



# HOME CONTROL INTERNATIONAL LIMITED

(incorporated in the Cayman Islands with limited liability)  
Stock Code : 1747



**SUSTAINABILITY REPORT 2021**

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## About this Report

Home Control International Limited (“Home Control” or “we”, together with our subsidiaries, the “Group”) was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 14 November 2019. This is our third Sustainability Report.

The board (the “Board”) of directors (the “Directors”) of Home Control accepts responsibility for this report. It has considered sustainability issues as part of its strategic formulation and has fulfilled its responsibilities in evaluating and determining Home Control’s material Environmental, Social and Governance (“ESG”) matters, and in ensuring that appropriate and effective ESG risk management and internal control systems are in place to address them.

### REPORTING SCOPE

This report covers Home Control’s business operations for the year ended 31 December 2021 (“FY2021”). Where available, prior year data has been included for comparison.

Unless otherwise stated, the following operations are covered in scope for each material sustainability matter.

Material ESG matters	Scope	Rationale
1. Good Corporate Governance	All of Home Control’s operations	N.A.
2. Innovation	All of Home Control’s operations	N.A.
3. Occupational Health and Safety	All of Home Control’s employees and workers in Singapore and China only	Majority of Home Control’s employees (FY2021: 88%) are located in Singapore and China. Home Control’s main manufacturing partner is situated in China.
4. Employment and Labour Standards	All of Home Control’s employees in Singapore and China only	Majority of Home Control’s employees (FY2021: 88%) are located in Singapore and China.
5. Climate Change & Emissions (Air, Land, Water)	All company-owned assets or leased assets in Singapore and China, where Home Control has operational control	Home Control’s assets (FY2021: 94.9%) are mainly concentrated in Singapore and China.
6. Community Investment	All of Home Control’s operations	N.A.

## REPORTING STANDARDS

On 18 December 2019, the Stock Exchange published new requirements in its consultation conclusions on the review of the ESG reporting guide and related listing rules. Key changes to requirements include:

- Mandatory Board statement setting out the board’s consideration of ESG matters
- Mandatory disclosure of significant climate-related issues which have impacted and may impact the issuer
- Amendment of environmental key performance indicators (“KPIs”) to require disclosure of relevant targets
- Upgraded disclosure obligation of all social KPIs from ‘Recommended’ to ‘Comply or explain’
- Shortened deadline for publication of ESG report to within five months after financial year end

The new requirements will apply to financial years commencing on or after 1 July 2020. As such, this report would comply with the ESG reporting obligations and guidelines under Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange (Version effective from 1 July 2020 to 31 December 2021) (the “Listing Rules”) and the Global Reporting Initiative (“GRI”) Standards: Core option.

## FEEDBACK

We are committed to continually improving our sustainability practices and disclosures. If you have any feedback or queries, please send them to [info@omniremotes.com](mailto:info@omniremotes.com).



## About Us

Home Control is a globally leading home control solution provider. We design, develop, and sell remote controls mainly for and to multi-service operators (“MSOs”), television (“TV”) and over-the-top (“OTT”) device brands, and their suppliers. Most of our revenue is generated through sales of remote controls for the set-top boxes (“STBs”) of MSOs devices, OTT devices, and smart TVs.

We are headquartered in Singapore, with regional sales and liaison offices in the United States (“US”), Belgium, the People’s Republic of China (“China” or “PRC”), Brazil, India and Taiwan. We keep our supply chain asset-light by outsourcing our product assembly process to eight manufacturing partners across China and Cambodia. This has allowed us to concentrate our resources on research and development (“R&D”), quality control, and sales management for our customers. Our R&D centres are located in Singapore and Suzhou, China. Currently, the Group has over 200 invention patents, maintains one of the two most comprehensive infra-red (“IR”) and code databases in the world, and has been awarded the Technologically Advanced Service Enterprise Certificate from the People’s Government of Suzhou Municipality in China. Additionally, our production management systems have been accredited with ISO9001:2015, ISO14001:2015 and TL9000 certifications.

In FY2021, our total revenue was US\$126,008,000 (FY2020: US\$134,189,000). Our products are shipped to over 40 countries in North America, Asia, Europe and Latin America, and our largest customers include AT&T Services Inc., Sky CP Limited, Liberty Global Services B.V. and Beijing Xiaomi Electronic Products Co., Ltd. For more information, please refer to our 2021 Annual Report dated 18 March 2022 (“2021 Annual Report”).

### *Scale of our operations*

Globally, we have 11 Sales and Liaison offices, and three R&D centres, releasing more than 80 new types of innovative remote-control offerings yearly. In Singapore and China, where majority of our employees are located, we had 157 employees as at 31 December 2021.

# Statement from Chairman

## Dear Stakeholders,

FY2021 was a year that demanded resilience, operational excellence, and innovation in the face of continuing challenges arising from COVID-19. Despite early headwinds arising from the integrated chip supply shortage, Home Control remained resolute in its sustainability efforts, and through swift operational measures undertaken, came back stronger in the second half of the year to achieve credible economic performance comparable to that in FY2020.

In the year, we continued to uphold a high standard of corporate governance, operating with integrity and transparency. We are pleased to report that in FY2021, we have maintained our record of being fully compliant with all laws and regulations in Singapore and China, including anti-corruption, data privacy, health and safety, labour and human rights, and environmental regulations.

Additionally, safeguarding the health and safety of our stakeholders remained a core priority for Home Control, as we strove to maintain the highest standards of Occupational Health and Safety practices in compliance with local governments' and international health authorities' recommendations. We issued COVID-19 safety guidelines and distributed medical masks to our various offices across our countries of operations, in efforts to prevent workplace transmission of the COVID-19 virus. We also conducted a mental wellness workshop to support employees who were psychologically affected by the pandemic. In FY2021, there were zero cases of COVID-19 and work injuries among our employees.

As one of the leading companies in the world providing control systems, we prize product innovation as a strategic thrust and key enabler to delivering value to our stakeholders. In response to the growing concern of climate change, we launched a solar-powered remote control, Model P, to significantly reduce the use and disposal of millions of alkaline batteries each year in FY2021. In the year, we also launched a new product that uses 65% Post-Consumer Recycled ("PCR") plastic to better meet the needs of our customers. The product is expected to reduce carbon emissions by reducing the use of new plastic resin material.

In preparation for the post-pandemic economy, we will continue to invest in R&D, sales force expansion, as well as improvements to our supply chain for our existing businesses. We continue to be focused on our sustainability agenda, and are confident that Home Control's outlook for 2022 will be stronger than the past 2 years.

**Alain PERROT**

*Chairman*

30 May 2022

# Our Sustainability Approach

While pursuing our business objectives, we aim to be a responsible partner in society, acting with integrity towards our employees, customers, business partners, shareholders, and the wider community. Sustainable development is a priority for our business team, which has formulated guidelines for sustainable performance and operations. Our policy and programs are updated regularly to meet the needs of our stakeholders and customers.

Accountability is the obligation we assume. Partnership is the pathway we pursue.

We are committed to:

- 1 **Developing meaningful technology** driven by the needs of society
  - We foster a culture of sustainable entrepreneurship, in line with our sustainability policy
  - We have optimized our innovations, business strategies and operations by setting financial and non-financial targets and maintaining constructive relationships with our stakeholders
- 2 **Behaving responsibly**, living up to our General Business Practices
  - We are committed to complying with all applicable laws and regulations
- 3 **Building and maintaining trust** through transparency and accountability
- 4 **Working with stakeholders** inside and outside the company
  - We invest in our employees and strive to create a work environment that enables them to reach their full potential
  - We expect our business partners to be committed to sustainable development

## SUSTAINABILITY GOVERNANCE

Home Control was listed on the Main Board of the Stock Exchange on 14 November 2019. We are governed by the Corporate Governance Code set out in Appendix 14 to the Listing Rules. For more information on our directors and governance structures, please refer to our Corporate Governance Report on pages 38 to 51 our 2021 Annual Report.

At every level of leadership, we strive toward a culture in which ethical conduct is recognised, valued, and exemplified by each employee. In our decision-making, we prioritise conducting business in a responsible way over any short-term gain that may be achieved otherwise.

We currently have a dedicated team overseeing our ISO9001, ISO14001, and ISO45001 management systems. In 2020, we set up a Green Product Task Force to oversee the implementation of initiatives that would reduce the environmental impacts of our products. These initiatives include testing and implementing the use of more sustainable packaging, processes, materials and substances for and in our products. More details of our initiatives in FY2021 can be found in the "Innovation" section of this report.

## Our Sustainability Approach

The task force meets bi-weekly, and comprises members from various departments, including R&D, purchasing, engineering, production and quality. The task force is led by the following management team representatives:

- Alain Perrot, our Chief Executive Officer and Chairman
- Rick Siu, our head of Product & Marketing
- Yuechun Zhu, our head of R&D and China site general manager
- Barry Cheng, our head of operations (supply chain and production)
- Haitao Ji, our head of quality

They will also be responsible for providing timely updates of green product requirements according to customer needs and industry regulations to the management team, and for communicating information on initiatives to the wider organisation.



### Board of Directors

Chief executive officer and the Board provide oversight over sustainability targets, strategy and risk management issues. The Board reviews and approves material ESG matters.

- Audit Committee
- Remuneration Committee
- Nomination Committee



### Green Product Task Force

Comprises members from R&D, purchasing, engineering, production and quality, who will formulate, test, and communicate information on initiatives to reduce environmental impacts of products to the management team and the wider organisation.

- Head of R&D
- Head of Operations
- Head of Quality



### Home Control Staff

Engages with Green Product Task Force to put sustainability policies and objectives into practice.



## STAKEHOLDER ENGAGEMENT AND MATERIALITY ASSESSMENT

We consider the views of both internal and external stakeholders obtained through our day-to-day interactions with them, who include our customers, suppliers, employees, shareholders and the government. Knowing their concerns allows us to set targets and operate our business in a way that better serves them and creates value for the community.

Customers	Suppliers & Business Partners	Employees	Shareholders	Government
<p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>- Innovation and product quality</li> <li>- Environmental sustainability</li> <li>- Data privacy</li> <li>- Timely and quality service</li> </ul>	<p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>- Data privacy</li> <li>- Long-term business relationship</li> </ul>	<p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>- Data privacy</li> <li>- Labour standards</li> <li>- Occupational health and safety</li> <li>- Training and development</li> </ul>	<p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>- Innovation and product quality</li> <li>- Revenues and economic sustainability</li> <li>- Good corporate governance</li> </ul>	<p><b>Key concerns</b></p> <ul style="list-style-type: none"> <li>- Compliance with laws and regulations</li> <li>- Social and community impact</li> <li>- Environmental impact</li> </ul>
<p><b>COVID-19 specific concerns</b></p> <ul style="list-style-type: none"> <li>- Timely delivery of products</li> </ul>	<p><b>COVID-19 specific concerns</b></p> <ul style="list-style-type: none"> <li>- Supply chain disruptions due to COVID-19 containment measures</li> </ul>	<p><b>COVID-19 specific concerns</b></p> <ul style="list-style-type: none"> <li>- Job security</li> <li>- Work disruptions due to COVID-19 containment measures</li> <li>- Health and safety, including mental health</li> </ul>	<p><b>COVID-19 specific concerns</b></p> <ul style="list-style-type: none"> <li>- Business continuity</li> <li>- Revenues and economic sustainability</li> </ul>	<p><b>COVID-19 specific concerns</b></p> <ul style="list-style-type: none"> <li>- Social initiatives to support employees and the wider community</li> </ul>

Our Sustainability Approach

Customers	Suppliers & Business Partners	Employees	Shareholders	Government
<p><b>Our engagement platforms</b></p> <ul style="list-style-type: none"> <li>- Annual report and sustainability report (Annual)</li> <li>- Virtual tradeshow and point of sale (Regular)</li> <li>- Customer feedback channel (Regular)</li> </ul>	<p><b>Our engagement platforms</b></p> <ul style="list-style-type: none"> <li>- Annual report and sustainability report (Annual)</li> <li>- Direct communication and collaboration on products (Regular)</li> </ul>	<p><b>Our engagement platforms</b></p> <ul style="list-style-type: none"> <li>- Annual report and sustainability report (Annual)</li> <li>- Codes of Conduct, Company policies (Regular)</li> <li>- Internal communications (Regular)</li> <li>- Company events (Regular)</li> <li>- Staff discussion and performance appraisals (Annual)</li> </ul>	<p><b>Our engagement platforms</b></p> <ul style="list-style-type: none"> <li>- Annual report and Sustainability Report (Annual)</li> <li>- Shareholders' meeting (Annual)</li> </ul>	<p><b>Our engagement platforms</b></p> <ul style="list-style-type: none"> <li>- Annual report and sustainability report (Annual)</li> </ul>

## Our Sustainability Approach

For our inaugural Sustainability Report FY2019, we engaged an independent third-party to facilitate our materiality assessment process using a three-step approach. Since then, we have conducted a review of the identified material matters annually. In FY2021, the Board has assessed that the six material matters reported in FY2020 remain relevant priorities for FY2021. Additionally, the existing topic “Emissions (Air, Land, Water)” was expanded to also include disclosure on relevant climate-related issues, in line with the Stock Exchange requirements.



A universe of material ESG matters was curated based on a high-level peer review and industry scan, and the reporting requirements of the Stock Exchange.

These matters were assigned a score and ranked based on our perception of the scale of their influence on the assessment and decisions of our internal and external stakeholders.

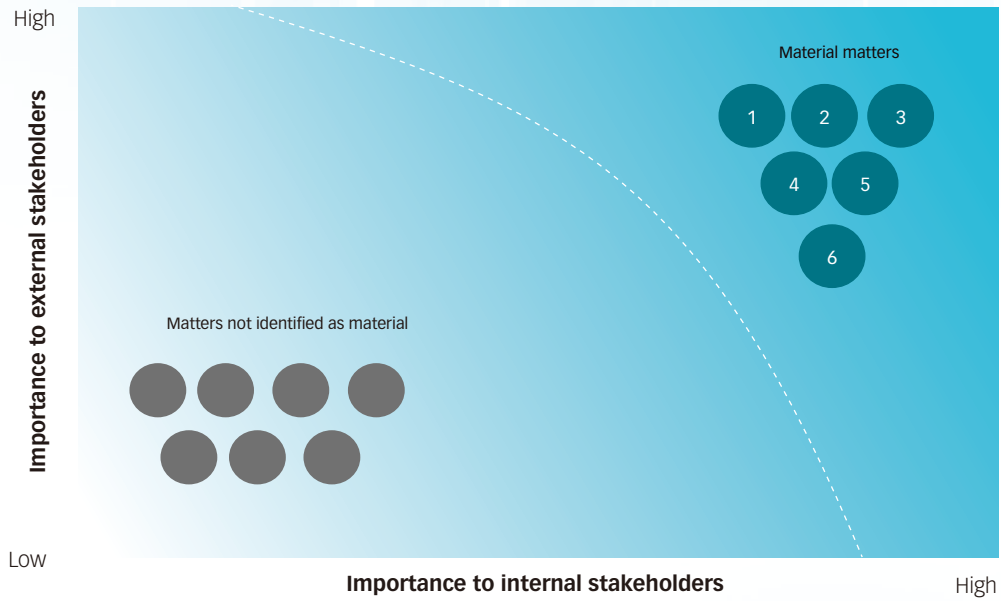
In FY2019, five matters were identified as material.

The materiality assessment results were presented to our Board of Directors for their validation and approval.

Following a review in FY2020, “Community Investment” was added as a reporting matter.

In FY2021, the Board and management concluded that the six material matters reported on in FY2020 remained material for the year. The existing topic “Emissions (Air, Land, Water)” was also expanded to include disclosure on relevant climate-related issues, in line with the Stock Exchange requirements.

**Materiality Matrix**



**FY2021 MATERIAL ESG MATTERS, TARGETS AND PROGRESS**

Legend ✔ Target met ⚙️ On track to meeting target ✘ Target not met

Material ESG matters/(Sub-topics)	Key stakeholders	Approach	Targets	Performance as at 31 Dec 2021
<b>1. Good Corporate Governance</b>	<b>Compliance with laws and regulations</b>	Government, shareholders	Ensure compliance with the stricter of General Business Principles, and applicable laws	<b>Perpetual target:</b> Zero cases of non-compliance <span style="color: green;">✔</span> Target met
	<b>Anti-corruption</b>	Government	Ensure compliance with the stricter of General Business Principles, and applicable laws	<b>Perpetual target:</b> Zero cases of corruption, including bribery, extortion, fraud and money laundering <span style="color: green;">✔</span> Target met
	<b>Data security and privacy</b>	Customers, suppliers, employees	Ensure that data collected is fair, accurate, transparent and non-excessive, and that controls are set in place to protect it	<b>Perpetual target:</b> Zero cases of leaks, thefts or losses of customer data <span style="color: green;">✔</span> Target met
	<b>Business continuity planning (BCP)</b>	Customers, shareholders	Manage risk of operational disruptions through BCP	<b>Perpetual target:</b> Annual assessment and update of BCP <span style="color: green;">✔</span> Target met



Material ESG matters/(Sub-topics)	Key stakeholders	Approach	Targets	Performance as at 31 Dec 2021
<b>2. Innovation</b>	Customers, shareholders	Deliver innovative solutions that improves lives with speed, quality, fairness and integrity	<b>Perpetual target:</b> Develop and implement new technology	✔ Completed development of new solution per customer requirements
			<b>Perpetual target:</b> Release high quality products on time	✔ Target met Product commercial release on-time hit rate > 95%
			<b>Perpetual target:</b> Meet customers' environmental requirements for their products	✔ Target met Developed PVC-BFR free products for four customer accounts (5.19% of total products)
				Developed product packaging with no single-use plastics for one customer account (8.86% of total products)
				Developed products using Post-Consumer Recycled Plastics for one customer account (2.09% of total products)

Material ESG matters/(Sub-topics)	Key stakeholders	Approach	Targets	Performance as at 31 Dec 2021
<p><b>3. Occupational Health and Safety</b></p>	<p>Employees</p>	<p>Provide a healthy, safe and productive work environment for employees, factory workers and visitors</p>	<p><b>Perpetual target:</b>                      ≤ 1 work-related injury/fatality across all employees and factory workers                       Zero cases of non-compliance with health and safety laws</p>	<p>✔ Target met                      Zero work-related injuries/fatalities across all employees and factory workers for year ended 31 December 2019 ("FY2019"), year ended in 2020 ("FY2020") and FY2021</p>
<p><b>4. Employment and Labour standards</b></p>	<p>Employees</p>	<p>Ensure fair employment practices and enable the personal development of our employees</p>	<p><b>Perpetual target:</b>                      Zero cases of non-compliance with internal and external labour and human rights laws</p>	<p>✔ Target met</p>

## Our Sustainability Approach

Material ESG matters/(Sub-topics)	Key stakeholders	Approach	Targets	Performance as at 31 Dec 2021
5. Climate Change & Emissions (Air, Land, Water)	Government, Customers	Minimise the adverse effects of our activities on the environment	<b>Perpetual target:</b> Zero cases of non-compliance with relevant environmental legislations	✔ Target met
			<b>FY2021:</b> Reduce greenhouse gas (GHG) emissions intensity by 0.5% from FY2020	✘ Target not met 3.14% increase in GHG emissions intensity (tCO <sub>2</sub> /US\$ Million) from FY2020
			Reduce electricity consumption intensity by 0.5% from FY2020	✘ Target not met 3.61% increase in electricity consumption intensity (Kwh/US\$Million) from FY2020
			Reduce water consumption intensity by 1% from FY2020	✘ Target not met 7.96% increase in water consumption intensity (kg/US\$Million) from FY2020
			<b>FY2021:</b> Meet customers' environmental requirements for their products	✔ Target met Produced PVC-BFR Free products for 3 customers  Produced non- SUP (Non-Single Use Plastics) products for 2 customers  Produced products using Post-Consumer Recycled Plastics for 2 customers

Our Sustainability Approach

Material ESG matters/(Sub-topics)	Key stakeholders	Approach	Targets	Performance as at 31 Dec 2021
			Reduce hazardous waste intensity by 1% from FY2020	<p>✔ Target met</p> <p>Hazardous waste intensity (kg/ US\$ Million) has been reduced by 9.10% from FY2020</p>
			Reduce non-hazardous waste intensity by 5% from FY2020	<p>✔ Target met</p> <p>Non-hazardous waste intensity (kg/ US\$ Million) has been reduced by 19.60% from FY2020</p>
<b>6. Community Investment</b>	Government	Actively engage with and contribute to our local communities	<p><b>Perpetual target:</b></p> <p>Organise at least one charitable community engagement event in the year in Singapore and China</p>	<p>Organised fundraising initiative in April 2021 in support of Asian Women's Welfare Association (AWWA)'s Legacy of Love Campaign. Held a recycling auction, where proceeds from the auction were donated to charity</p>



# Good Corporate Governance

We are committed to conducting our business in accordance with internationally accepted standards of good corporate governance. We believe that each of us has a responsibility to comply with the laws and regulations of the countries we operate in, and this commitment extends into the way we conduct business with our partners. We pursue mutually beneficial long-term relationships with partners who are committed to acting fairly, with integrity and in line with our sustainability objectives. Our policies governing the matters discussed in this section are set out in our General Business Principles.

## FY2021 Highlights

- Zero reported violations of internal code of conduct
- Zero reported incidents and legal cases of non-compliance with applicable laws
- Zero reported incidents and legal cases of corruption (relating to bribery, extortion, fraud and money laundering)
- Zero reported incidents and legal cases of leaks, thefts or losses of customer data

## COMPLIANCE WITH LAWS AND REGULATIONS

Each of us has a responsibility to comply with the laws and regulations of the countries in which we operate. Our internal guidelines and procedures on human rights, labour standards, environment and anti-corruption are aligned to the seven Fundamental Conventions of the International Labour Organisation. Where there is a difference between the legal requirement and Home Control's own General Business Practices, we subject ourselves to the stricter standard. We believe in competing fairly in a free market for our customers to have the widest possible choice of products and services at competitive prices, and as such are careful to avoid contact with our competitors, or use information obtained about them in ways that would violate the antitrust law. In addition, we have procedures in place to ensure that all our business transactions comply with the relevant export controls and sanction regulations.

All employees are reminded that violations will result in disciplinary action, up to and including dismissal. Our whistle-blowing channels are opened for concerns over suspected cases of violation to be reported to our compliance officers, who will swiftly address the issue, ideally before it becomes a violation of law or a risk to health, security or safety.

## ANTI-CORRUPTION

We are open, honest and ethical in all our dealings, and do not employ corrupt practices such as bribery or money laundering. Only gifts or hospitality that are reasonable and proportionate can be accepted or offered, and we do not make facilitation payments to speed up or secure the performance of a routine government action. Commission payments to business partners must also be justified by clear and demonstrable services they have rendered. With respect to money laundering, we track suspicious transactions such as payments between unknown entities through an excessive number of intermediaries, high-value cash transactions, or payments made or received by suspicious entities or involving high-risk countries. Any employee who suspects any such case has an obligation to report this to our compliance officers.

As part of Home Control’s anti-corruption practice, our employees are required to attend anti-bribery trainings. As of FY2021, all of our employees have taken an hour long, one-time anti-bribery training. The course outlined anti-bribery acts across various jurisdiction, key difference between bribery and gift/entertainment as well as our company’s anti-bribery & anti-corruption policies.



Additionally, Directors of Home Control are also required to take on anti-bribery training. As of FY2021, both our executive Director and Independent Non-Executive Directors took on continuous training on Anti-corruption.

## DATA SECURITY AND PRIVACY

We respect the privacy of our customers, employees, business partners and other relevant individuals, and we strive to protect their personal identifiable information from abuse. Only where there is a legitimate business purpose is the personal data of individuals processed. In such an event, any processing of personal data shall be relevant to that business purpose and should be fair, accurate, transparent and in no way excessive. Employees are also expressly prohibited from compromising our or a third party’s information and communication assets by, for instance, intentionally circumventing security measures to gain unauthorised access to systems or data; compromising any computer system; and creating an excess volume of messages.

## BUSINESS CONTINUITY PLANNING

Home Control outsources its manufacturing process. To mitigate the risk of business disruptions caused by unexpected events affecting our supply chain, we continually source for alternative subcontractors to be added to our Approved Vendor List, so as to reduce our dependence on any one subcontractor.

In addition, we have a Business Continuity Plan (BCP) that outlines the procedures that we will follow in an emergency, and the roles and responsibilities of a dedicated BCP team that we call our Subcon Transfer Team. The Subcon Transfer Team will first identify and prioritise critical products based on the impact of disruptions in terms of revenue, expenses, and intangible losses. They will then present the key risks and actions to be taken to the business team. The business team will approve the plan and allocate the required financial resources. Thereafter they will execute the plan, with the business team monitoring the progress and handling communications with customers, suppliers, investors and employees.

## SUSTAINABILITY IN OUR SUPPLY CHAINS

Our product assembly process is outsourced to eight manufacturing partners across China and Cambodia. To ensure the robustness of our supply chains, we hold regular weekly and monthly operational meetings to discuss short- and long-term demand forecasts, delivery schedules, material supply levels, and purchasing strategies, amongst other matters. These meetings allow everyone to get on board with the latest updates and the necessary courses of action, and also facilitate the driving of continuous improvement in all areas by our people. Currently at least 100% of our suppliers are ISO14001:2015 certified.

### COVID-19 Impact: Supply chains and Business continuity

COVID-19 posed minimal disruptions to our processes. While COVID-19 resulted in government-mandated shutdowns of offices and factories, with strong unity and support from every part of our supply chain, and a strong BCP in place, Home Control was able to quickly resume operations once shutdown measures by local governments were eased. Consequently, there were no delays or other delivery impacts to our customers. Some of the major actions that we have been taking since end-January 2020 that have helped us swiftly recover from the impact of the pandemic include:

1. Setting up systems for raw material supply tracking, production schedule and delivery status tracking, and manufacturing resumption status tracking
2. Regularly monitoring suppliers' supply status and ensuring backup supply solutions
3. Conducting daily reviews of the finished goods delivery schedule with the supply chain team and checking in with our customers daily to enable us to meet our customers' delivery targets
4. Ensuring our factories have backup plans for production and delivery, and greater flexibility for inbound and outbound transportation of supplies and finished goods
5. Providing bi-weekly updates to global management team on the status of our material supply levels, delivery schedules, and manufacturing processes as well as measures that we have implemented

Thanks to the united effort of the team, we were one of the first companies to emerge from the supply chain crisis in the industry and no deliveries were lost.

As we continue to roll out new initiatives to reduce the environmental footprint of our products, we recognise that engaging with our suppliers is crucial to meeting our goals. Since FY2020, we have issued formal letters with our Green Product and Process requirements to all our suppliers and requested a yearly report from them on their environmental performance, including their carbon footprint. On an ongoing basis, we also consult with key suppliers and welcome their ideas on how our products and processes can be made more sustainable.

To address social risks along our supply chain, our Human Resources office in China works closely with the Human Resources team of our manufacturing partners. Regular health and safety audits at our manufacturing partner factories are also conducted. More information on this can be found in the "Occupational Health and Safety" section of this report.

# Innovation

We believe in harnessing the power of innovation to drive quality and product excellence, and to improve the way we operate. Our customers are our partners with whom we maintain an ongoing dialogue. By listening to and learning from them, we are able to design and deliver the solutions they really want and need with the quality that they are familiar with. Our policies governing the matters discussed in this section are set out in our General Business Principles and Innovation Program Policy.

## FY2021 Highlights

- All operations within Home Control's supply chain (including raw materials and own production) have achieved all delivery request from customer even in the midst of COVID-19
- Product commercial release on time hit rate of 100% achieved
- Developed PVC-BFR free products for four customer accounts (5.19% of total products)
- Developed product packaging with no single-use plastics for one customer account (8.86% of total products)
- Developed products using PCR Plastics for one customer account (2.09% of total products)
- Zero cases of non-compliance with relevant laws and regulations

## DEVELOPMENT AND IMPLEMENTATION OF NEW TECHNOLOGY

Our Innovation Program Policy guides our development of new technologies and concepts through a funneling approach. Firstly, we gather input consisting of new ideas, market research, customer feedback, and feedback from our tradeshows. Then, these inputs are discussed, evaluated, and narrowed down at a weekly platform. Shortlisted ideas are further refined through discussions with other relevant stakeholders such as our sales team, before they are approved, and finally executed.

This approach has helped us to focus our resources on the most important projects and has enabled us to differentiate ourselves from the competition through enabling innovative, advanced product offerings at competitive prices. Our products also comply to internal and external process, quality, and safety standards.



## Innovation

In FY2021, Omni launched Model P, a solar-powered remote control that eliminates the need for manual recharging or battery replacement over its product lifetime. This platform has the potential to significantly reduce the use and disposal of millions of alkaline batteries each year. Model P is part of the “Omni Greenovation” program, a broad-ranging sustainability effort that includes implementing ink-free manufacturing processes, using recycled and ocean-bound plastics, and adopting paper-based packaging. In light of the pandemic, these innovations and others were virtually introduced to customers starting end-2021, with face-to-face engagements expected in 2022 where possible.



### RELEASE OF HIGH-QUALITY PRODUCTS ON-TIME

We are constantly striving toward shortening the lead time to the introduction of a product. To achieve this, we stimulate our Operations group staff toward “continuous improvement” (Kaizen) through weekly, monthly, quarterly and half-yearly trainings, small group activities, and competitions, with the aim of improving quality and efficiency outcomes. In FY2021, we maintained a product commercial release on-time hit rate of 100% and kept the cost of non-quality products to below 0.5% of annual sales.







### MEETING OUR CUSTOMERS’ REQUIREMENTS

We are committed to providing our customers with high quality products that meet their needs. We accomplish this by continually soliciting and validating their insights and value propositions, and then translating them into improvements in our products. Increasingly, we are seeing a growing interest in green products from our customers.

In FY2021, we manufactured PVC-BFR free products for four major customer accounts. This made up 5.19% of our products in 2021 and is expected to reduce the bromine and chlorine emissions of the products after treatment at the end of their lifecycle. Consequently, ozone depletion arising from these emissions can be minimized. We foresee that more customers in the EU and US will request for such PVC-BFR free products in future.

In November 2021, we developed a new product using 65% Post-Consumer Recycled Plastics for one customer account, which made up 2.09% of our products in 2021. This is expected to reduce carbon emissions by reducing the use of new plastic resin material.

We also continued to avoid the use of single-use plastics from the product and pallet packaging for another customer account, which made up 8.86% of our products in 2021. This can reduce plastic pollution and is in line with our customer’s requirements and wider efforts to protect the ocean.

Application	Plastic Packaging	→	Paper Packaging
Unit	 PE bag		 Paper bag
Tape	 Plastic glue tape (Used for cartons)		 Paper glue tape
Palletisation	 Plastic tape & wrap film		 Paper tape instead of shrink wrap & plastic belts

Beyond replacing plastic packaging material with paper-based packaging certified by the Forest Stewardship Council, Home Control conducted an Ocean-Bound Plastic (OBP) study to explore other waste management effort that the company can adopt in reducing ocean plastic. Specifically, OBP aims to reduce involuntary littering by issuing certifications to organization for the collection or recycling of ocean plastic. A study was conducted for 2 OBP Resin from one of our local Vendors, Kingfa. With Kingfa being a key production side for Resin CK-150 and CK-250, Kingfa expressed its interest in adopting OBP waste management method. As such, a primary dry-run and reliability tests were conducted for CK-150 and CK-250. Home Control concluded that we will be working closely with UL to apply for the certification, which are ready November 2021.

With regards to quality assurance and recall procedures, Home Control installed quality control within our entire product lifecycle. This includes product design quality, supplier quality control, manufacturing quality control and aftersales serves. Additionally, official procedures are also in placed to manage customers should there be a need to recall products from customers. As of FY2021, Home Control has zero instances of total products sold or shipped that are subject to recall. However, Home Control received 41 customer complaints and service requests from customer within the reporting year. In response to complaints and service request received, Home Control offered to conduct failure analysis and subsequently generate improvement reports to customers to manage the expectations and requests of our customers.

**Awards & Certifications**

- **ISO9001:2015/TL9000 (R6)/R5.5** for China Operations (Renewed 1 February 2020)
- **ISO14001:2015** for China Operations (Renewed 1 November 2021)
- Technologically Advanced Service Enterprise Certification

# Occupational Health and Safety

We value our employees and seek to foster a healthy, safe and productive work environment for them, our factory workers, and our visitors. Our policies governing the matters discussed in this section are set out in our General Business Principles and Occupational Health and Safety Policy.

As we have outsourced our product assembly process, this section will cover data collected for Home Control's Singapore and China offices, as well as Home Control's main manufacturing partner factory in China.

## FY2021 Highlights

- Zero work-related fatalities among employees
- Zero work-related fatalities among workers in subcontracting factories
- Zero lost days among employees due to work injuries
- Zero lost days among workers in subcontracting factories due to work injuries
- Zero cases of non-compliance with relevant laws and regulations

Core to our company values is the belief that no activity is so important or urgent that it is unable to be performed with utmost care and safety. We care for our people and we recognise that management plays a key role in ensuring their safety, both at their sites and within their functional organisations. Some of the key actions that we have undertaken to achieve the highest standards of occupational health and safety (OHS) performance are:

- Implementing procedures for the identification, prevention, and minimisation of hazards and risks
- Providing all employees with relevant information and regular training on OHS, and ensuring that everyone participates in OHS activities to enhance their safety awareness
- Promoting a Plan-Do-Check-Act systematic approach at all levels in the organisation
- Reporting on our OHS performance regularly and in a transparent manner

We conduct regular audits and reviews of our objectives and targets to achieve continual improvement of our OHS management system, and our OHS policies are communicated to all persons working for or on behalf of the company. Quarterly, at our business review meeting, we review the OHS statistics of our manufacturing partner factory. Our Human Resources office in China works closely with the Human Resources team of our manufacturing partner factory to ensure accurate tracking and reporting of work injuries and man days lost. Our customers have also been visiting our manufacturing partner factory and performing their own strict audits of the health and safety conditions for our workers.

To this end, we are proud to report that we have maintained our track record of zero work-related fatalities and lost days due to work injuries amongst both our employees and factory workers for the past three years. There were also zero COVID-19 cases amongst our employees and workers.



**COVID-19 Impact: Providing masks to our employees**

When the pandemic broke out in early 2020, both our teams in Singapore and China were quick to respond. Office guidelines on safety management procedures (in alignment with government-mandated measures) were issued to all staff. The procedures implemented included daily office disinfection and temperature taking exercises and hybrid work arrangements implemented to prevent overcrowding alongside with mandatory mask-wearing. Furthermore, a mask donation drive was also conducted in the Suzhou office and items were distributed to the Cambodia office thereafter.



Mask Packing activity for our Cambodian Office

**Awards & Certifications**

- **OHSAS18001:2007** for China Operations, including Home Control’s China office and main manufacturing partner in China (Renewed 1 November 2018)
- **ISO45001:2018** for China Operations, including Home Control’s China office and main manufacturing partner in China (Obtained 31 December 2019)

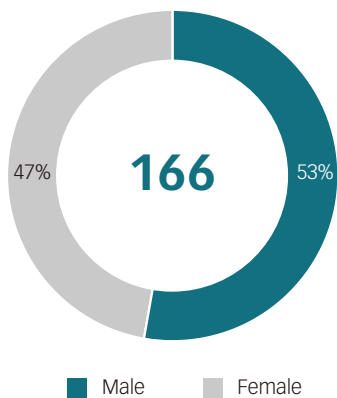


# Employment and Labour Standards

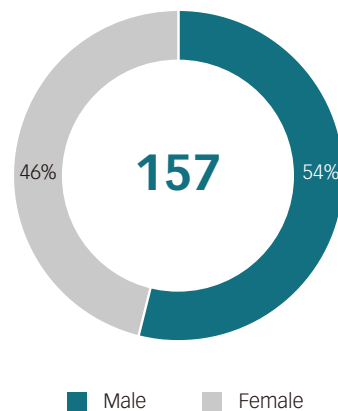
We value our employees, and we encourage them to further their own personal development and make full use of their talents. We will not tolerate any forms of discrimination, harsh or inhumane treatment, including sexual harassment or abuse, corporal punishment, mental or physical abuse of any employee, or the threat of any such treatment. We do not make use of child labour or forced labour, both in our offices, and in the manufacturing and assembly of our products, and this is clearly stated in our General Business Principles. Our policies governing the matters discussed in this section are set out in our General Business Principles, and Human Resources (HR) policy manual.

As at 31 December 2021, Home Control had a total of 35 employees in Singapore and 122 employees in China (FY2020: 35 employees in Singapore and 131 employees in China). All of our employees were full-time and permanent. 54% of our employees were male and 46% were female (FY2020: 53% male and 47% female). In FY2021, there were no COVID-19-related retrenchment cases. In fact, Home Control provided a salary increase to our employees.

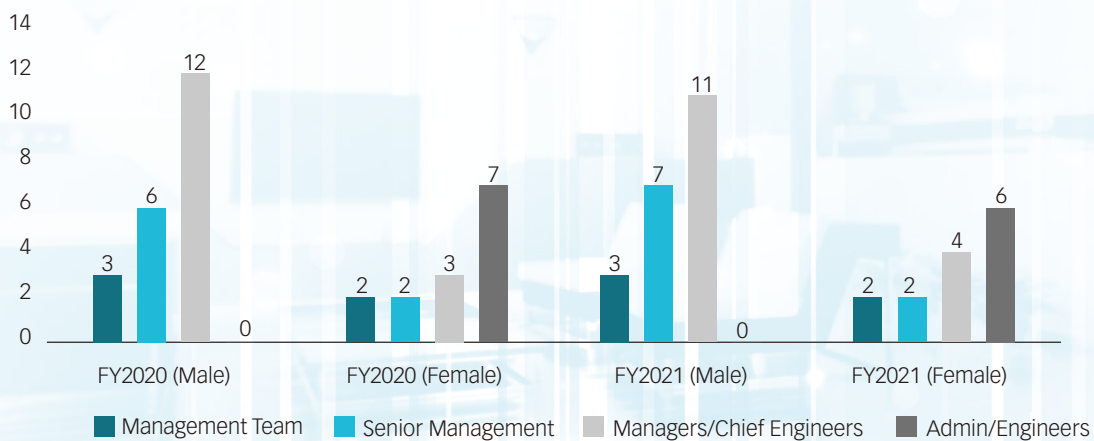
Combined - Employee breakdown by Gender (FY2020)



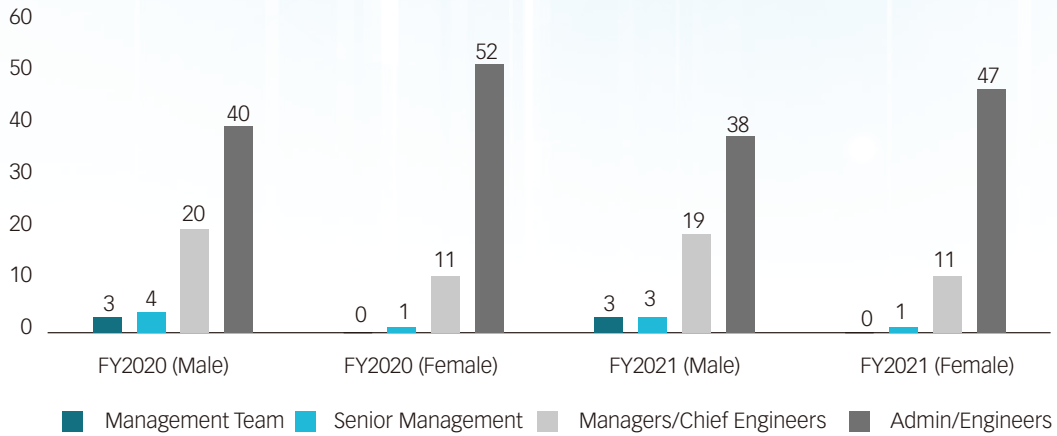
Combined - Employee breakdown by Gender (FY2021)



Singapore - Breakdown by Gender and Employee Category

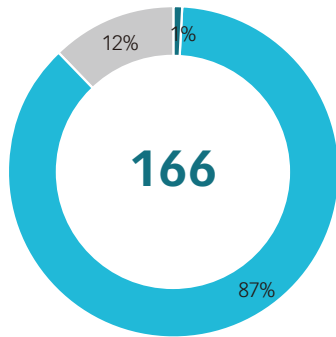


### China - Breakdown by Gender and Employee Category



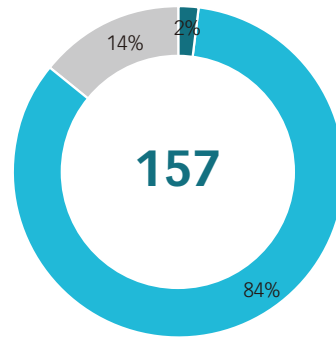
2% were under 30 years old, 84% were between 30 to 50 years old, and 14% were more than 50 years old (FY2020: 1% were under 30 years old, 87% were between 30 to 50 years old, and 12% were more than 50 years old).

Combined - Employee breakdown by Age Group (FY2020)



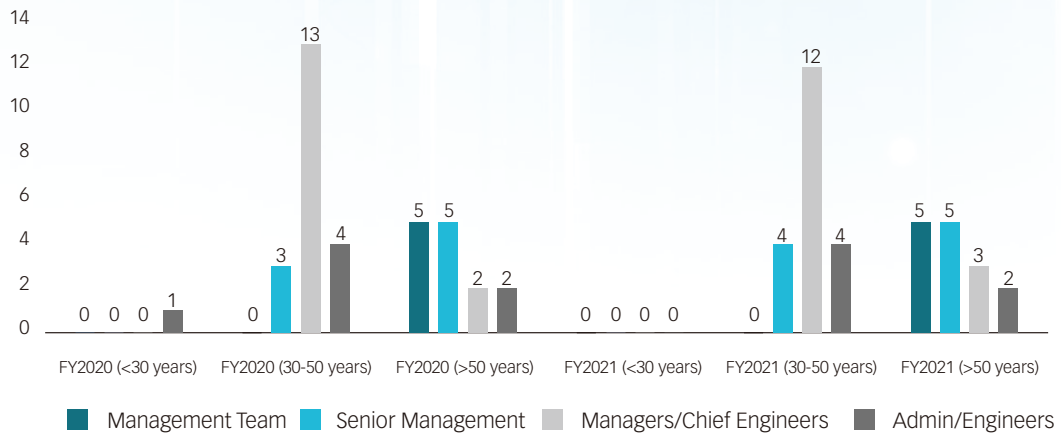
■ <30 years ■ 30-50 years ■ >50 years

Combined - Employee breakdown by Age Group (FY2021)

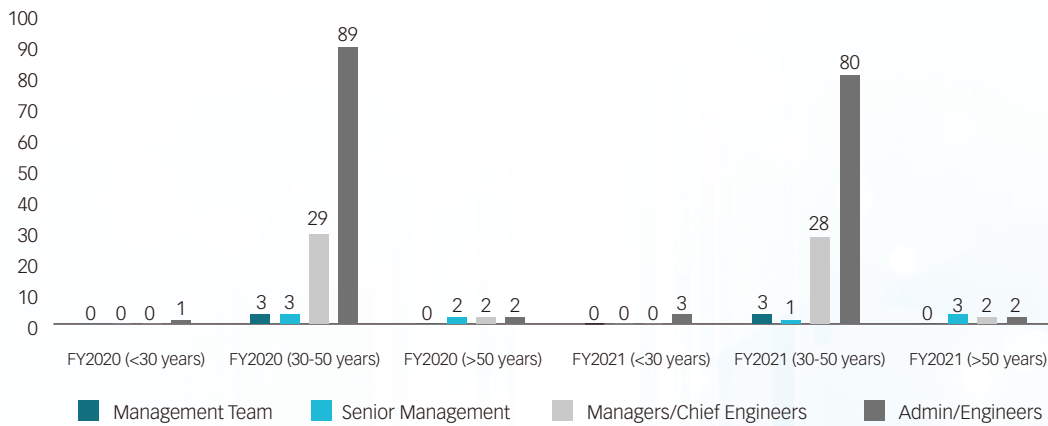


■ <30 years ■ 30-50 years ■ >50 years

### Singapore - Breakdown by Age Group and Employee Category



### China - Breakdown by Age Group and Employee Category

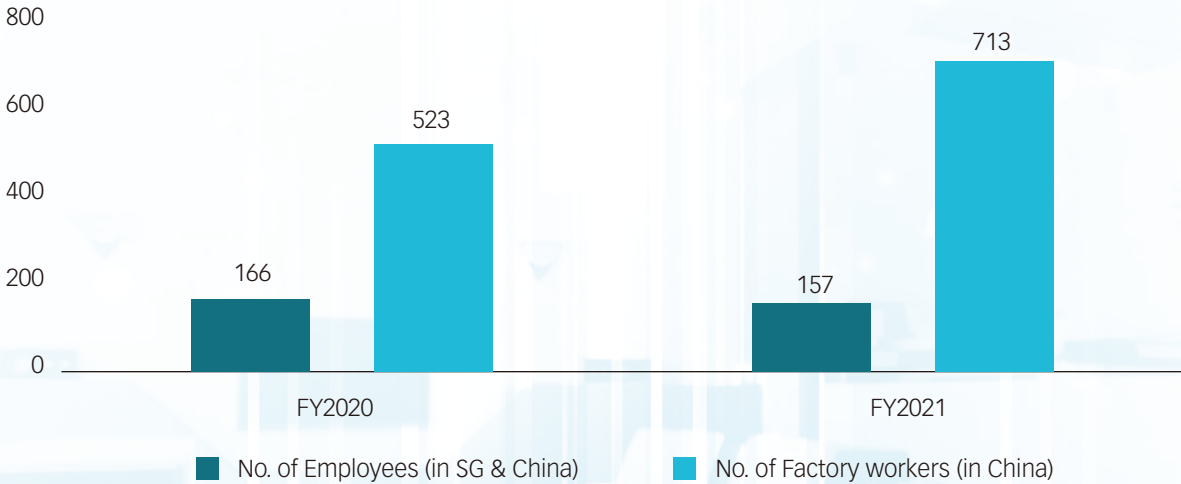


In FY2021, our attrition rate was 16%<sup>i</sup>, a 10% increase from FY2020. Our higher attrition rate was in line with global trends of increased turnover after the COVID-19 pandemic, an economic trend termed the “Great Resignation”<sup>ii</sup>.

Total rate of attritions	FY2020	FY2021
By Gender	Male: 10 out of 98 Female: 3 out of 81	<b>Male: 17 out of 101</b> <b>Female: 13 out of 86</b>
By Age group	<30 years: 0 out of 2 30-50 years: 11 out of 155 >50 years: 2 out of 22	<b>&lt;30 years: 0 out of 3</b> <b>30-50 years: 30 out of 162</b> <b>&gt;50 years: 0 out of 22</b>
By Region	Singapore: 4 out of 39 China: 9 out of 140	<b>Singapore: 1 out of 36</b> <b>China: 29 out of 151</b>

As we have outsourced our product assembly process, a significant portion of our activities are performed by workers who are not employees but involved in assembly of our products. We expect all our business partners including our suppliers to act fairly and with integrity towards their stakeholders, to observe the applicable laws where they operate, and to respect internationally proclaimed human rights, and accordingly not to be complicit in the abuse thereof.

Breakdown of workers



<sup>i</sup> In FY2021, 30 out of 187 (16%) employees in Home Control’s Singapore and China offices resigned, resulting in 157 employees at year-end.  
<sup>ii</sup> Chugh, A. (29 November 2021). *What is the ‘great resignation?’ an expert explains*. World Economic Forum. Retrieved 3 March 2022, from <https://www.weforum.org/agenda/2021/11/what-is-the-great-resignation-and-what-can-we-learn-from-it/>.



## LABOUR STANDARDS

We support the aim of the International Labour Organisation to arrive at universally accepted labour standards and have adopted internal procedures and guidelines with respect to the topics covered by the seven Fundamental Conventions of the International Labour Organisation, such as forced labour, the right to organise, collective bargaining, discrimination and child labour.

Our operations in Singapore are governed by the Employment Act of 1968, and our operations in China (which include our China office and our main manufacturing partner in China) are governed by the Law of the People's Republic of China on Employment Contract. Under Article 15 of the Labour Law in China, it is illegal to hire employees under the age of 16. Under the Law of the Protection of Juveniles in Singapore, there are several work arrangement restrictions for employees aged 16 to 18 years old. As such, it is company policy not to hire employees under the age of 18.

### FY2021 Highlights

- China office awarded with "Outstanding Anti-Covid company" by the All-China Federation of Trade Unions (ACFTU) in February 2021.
- Zero reported complaints and cases on non-compliance to internal and external labour and human rights laws

In matters of remuneration, we take care to adhere to all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. Wages are paid regularly and employees are informed about the composition of their pay and benefits in a detailed and clear manner.

Working hours do not exceed the maximum set by local laws or 60 hours each week, including overtime, except under exceptional circumstances to meet short-term business demand. Overtime work is voluntary, unless agreed otherwise in a collective labour agreement or union contract, or under exceptional circumstances to meet short-term business demand. Employees are allowed at least one day off per seven-day period.

Furthermore, we respect the right of our employees to be represented by labour unions and other employee organisations and will not make the employment of a worker subject to his non-membership (or membership) of a trade union.

Equal opportunities and treatment are given to every employee, and equal pay is offered for equal work performed at equal levels at similar locations. No discrimination is tolerated.

**DEVELOPMENT AND TRAINING**

We believe that it is in both Home Control and its employees’ interests to achieve high levels of performance and employability. To this end, our employees are regularly provided relevant training opportunities.

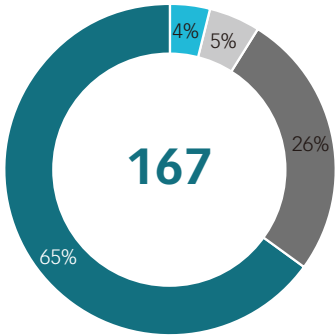
**FY2021 Highlights**

- 100% employees received a performance and career development review
- 16 hours of training received per employee on average
- 31 Training and development programs – 5 management training, 17 technical training, 8 soft skill training and 1 safety training

Annually, all employees undergo a performance appraisal, in which all staff and supervisors are given the opportunity to step back from their day-to-day tasks to review past accomplishments and set clear goals for the future. These appraisals form the basis for their merit increases and bonuses, and include employee self-assessments, written evaluations by their managers, and performance discussions and collaborative goal setting with their managers. In FY2021, 100% of employees underwent a performance and career development review (FY2020: 100%).

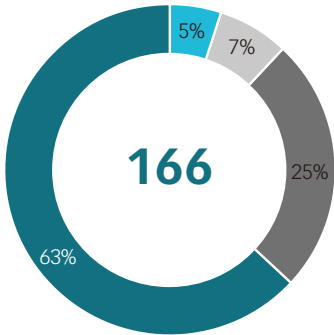
All in all, 166 employees received training in FY2021 (FY2020: 167), out of which 5% were from the Management Team, 7% were Senior Management, 25% were Managers/Chief Engineers and 63% were Admin staff/Engineers. 51% of staff who received training were male and 49% were female (FY2020: 4% were from the Management Team, 5% were Senior Management, 26% were Managers/Chief Engineers and 65% were Admin staff/Engineers. 51% of staff who received training were male and 49% were female).

No. of Employees who received training (FY2020)



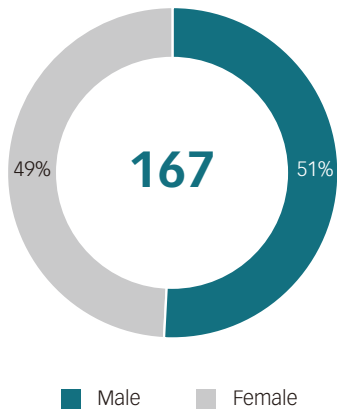
- Management Team
- Senior Management
- Managers/Chief Engineers
- Admin/Engineers

No. of Employees who received training (FY2021)

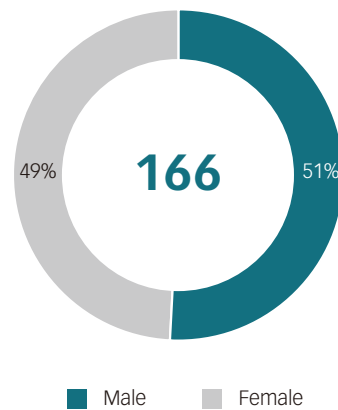


- Management Team
- Senior Management
- Managers/Chief Engineers
- Admin/Engineers

No. of Employees who received training (FY2020)

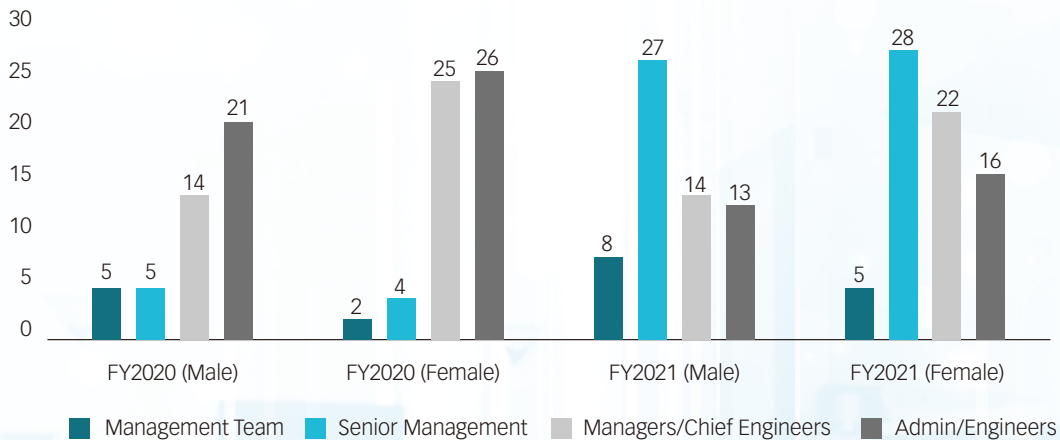


No. of Employees who received training (FY2021)



On average, each staff received 16 hours of training<sup>iii</sup> (FY2020: 20 hours) across 31 different training programs. The decrease in training hours was due in part to COVID-19, which led to the cancellation and postponement of many external trainings.

Average Training hours - Breakdown by Gender and Employee Category



<sup>iii</sup> The average number of training hours received by each employee is calculated based on: total number of training hours received by employees/ total number of employees who have received training in the year.

Details of our training programs held in FY2021 are listed below.

Type of Program	Sub-type of Program	Description	No. of programs	No. of participants
<b>Training</b>	Management training	Management training on topics such as leadership, and continuous improvement.	5	167
	Technical training	Technical training for professional skills, for instance – courses on finance and accounting organised by the Institute of Singapore Chartered Accountants.	17	670
	Safety training	Fire safety training and Emergency aid training to educate employees on office safety and security.	1	119
	Softskill training	Softskill training on topics including English and negotiation skills.	8	83

**EMPLOYEE WELFARE**

We invest in the welfare of our employees and offer comprehensive benefit entitlements in line with our desire to attract, develop, and retain high-calibre employees. On top of benefits such as insurance coverage, long service awards, and annual dinners, team bonding activities and outings are organised for our employees in our Singapore and China offices. These events help to boost team morale and promote mental well-being. For all group activities conducted, we ensured that group size restrictions and safety measures were strictly adhered to per government regulations.



**FY2021 Highlights**

- Singapore office: Mental Wellness Workshop conducted, targeting employees who were affected by the COVID-19 Pandemic
- China office: Various team building celebrations and competition, and regular sports and other interest group activities

**Women's Day—Flower Arranging Activity**



**Annual Summer Outing**



**TEAM BUILDING ACTIVITY**

Autumn Riding



Sports Competition



Birthday Party



Weekly Basketball



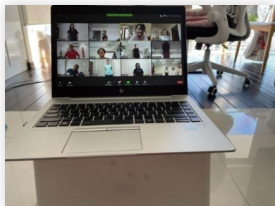
Weekly Badminton



**COVID-19 Impact: Mental Wellness Workshop**

The COVID-19 pandemic has significantly impacted the mental health of many of our employees as the implementation of hybrid work arrangements has left many feeling disconnected from their supervisors and fellow colleagues.

In recognition of the importance of adaptation and building resilience within the workforce, a two-hour mental wellness pilot program was conducted in September 2021 for small groups in Singapore, China and Europe. The workshop aimed to support employees by teaching them how to handle stress and regain emotional control in difficult situations such as COVID-19. The program also aimed to improve synergies amongst colleagues by helping them be more engaged with one another.



This workshop has received positive feedback from employees as they appreciated the opportunity to freely express their struggles with one another. With such positive reviews in the workshop, our Human Resource department will be organising more of such workshops in future.

# Climate Change & Emissions (Air, Land, Water)

Consistent with our commitment to sustainable development, we do all that is reasonable and practicable to minimise the adverse effects of our activities on the environment. These include ensuring compliance with environmental regulations in our operations and in those of our manufacturing partners. Our policies governing the matters discussed in this section are set out in our General Business Principles.

## FY2021 Performance Summary

- Zero cases of non-compliance with the relevant environmental legislations
- 3.61% increase in electricity consumption intensity from 9,954.11 kilowatt-hours (kWh/ US\$Million (“M”) of revenue in FY2020 to 10,313.60 kWh/US\$M of revenue in FY2021
- 45.82% decrease in fuel consumption from 44.79 litres/US\$M of revenue in FY2020 to 24.27 litres/US\$M of revenue in FY2021
- 3.14% increase in GHG emissions intensity from 7.87 tonnes carbon dioxide (tCO<sub>2</sub>)/US\$M of revenue in FY2020 to 8.12 tCO<sub>2</sub>/US\$M of revenue in FY2021
- 9.10% decrease in hazardous waste production intensity from 308.30 kilograms (kg)/US\$M of revenue in FY2020 to 280.26 kg/US\$M of revenue in FY2021
- 19.60% decrease of non-hazardous waste production intensity from 229.45 kilograms (kg)/US\$M of revenue in FY2020 to 184.47 (kg)/US\$M of revenue in FY2021
- 3.97% decrease in packaging material intensity from 3.16 tonnes/US\$M of revenue in FY2020 to 3.03 tonnes/US\$M of revenue in FY2021
- 7.96% increase in water consumption intensity from 165,145.43 litres/US\$M of revenue in FY2020 to 178,182.54 litres/US\$M of revenue in FY2021

With regard to our environmental impact, Home Control generally encourages the reduction, reuse, and recycling of waste; and the conservation of energy and other natural resources to prevent pollution. We communicate with interested parties and our business partners on these environmental policies, and conduct regular audits and review our objectives and targets periodically to ensure continual improvement of the effectiveness of our Quality & Environmental Management System. Since 2020, 100% of our suppliers have been ISO14001:2015 certified.

In compliance with the Stock Exchange updated requirements, Home Control has started tracking its climate-related risks. In FY2021, we identified the following potential climate-related risks for Home Control.

**Transition risks**

**Changes in regulations** As China seeks to achieve carbon neutrality by 2060, many industries have been affected by new regulations such as energy efficiency benchmarks. As Home Control has manufacturing facilities in China, our manufacturing costs may increase as a result.

Home Control frequently monitors the regulatory changes under current ISO14001 system requirements. Additionally, we conduct cross function assessments against the latest regulatory changes reported by third-party service agency such as SGS Hong Kong Limited.

**Changes in consumer expectations** There is a growing consciousness of environmental issues among consumers around the world. Accordingly, we may be affected by an increase in demand for environmentally-friendly products, and would need to ensure that we are well-positioned to turn this into a business opportunity. Currently, one of our key perpetual targets is to meet our customers' environmental requirements related to their products.

Home Control has also dedicated an Environmental and Sustainability team to manage customer's environmental requirements on product level. Furthermore, a cross function "Green Team" has been established for the study and implementation of environmentally friendly technologies and new materials on our product.

**Physical risks**

**Extreme weather events** The sixth assessment report by the Intergovernmental Panel on Climate Change (IPCC) has indicated that at the current rate of global warming, there would likely be an increased frequency of extreme weather events. For Home Control, this could mean potential disruptions in our supply chains.

With regards to the management of supply chain disruption risks due to extreme weather events, Home Control has implemented/in the process of implementing the following:

- Extension of our manufacturing sites for customized parts to different locations to minimize the exposure to extreme weather events.
- Contingency plans to buffer from the effects of sudden bad weather events. The addition cost of production from contingency plan will be included in the Bill of Materials (BOM).
- Supply risks assessment and tracking system that has been developed to help monitor and detect abnormal situation.



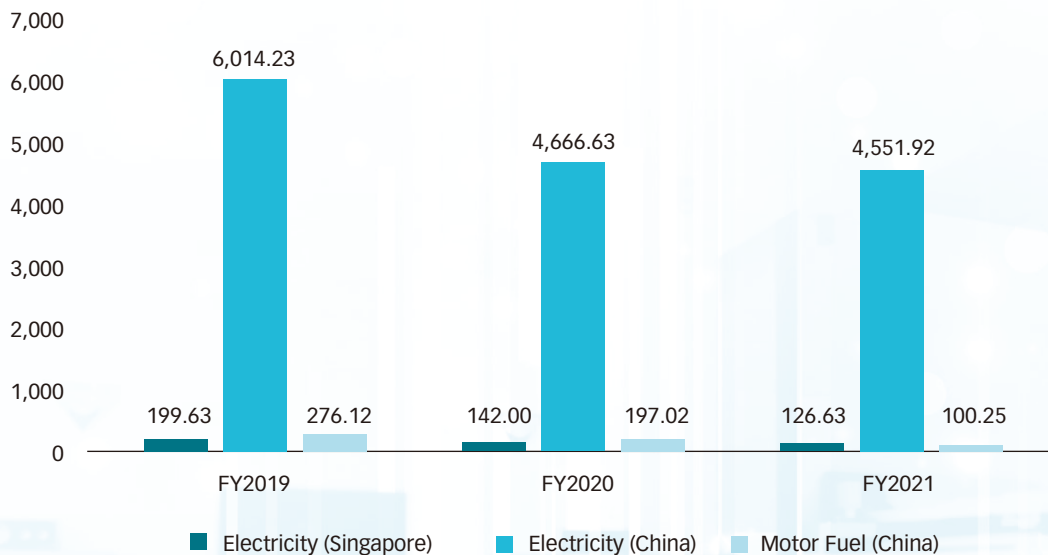
Currently, there is a high composition of plastic material in our products, with plastic making up 30 to 40% of our final product by weight, contributing to high CO<sub>2</sub> emissions. To reduce the impact of our products on the environment and mitigate the potential climate-related risks identified, Home Control has formed a committee and set policies to recommend the use of recycled materials and PCR resin in products to customers. In the year, we managed to increase the ratio of PCR resin within our products by 2.09% from FY2020, thereby reducing CO<sub>2</sub> emissions by 11.38 tonnes. We currently also have a strong business continuity plan for our supply chains, described on page 19 of this report, under “Supply chains and Business continuity”.

The following subsections on energy consumption, waste and water will cover data collected for Home Control’s Singapore and China offices, as well as Home Control’s main manufacturing partner factory in China. Intensity is calculated per US\$ million of revenue generated in the year.

### ENERGY CONSUMPTION

In FY2021, Home Control’s energy consumption was 4,778.80 GJ<sup>iv</sup> (FY2020: 5,005.66GJ). 98% (FY2020: 96%) of our energy consumption stems from electricity use in our operations, which include our Singapore and China offices, and Home Control’s main manufacturing partner factory in China, and 2% (FY2020: 4%) stems from motor fuel consumption in our China operations.

Energy Consumption (GJ)



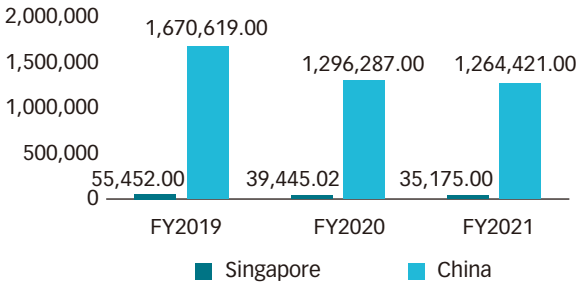
Our operations in Singapore consumed 35,175.00 kWh of electricity (FY2020: 39,445.02 kWh of electricity). The decrease in electricity consumption was mainly due to COVID-19 containment measures which resulted in all employees mostly working from home in the year. Our operations in China consumed 1,264,421 kWh of electricity and 3,058 litres of non-renewable motor fuel (FY2020: 1,296,287 kWh of electricity and 6,010 litres of non-renewable motor fuel). Similarly, the decrease in electricity and fuel consumption was mostly due to the mandated office and factory shutdown period and increase in work-from-home arrangements as a result of COVID-19 containment measures.

<sup>iv</sup> GJ = Gigajoules

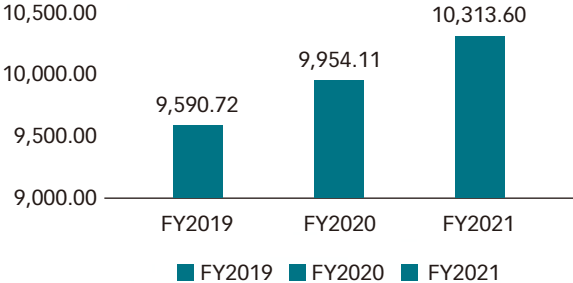
Climate Change & Emissions (Air, Land, Water)

In total, Home Control’s electricity consumption intensity was 10,313.60 kWh/US\$M of revenue (FY2020: 9,954.11 kWh/US\$M of revenue). Our fuel consumption intensity was 24.27 litres/US\$M of revenue (FY2020: 44.79 litres/US\$M of revenue). In FY2021, our main initiatives relating to energy consumption include the use of light-emitting (“LED”) lights in our offices.

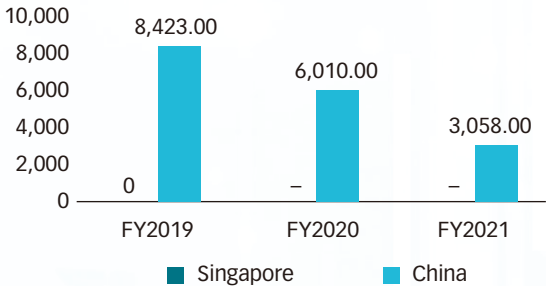
Electricity Consumption (kWh) - By Country



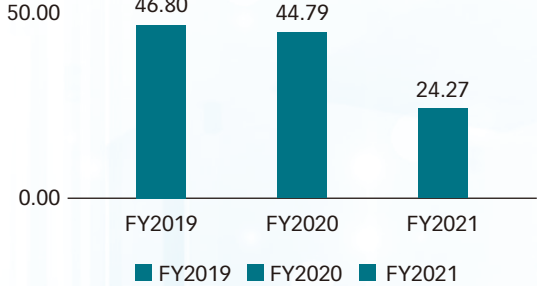
Electricity Consumption intensity (kWh/US\$M of revenue) - Combined operations



Motor Fuel Consumption (litres) - By Country



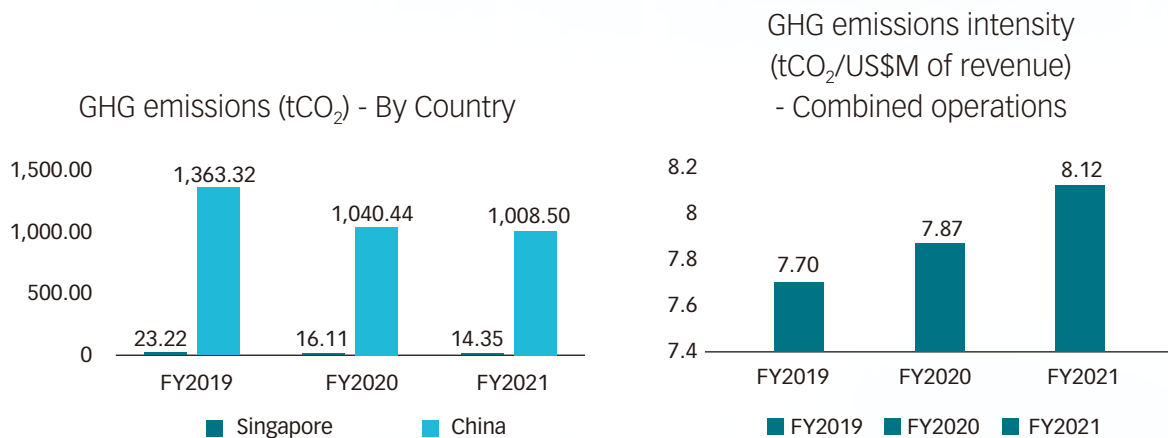
Motor Fuel Consumption intensity (litres/US\$M of revenue) - Combined operations



## Climate Change & Emissions (Air, Land, Water)

Correspondingly, in FY2021 our operations in Singapore emitted 14.35 tonnes CO<sub>2</sub> (FY2020: 16.11 tonnes CO<sub>2</sub>).<sup>v</sup> Our operations in China emitted 1,008.50 tonnes CO<sub>2</sub>, 0.000301 tonnes Methane (CH<sub>4</sub>), and 0.0000601 tonnes nitrous oxide (N<sub>2</sub>O) (FY2020: 1,040.44 tonnes CO<sub>2</sub>, 0.000591 tonnes CH<sub>4</sub>, and 0.000197 tonnes N<sub>2</sub>O).<sup>vi</sup>

Total GHG emissions intensity for Home Control increased slightly to 8.12 tCO<sub>2</sub>/US\$M of revenue in FY2021, from 7.87 tCO<sub>2</sub>/US\$M of revenue.<sup>vii</sup>



Similar to FY2019, our air pollutant emissions (nitrogen oxides (NOx), sulphur oxides (SOx), and particulate matter (PM)) were minimal in FY2020 given our low fuel consumption in the year. In FY2021, we have not met our electricity consumption intensity and emissions intensity targets of 0.5% reduction from FY2020. This is largely due to our fixed energy needs for lighting and air conditioning at the factory, despite reduced product shipments.

<sup>v</sup> Using latest (2020) Grid Emission Factor provided by Energy Market Authority of Singapore of 0.4080 kg CO<sub>2</sub>/kWh (FY2020: 0.4085 kg CO<sub>2</sub>/kWh (2019)).

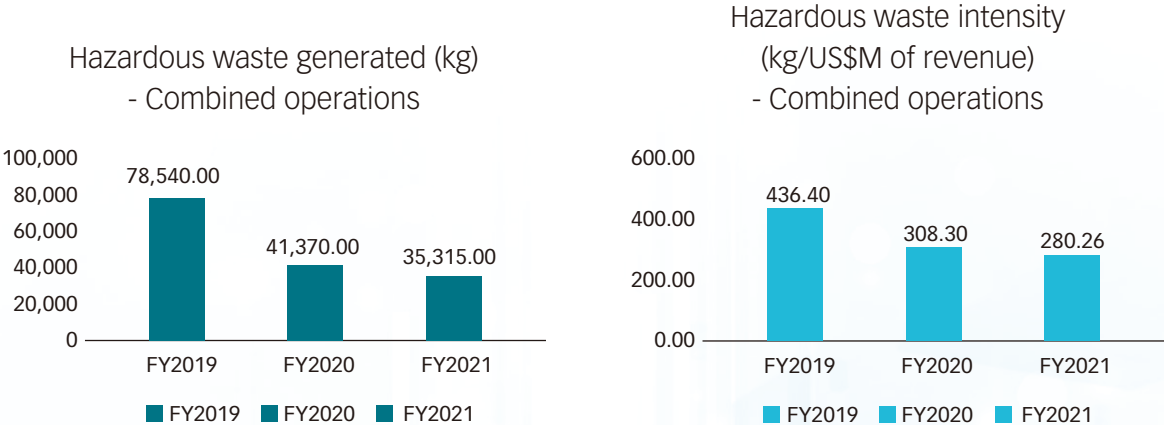
<sup>vi</sup> Using latest (2019) East China Grid Emission Factor provided by Institute for Global Environmental Studies (<https://www.iges.or.jp/en/pub/list-grid-emission-factor/en>) of 0.7921 kg CO<sub>2</sub>/kWh (FY2019: 0.8046 kg CO<sub>2</sub>/kWh (2017)). As the difference between 2017 East China Grid Emission Factor used in calculating FY2019 emissions in our 2019 sustainability report and 2019 Grid Emission East China Grid Emission Factor is immaterial, we have not restated FY2019 GHG emissions and GHG emissions intensity in this report.

<sup>vii</sup> GHG emissions intensity (per production unit) for CH<sub>4</sub> and N<sub>2</sub>O are immaterial in both FY2019 and FY2020.

**WASTE**

In general, we request our plastic, keymat and spring suppliers to re-use the packaging (such as cartons and boxes) for goods provided to Home Control. Similarly, we use recycled material cartons and boxes to store our plastic parts and printed circuit boards.

All our hazardous waste (such as waste printed circuit boards) is treated by a qualified third-party company. In FY2021, 35,315 kg of such waste was generated (FY2020: 41,370 kg). The decrease in hazardous waste was mostly due to the fall in production quantity due to COVID-19. In FY2021, our hazardous waste production intensity was 280.26 kg/US\$M of revenue (FY2020: 308.30 kg/US\$M of revenue). Furthermore, all our chemical containers are recycled by our suppliers. We continue to work with our partners to ensure that their management of hazardous waste in relation to our products was in line with environmental regulations such as the Restriction of Hazardous Substances (RoHS). In FY2021, we achieved our target of 100% compliance with environmental regulations and reduced hazardous waste intensity by 1% from FY2020.

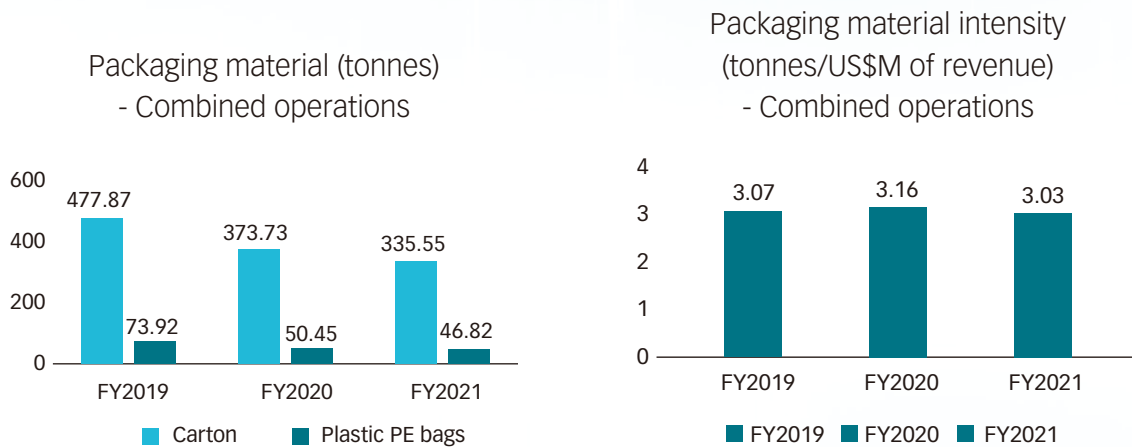


Our non-hazardous waste (mainly comprising cartons, pallet packaging film, and paper and plastic packaging material) is recycled by a third party. In FY2021, 23,245 kg of non-hazardous waste was generated, leading to a non-hazardous waste production intensity of 184.47 kg/US\$M of revenue (FY2020: 30,790 kg of non-hazardous waste generated, leading to non-hazardous waste production intensity of 229.45 kg/US\$M of revenue).



## Climate Change & Emissions (Air, Land, Water)

In total, we estimate that packaging material used for our finished products in FY2021 was 335.55 tonnes of carton packaging and 46.82 tonnes of plastic polyethylene bags (FY2020: 373.73 tonnes of carton packaging and 50.45 tonnes of plastic polyethylene bags). This translates to 3.03 tonnes of packaging used per US\$M of revenue generated in FY2021 (FY2020: 3.16 tonnes of packaging used/US\$M of revenue). In FY2021, we have reduced our total packaging material intensity tonnes per US\$M by 3.97%.



We have no industrial wastewater discharge from our offices nor our subcontracted assembly factory. All our living wastewater is discharged to the civil wastewater pipe.

## WATER

In FY2021, our operations in Singapore consumed 15,100 litres of water (FY2020: 21,700 litres of water). Our operations in China consumed 22,451,000 litres of water (FY2020: 22,139,000 litres of water).

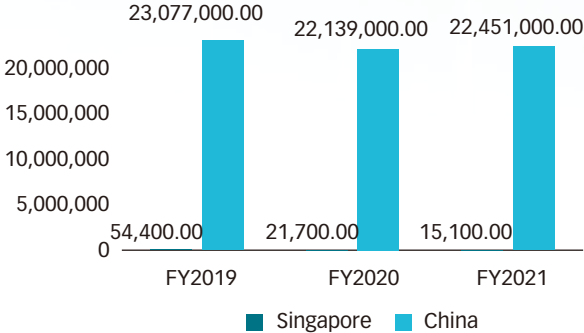
In total, Home Control's water consumption was 22,466,100 litres of water (FY2020: 22,160,700 litres of water) and our water consumption intensity was 178,291.54 litres/US\$M of revenue (FY2020: 165,145.43 litres/US\$M of revenue).

The decrease in water consumption is mainly due to reduced factory activities and increased work-from-home arrangements in FY2021, mitigated in part by greater hygiene precautions taken, including increased handwashing by staff.

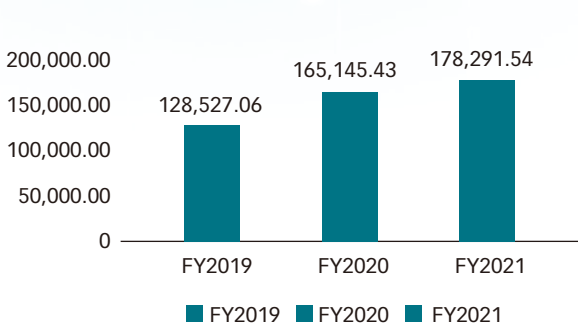
Climate Change & Emissions (Air, Land, Water)

Both Home Control and our subcontracted assembly factory have no issues in sourcing water fit for purpose.

Water consumption (litres)  
- By Country



Water consumption intensity  
(litres/US\$M of revenue)  
- Combined operations



# Community Investment

We care about our communities and are invested in the welfare of society. We positively contribute to the wider community through consistent engagement and activities, which include outreach events and charitable donations.

## FY2021 Highlights

- Singapore Office: Charity Fundraising initiatives in support of Asian Women’s Welfare Association (AWWA)’s Legacy of Love Campaign
- China Office: Recycling auction event held where the proceeds from the auction are donated to charity
- Mask donation to our Cambodia office

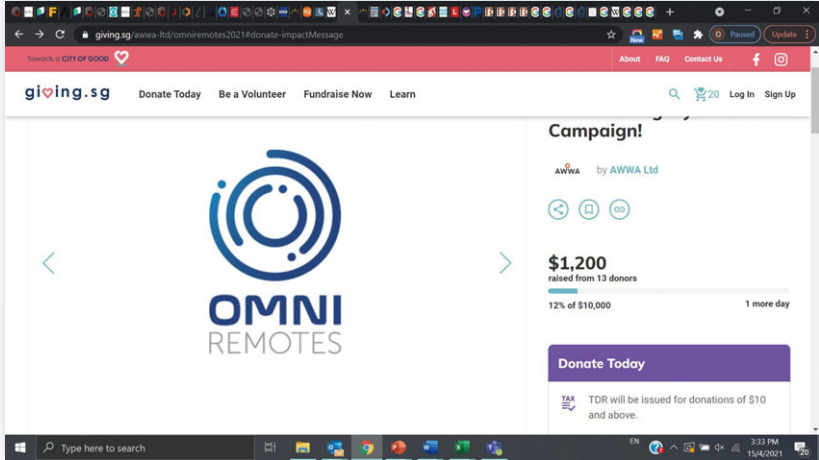
### CHARITY FUNDRAISING ACTIVITIES

On 5 November 2021, the Suzhou office held a recycling auction party where our employees were encouraged to sell their pre-loved items during the event. Proceeds from the auction were subsequently donated to a charity organization.



Community Investment

Our Singapore office also organised a fundraising initiative from 1 to 15 April 2021 to support AWWA Legacy of Love Campaign. For every dollar our employees contributed, Home Control donated an equal amount to the campaign.





# Content Index

We are reporting in alignment with the Appendix 27 Environmental, Social and Governance Reporting Guide to the Listing Rules (after revision for financial years starting 1 July 2020) based on the ESG matters deemed material to Home Control.

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
<b>Organisational profile</b>	102-1		Name of organisation	<b>About Us</b>
	102-2		Activities, brands, products, and services	<b>About Us</b>
	102-3		Location of headquarters	<b>About Us</b>
	102-4		Location of operations	<b>About Us</b>
	102-5		Ownership and legal form	<b>About Us</b>
	102-6		Markets served	<b>About Us</b>
	102-7		Scale of the organisation	<b>About Us</b>
	102-8	B1.1	Information on employees and other workers	<b>Employment and Labour Standards</b>
	102-9	B5.1	Supply chain	<b>Sustainability in our supply chains</b>
	102-10		Significant changes to the organisation and its supply chain	None
<b>Strategy</b>	102-11		Precautionary Principle or approach	Not in use
	102-12		External initiatives	None
	102-13		Membership of associations	None
	102-14		Statement from senior decision-maker	<b>Statement from Chairman</b>
<b>Ethics and integrity</b>	102-16		Values, principles, standards, and norms of behaviour	<b>Our Sustainability Approach</b>
<b>Governance</b>	102-18		Governance structure	<b>Sustainability governance</b>
<b>Stakeholder engagement</b>	102-40		List of stakeholder groups	<b>Stakeholder engagement and materiality assessment</b>
	102-41		Collective bargaining agreements	Singapore – No unions China – 100% employees covered
	102-42		Identifying and selecting stakeholders	<b>Stakeholder engagement and materiality assessment</b>

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
	102-43		Approach to stakeholder engagement	<b>Stakeholder engagement and materiality assessment</b>
	102-44		Key topics and concerns raised	<b>Stakeholder engagement and materiality assessment</b>
<b>Reporting practice</b>	102-45		Entities included in the consolidated financial statements	<i>2021 Annual Report</i>
	102-46		Defining report content and topic Boundaries	<b>Stakeholder engagement and materiality assessment</b>
	102-47		List of material topics	<b>Reporting scope; FY2020 Key stakeholder concerns, targets and progress</b>
	102-48		Restatements of information	None
	102-49		Changes in reporting	<b>Stakeholder engagement and materiality assessment</b>
	102-50		Reporting period	Reporting scope
	102-51		Date of most recent report	30 June 2021
	102-52		Reporting cycle	Annually
	102-53		Contact point for questions regarding the report	<b>Feedback</b>
	102-54		Claims of reporting in accordance with the GRI Standards	<b>Reporting standards</b>
	102-55		GRI content index	<b>Content Index</b>
	102-56		External assurance	No external assurance done for FY2021

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
<b>Emissions</b>		A1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
		A1.1	The types of emissions and respective emissions data.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
		A1.2	Greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
		A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
		A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
		A1.5	Description of emission targets set and steps taken to achieve them.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
		A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets set and steps taken to achieve them.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
<b>Use of Resources</b>	A2		Policies on the efficient use of resources, including energy, water and other raw materials.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
	A2.1		Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
	A2.2		Water consumption in total and intensity (e.g. per unit of production volume, per facility).	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
	A2.3		Description of energy use efficiency targets set and steps taken to achieve them.	<b>Emissions (Air, Land, Water) – Energy consumption</b>
	A2.4		Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency targets set and steps taken to achieve them.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
<b>The Environment and Natural Resources</b>	A2.5		Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
	A3		Policies on minimising the issuer's significant impact on the environment and natural resources.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
<b>Climate Change</b>	A3.1		Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
	A4		Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>
	A4.1		Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	<b>Climate Change &amp; Emissions (Air, Land, Water)</b>



Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
<b>Employment</b>	103	B1	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	<b>Employment and Labour Standards</b>
	102-8, 405-1(b)	B1.1	Total workforce by gender, employment type (e.g. full time or part time), age group and geographical region.	<b>Employment and Labour Standards</b>
	401-1(b)	B1.2	Employee turnover rate by gender, age group and geographical region.	<b>Employment and Labour Standards</b>
<b>Health and safety</b>	103	B2	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	<b>Occupational Health and Safety</b>
		B2.1	relating to providing a safe working environment and protecting employees from occupational hazards. Number and rate of work-related fatalities occurred in each of the past 3 years including the reporting year.	<b>Occupational Health and Safety</b>
		B2.2	Lost days due to work injury.	<b>Occupational Health and Safety</b>
		B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	<b>Occupational Health and Safety</b>

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
<b>Development and Training</b>	103, 404-2, 404-3	B3	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	<b>Employment and Labour Standards</b>
		B3.1	Note: Training refers to vocational training. It may include internal and external courses paid by the employer. The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	<b>Employment and Labour Standards</b>
	404-1	B3.2	The average training hours completed per employee by gender and employee category.	<b>Employment and Labour Standards</b>
<b>Labour Standards</b>	103	B4	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	<b>Employment and Labour Standards</b>
		B4.1	relating to preventing child and forced labour. Description of measures to review employment practices to avoid child and forced labour.	<b>Employment and Labour Standards</b>
	408-1	B4.2	Description of steps taken to eliminate such practices when discovered.	<i>No policies in FY2021 as strict labour laws and frequent audits in China prevent this from being a possibility.</i>

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission	
<b>Supply Chain Management</b>	103	B5	Policies on managing environmental and social risks of the supply chain.	<b>Occupational Health and Safety</b> <i>Information not disclosed due to confidentiality constraints.</i>	
		B5.1	Number of suppliers by geographical region.		
		B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.		<b>Sustainability in our supply chains</b>
		B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.		<b>Sustainability in our supply chains</b>
		B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	<b>Sustainability in our supply chains</b>	

Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/ Reasons for omission
<b>Product Responsibility</b>	103	B6	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	<b>Innovation</b>
			relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	
		B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	<b>Innovation</b>
		B6.2	Number of products and service related complaints received and how they are dealt with.	<b>Innovation</b>
		B6.3	Description of practices relating to observing and protecting intellectual property rights.	<b>Not identified as material in FY2021</b>
		B6.4	Description of quality assurance process and recall procedures.	<b>Innovation</b>
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	<b>Data security and privacy</b>		



Disclosure	GRI indicator	ESG Reporting Guide from the Stock Exchange	Description	Location/Remarks/Reasons for omission
<b>Anti-corruption</b>	103, 205-3	B7	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer	<b>Good Corporate Governance</b>
	205-3	B7.1	relating to bribery, extortion, fraud and money laundering. Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	<b>Good Corporate Governance</b>
	103	B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	<b>Good Corporate Governance</b>
<b>Community Investment</b>	103	B7.3	Description of anti-corruption training provided to directors and staff	<b>Good Corporate Governance</b>
		B8	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	<b>Community Investment</b>
		B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	<b>Community Investment</b>
<b>Innovation</b>		B8.2	Resources contributed (e.g. money or time) to the focus area.	<b>Community Investment</b>
			Company's efforts to drive innovation to meet ongoing and future needs of the company and customers.	<b>Innovation</b>
<b>Business Continuity Planning</b>			Disclosure of company's strategy and approach in recognising threats and risks facing the organisation's personnel and assets to ensure functionality and operations in the event of crisis or disaster.	<b>Good Corporate Governance</b>