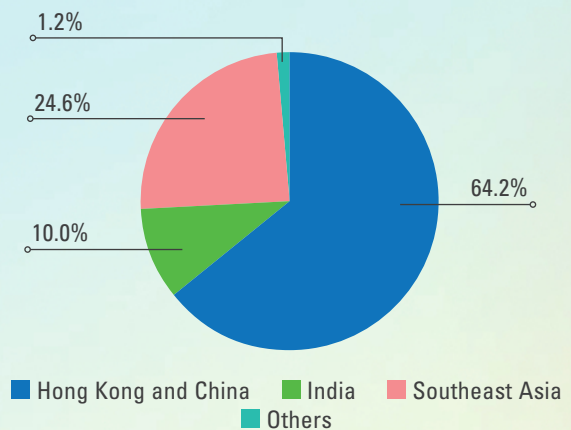
**GENDER DIVERSITY (ACTIVE & NEW HIRES)
FY2021**



**AGE DIVERSITY (ACTIVE & NEW HIRES)
FY2021**

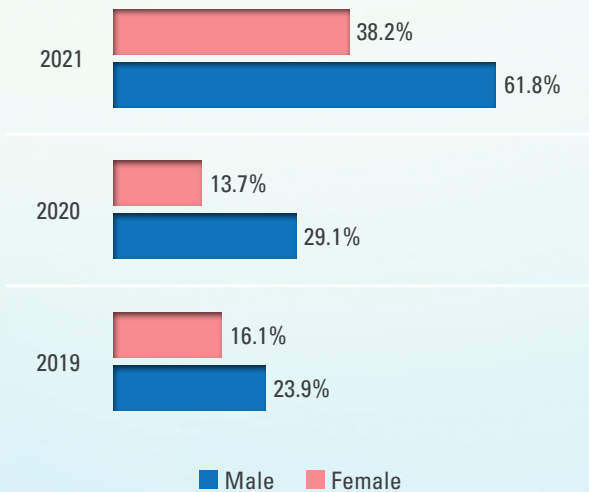


**EMPLOYEES BY REGION (ACTIVE & NEW HIRES)
FY2021**

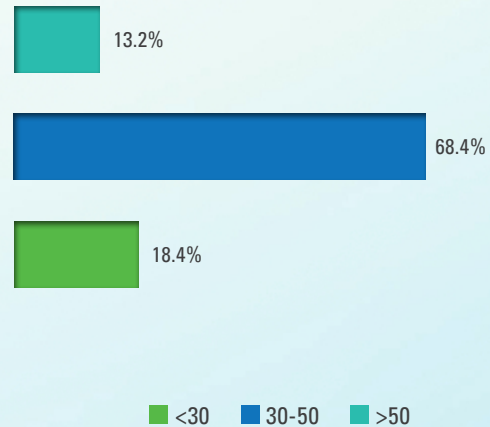


PEOPLE

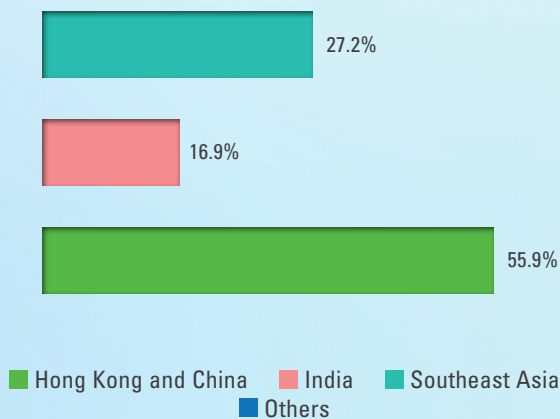
EMPLOYEE ATTRITION RATE BY GENDER



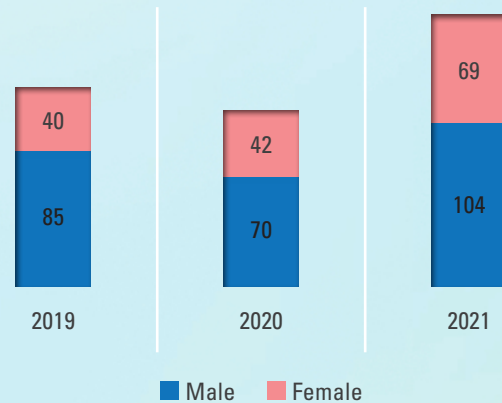
EMPLOYEE ATTRITION RATE BY AGE FY2021



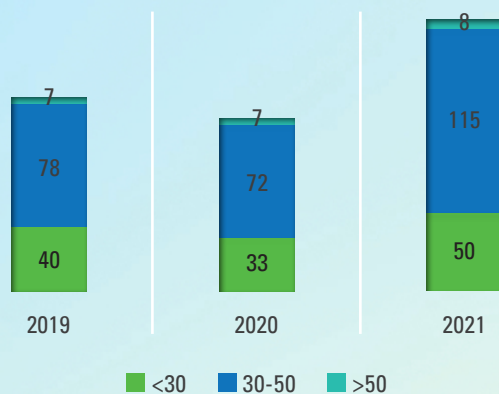
EMPLOYEE ATTRITION RATE BY REGION (FY2021)



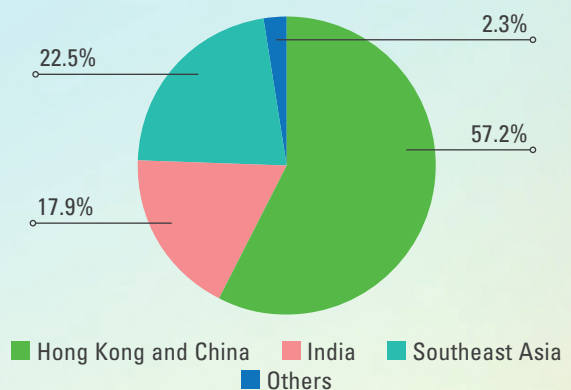
NEW HIRES BY GENDER



NEW HIRES BY AGE GROUP



NEW HIRES BY REGION FY2021



ENVIRONMENT

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

As a 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. 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.

TECHNOLOGY-ENABLED CLIMATE ACTION

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.



Excelpoint offers intelligent sensor technology for Agritech to drive sustainable farming that has much lower carbon footprint compared to air-flown imported produce.

ENVIRONMENT

Excelppoint offers a robust portfolio of technology solutions and productlines that are deployable at scale to improve energy efficiency and reduce carbon footprint. Below is a summarised description of our corporate efforts in combating climate change. Together, we can all make a difference in charting a net zero future. We are also on the constant lookout for startups in this area in order to collaborate with them to provide more solutions in this segment.

- **Supply energy-efficient streetlamps in India**
We supported government-led initiatives in replacing conventional lighting with cost-friendly and energy-efficient LED lighting options.
- **Supply EV charger solutions in Vietnam**
With more reliable EV charging stations available, more people would switch to EV, thereby contributing to a net zero future by reducing carbon emissions from vehicles.
- **Supply power conversion and transmission products, as well as battery management systems and power quality monitoring solutions to support China's smart grid sector**
Our technology solutions play an important role in enabling China's transition to renewable clean energy, leading to lower carbon emissions.
- **Supply intelligent sensor technology for Agritech**
With technology-enabled farming practices such as Agritech to increase local food production, our technology solution is a promising response against climate change as sustainable local produce has a much lower carbon footprint than air-flown imported ones.
- **Developed smart vision AI technology solutions for Smart Sustainable City deployment**
PlanetSpark launched its flagship energy-efficient single board computers ("SBCs") that address problem statements relating to urbanisation. For example, the SBCs can be installed as a Smart lampposts with security surveillance feature.
- **Invested in a startup that develops an IoT tool for water conservation efforts at scale**
PlanetSpark invested in SpaceAge Labs, a Singapore startup developing IoT solution for monitoring water consumption digitally and for detecting potential water leaks in real-time.

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 only electricity and fuel consumption data. In 2021, we purchased 716,163 kWh of electricity, while the electricity intensity was 817 kWh per employee. The electricity consumption was higher in 2021 due to partial resumption of employees back to work in office in the markets we operate in. There was negligible increase in the electricity intensity, which could be due to higher recruitment headcounts.

In 2021, our energy intensity is slightly lower at 3.1 GJ per employee compared with 3.2 GJ per employee in 2020.

Currently all our entities with physical offices are rented, resulting in limited control over the selection of the type of energy we can purchase. This could change in the future when our landlord decides to make the switch to clean renewable energy sources to power their buildings for reducing carbon footprint.

ENVIRONMENT

CARBON DIOXIDE EMISSIONS

In 2021, our carbon dioxide (CO₂) emissions originated from purchased electricity consumption within our facilities and petrol fuel combustion of our company vehicles. In line with the Greenhouse Gas (GHG) Protocol¹, we report Scope 1 emissions and Scope 2 emissions amounting to 10 tCO₂ and 524 tCO₂, respectively. For the same period, our CO₂ emission intensity is 0.61 tCO₂ per employee, slightly higher than the year prior. Compared to 2020, our total CO₂ emission is higher at 534 tCO₂ due to partial resumption of employees returning back to work in office. We do not include the GHG emissions generated by our suppliers (Scope 3).

Our 2021 methodology uses the free Excel tool² downloaded from GHG Protocol website to calculate the Scope 2 emissions based on purchased electricity consumption data of our entities. It is noteworthy that GHG Protocol is the international agency that establishes comprehensive global standard. The tool contains pre-filled Emissions Factor ("EF") that GHG Protocol has collected from credible published sources. For our USA entity, as the region-specific electricity grid information associated with our USA entity's electricity utility provider was not available, we applied the national average GHG EF published by the U.S. Environmental Protection Agency ("EPA")³ on April 2021 to calculate the Scope 2 tCO₂ (see formula below). Following the recommendations from GHG Protocol, we first looked for site-specific EF that would be the most accurate for calculating our GHG data. When site-specific EF is not available, the rule of thumb is to search for regional/power pool EFs. However, if regional/power pool EFs are not available, the next step is to go for the national-level country-specific average EF published by reputable sources, which was what we did in our journey to find the correct EF for calculating our USA entity's CO₂ emissions.

$$\begin{array}{ccc} \text{Activity Data} & & \\ \text{(e.g. electricity consumption)} & \times & \text{EF} = \text{tCO}_2 \text{ emission} \end{array}$$

WATER

Clean water is a limited precious resource. This report, we disclose our water consumption for the first time, reporting a total of 11237.8 m³ from 100% municipal water supplies and water consumption intensity of 12.8 m³ per employee. The ESG data would provide a baseline for future monitoring purpose.

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.

¹ GHG Protocol is an international agency that establishes comprehensive global standardised frameworks to measure and manage greenhouse gas (GHG) emissions from private and public sector operations, value chains and mitigation actions.

² https://www.ghgprotocol.org/sites/default/files/ghgp/Purchased_Electricity_Tool_Version-4_8_0.xlsx

³ https://www.epa.gov/sites/default/files/2021-04/documents/emission-factors_apr2021.pdf

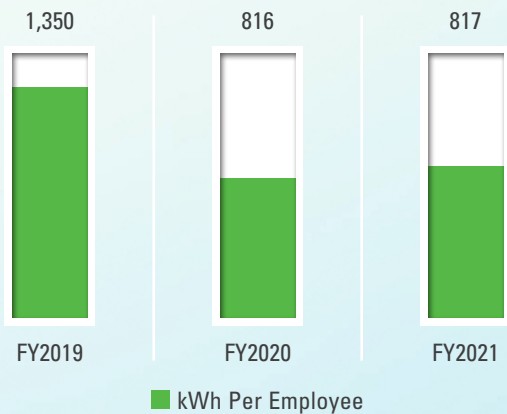
ENVIRONMENT

OUR ENVIRONMENTAL PERFORMANCE SUMMARY

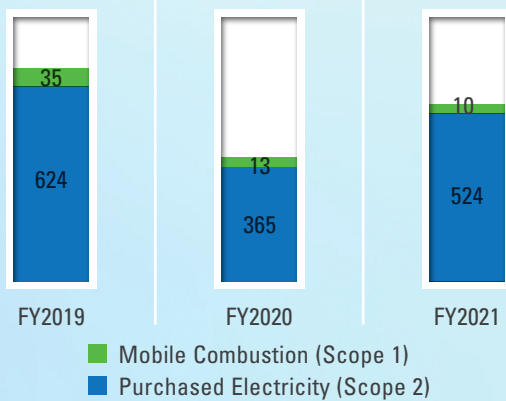
TOTAL ELECTRICITY CONSUMPTION



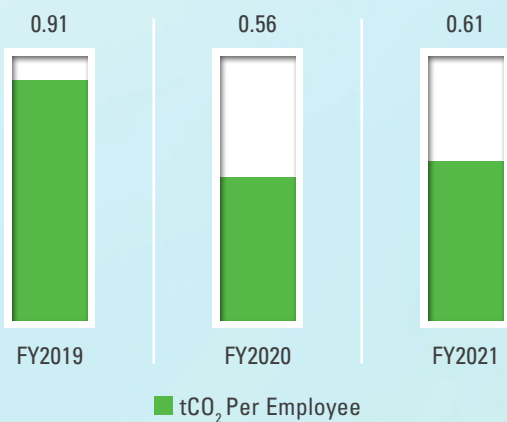
ELECTRICITY INTENSITY



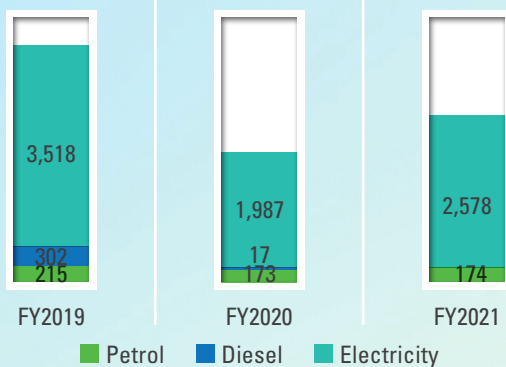
CARBON DIOXIDE EMISSIONS (tCO₂)



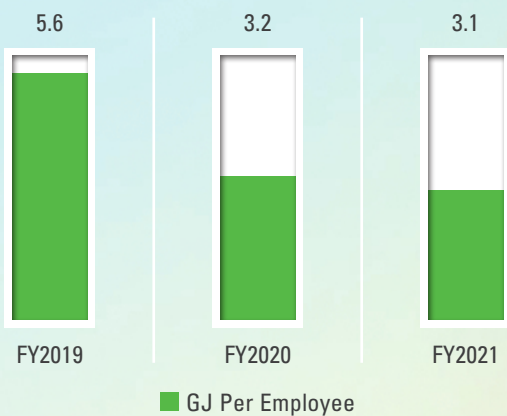
CARBON EMISSION INTENSITY



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 (“CSR”) 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. We encourage our employees to participate in community volunteering efforts. For the past two years, due to the COVID-19 pandemic restrictions, many nonprofit and charity organisations have temporarily suspended in-person volunteering activities as a health safety precautionary measure. We expect that as we emerge from the COVID-19 pandemic, there will be many more opportunities for our employees to participate in volunteering activities.



In 2021, we maintained our CSR support to our identified social causes by investing over US\$71,800 into a range of programmes benefitting the local communities. While we are still on our way to reaching our FY2021 target, we endeavour to continue striking a balance between our business sustainability pursuits and our social responsibility.

Our Ongoing Annual Target	Performance in FY2021
We believe in giving back to our community, and target to put aside 1% of our PAT to help our communities.	Through our initiatives in the education and social areas, we invested over US\$71,800 to support a range of programmes benefitting the local communities.

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

FY2021

- Sowers Action Sending Love Programme: We donated US\$4,600 (HK\$36,000) to purchase 300 jackets for under privileged school children in two schools located in the Zhaoyang district of Yunnan Province, China. As winters have always been treacherous for children in these rural mountain areas with insufficient indoor heating, the donated jackets would help the children combat the extreme cold and better focus on their learning.



Sowers Action Sending Love Programme by sending 300 jackets to school children in rural mountain areas of the Zhaoyang district of Yunnan, Province, China

COMMUNITY

- UOB Commercial Banking Singapore's Lunar New Year Outreach Programme 2021: We donated US\$22,400 (S\$30,000) 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.



Through UOB's Lunar New Year Outreach Programme fundraising drive in 2021, part of the S\$30,000 went into the Business Times Budding Artist Fund, which supports the development of young talents in Singapore who require support. (Photo credit: Little Arts Academy)

- National University of Singapore's Innovation & Design Centric Programme (iDCP): Since 2017, Excelpoint has supported students' projects through sponsorship totalling 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.

FY2020

- Sowers Action Sending Love Programme: We donated 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

COMMUNITY

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.

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.

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 2021 for more detailed information.



Economic Performance Indicators (US\$'000)	FY2021	FY2020	FY2019
Revenue	1,598,467	1,108,638	976,976
Cost of sales	(1,496,649)	(1,048,356)	(922,790)
Income tax expenses	(4,585)	(1,726)	(336)
Employee benefit expenses	(54,662)	(34,544)	(30,463)
Profit after tax	24,522	10,339	1,599
Dividends declared and paid	4,063	NIL	3,501

Ongoing Annual Target	Performance in FY2021
Economic Performance Maintain consistent financial performance	Compared to FY2020, revenue for FY2021 increased by 44.2% to US\$1.6 billion and net profit rose to US\$24.5 million. Please refer to the financial statement in our Annual Report 2021 for more information.

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.

Ongoing Annual Target	Performance in FY2021
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 2021 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 2021.

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.

SUPPLIER SELECTION

This year, we took a closer look at our supplier selection process by identifying our top 10 leading suppliers based on their sales performance as a measure of their impact on our business. In reviewing the suitability of our suppliers, we take into consideration factors such as quality of products and services, as well as profit margins and their complementary markets. A holistic balanced approach is used to arrive at our final decision on the shortlisted suppliers. To date, we have not added the sustainability policies of our suppliers as a factor into our supplier selection process. This disclosure will serve as a basis for future improvements.

SUPPLIER REVIEW

We conduct regular reviews on our leading suppliers to assess their performance and merits for partnership renewal. Our engagement with our suppliers is done through a feedback loop via formal and informal channels that is aimed at finding common ground and aligning on mutual expectations. In the coming years, we expect to put in place more systematic review procedures.

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.

Ongoing Annual Target	Performance in FY2021
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	3
	102-2 Activities, brands, products, and services	3, 18-22, Annual Report ("AR") 4-5
	102-3 Location of headquarters	3
	102-4 Location of operations	3, AR 12-13
	102-5 Ownership and legal form	AR 14, AR 112-113
	102-6 Markets served	3, 18, AR 4-5, 12-13
	102-7 Scale of the organisation	10, 24, AR 6-7, AR 12-14
	102-8 Information on employees and other workers	24, 29-30
	102-9 Supply chain	3, 39
	102-10 Significant changes to the organisation and its supply chain	AR 5
	102-11 Precautionary Principle or approach	31-33
	102-12 External initiatives	15-17
	102-13 Membership of associations	13
	STRATEGY	
	102-14 Statement from senior decision-maker	5-6
	ETHICS AND INTEGRITY	
	102-16 Values, principles, standards, and norms of behaviour	4
	GOVERNANCE	
	102-18 Governance structure	8-9, AR 8-11
	102-19 Delegating authority	8-9, AR 17-20
	102-20 Executive-level responsibility for economic, environmental, and social topics	8-9
	102-21 Consulting stakeholders on economic, environmental, and social topics	8-9, 11-12
	102-22 Composition of the highest governance body and its committees	8-9, AR 15
	102-23 Chair of the highest governance body	AR 15
	102-24 Nominating and selecting the highest governance body	AR 24-36
	102-25 Conflicts of interest	AR 17, AR 25, AR 34-36, AR 47

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	8-9, AR 17-20
	102-27 Collective knowledge of highest governance body	AR 18-19
	102-28 Evaluating the highest governance body's performance	AR 15, AR 36-37
	102-29 Identifying and managing economic, environmental, and social impacts	8-9, 11-12
	102-30 Effectiveness of risk management processes	AR 17, AR 43-45
	102-31 Review of economic, environmental, and social topics	8-9, AR 53
	102-32 Highest governance body's role in sustainability reporting	8-9
STAKEHOLDER ENGAGEMENT		
	102-40 List of stakeholder groups	11-12
	102-41 Collective bargaining agreements	28
	102-42 Identifying and selecting stakeholders	11-12
	102-43 Approach to stakeholder engagement	11-12
	102-44 Key topics and concerns raised	11-12, 14-15
REPORTING PRACTICE		
	102-45 Entities included in the consolidated financial statements	7, AR 14
	102-46 Defining report content and topic Boundaries	14-15
	102-47 List of material topics	14-15
	102-48 Restatements of information	None
	102-49 Changes in reporting	None
	102-50 Reporting period	7
	102-51 Date of most recent report	31 May 2021
	102-52 Reporting cycle	7
	102-53 Contact point for questions regarding the report	8
	102-54 Claims of reporting in accordance with the GRI Standards	7
	102-55 GRI content index	40-44
	102-56 External assurance	7

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	15
	103-2 The management approach and its components	15-16
	103-3 Evaluation of the management approach	38-39
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	AR 66-68
ANTI-CORRUPTION		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	15
	103-2 The management approach and its components	15-16, 38
	103-3 Evaluation of the management approach	38
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	38
ENERGY		
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 302: Energy 2016	302-1 Energy consumption within the organisation	10, 32, 34
	302-3 Energy intensity	10, 32, 34
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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	10, 33-34
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	33-34
	305-2 Energy indirect (Scope 2) GHG emissions	10, 33-34
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	14
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GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	39

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GRI Standard	Disclosure	Page Number(s) and/or URL(s)
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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, 24
	103-3 Evaluation of the management approach	24-30
GRI 401: Employment 2016	401-1 New Employee hires and employee turnover	10, 25, 30
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	10, 26
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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
	103-3 Evaluation of the management approach	24, 28
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	28
	404-3 Percentage of employees receiving regular performance and career development reviews	28
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, 26-30
	103-3 Evaluation of the management approach	26-30
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	10, 28-29
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, 26-28
	103-3 Evaluation of the management approach	26-28
GRI 406: Non-Discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	28
LOCAL COMMUNITIES		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	15
	103-2 The management approach and its components	15, 35-37
	103-3 Evaluation of the management approach	35-37
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	35-37

GRI CONTENT INDEX

GRI Content Index 'In accordance' – Core		
GRI Standard	Disclosure	Page Number(s) and/or URL(s)
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, 39
	103-3 Evaluation of the management approach	39
GRI 417: Marketing and Labelling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	39
CUSTOMER PRIVACY		
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	23
	103-2 The management approach and its components	23
	103-3 Evaluation of the management approach	23
GRI 418: Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	23, 39
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GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundaries	15
	103-2 The management approach and its components	15-17
	103-3 Evaluation of the management approach	39
GRI 419: Socio-economic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	39



EXCELPOINT TECHNOLOGY LTD.
Company Registration No. 200103280C

15 Changi Business Park Central 1
#06-00 Singapore 486057
T +65 6741 8966
F +65 6741 8980
www.excelpoint.com