



# Sustainability

REPORT 2021



## ABOUT US

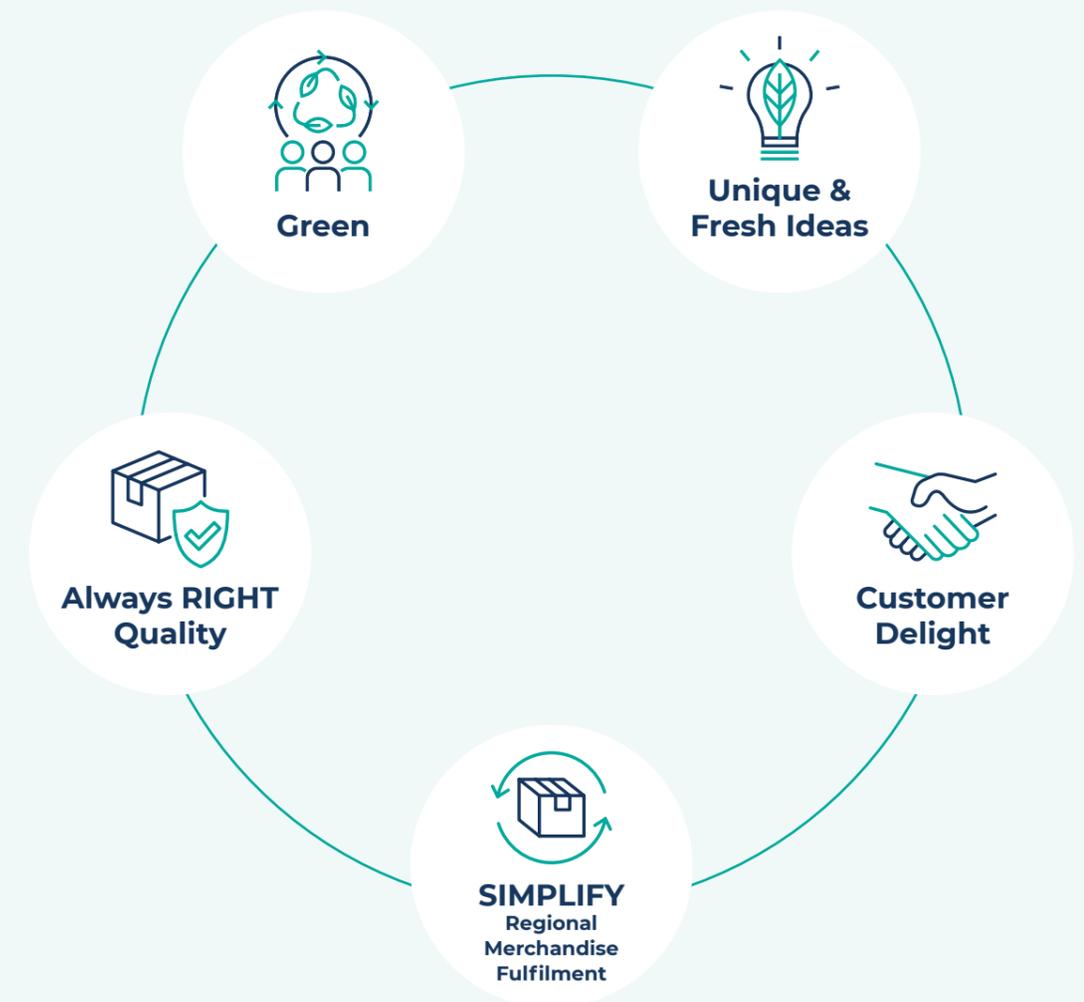
DTC World Corporation is the leading full-service premiums & POS merchandise solutions and global fulfilment partner. With more than 20 years of valuable experience in product design, conceptual development and sourcing, we understand the challenges and the need for innovation, co-creation, product development to sustainable sourcing, cost savings and fulfilment. Our in-house design team can help clients quickly adapt key visuals into unique merchandise while our expertise in product knowledge, factories and logistics network allow us to manage the project timeline efficiently. We specialise in highly customized (OEM) premiums and gifts, procurement web portal and Point of Sales (POS) merchandise serving some of the largest multinationals in the world. Supported by a supplier network of over 200 factories in Asia Pacific and offices in Singapore, Malaysia, Vietnam and China, we work closely with our clients to select the most cost effective and efficient location to produce the merchandise.

## THE SUSTAINABILITY PHILOSOPHY

Our leaders believe in aligning with the global supply chain shift towards a more responsible and sustainable business model. From design to delivery, our consultants are trained in the Sustainability Philosophy to propose solutions to reduce carbon footprint as well as minimise wastage. As a company, we know that the shift will require the effort of the whole industry, and we are onboard.

VISION	MISSION
To be the top APAC merchandise agency for global MNCs in their marketing premiums, POS Merchandise and regional fulfillment needs.	To help brand owners create sustainable, practical and creative marketing gift & POSM solutions that drive awareness and sales that is not possible before

## OUR VALUE PROPOSITION



## CONTENTS

4 | DTC WORLD AT A GLANCE

5 | MANAGING DIRECTOR'S MESSAGE

6 | ABOUT THIS REPORT

6 | OUR CORPORATE STRUCTURE

7 | OUR LOCATION

8 | SUSTAINABILITY AT DTC WORLD

9 | UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

10 | SUSTAINABILITY GOVERNANCE

12 | MATERIALITY ANALYSIS

13 | KEY PERFORMANCE DATA AND TARGETS

14 | OUR BUSINESS

20 | OUR ENVIRONMENT

27 | OUR PEOPLE

34 | OUR COMMUNITY

36 | GRI CONTENT INDEX

## DTC WORLD AT A GLANCE

### Award Winner Sustainable Business Category Singapore APEX Corporate Sustainability Awards 2021



DTC World was an Award Winner at the Singapore Apex Corporate Sustainability Awards 2021 – Sustainable Business Category. The Singapore Apex Corporate Sustainability Awards, held on 9 Dec 2021, is an annual event organised by Global Compact Network Singapore (GCNS), the local chapter of the United Nations Global Compact. The Awards represent the most prestigious form of recognition for companies in Singapore on corporate sustainability; recognising Singapore-based companies whose business operations or solutions have demonstrated excellence in embodying the Ten Principles of the United Nations Global Compact, in the areas of environment, human rights, labour and anti-corruption.

### More than 1000 products across our range



Every year we renew our range, launching 150 – 200 new products and designs every year. We also strive to provide good quality products with a long-life span.

36.7%



### eco friendly products in our range

We offer eco-friendly products made from natural materials such as cotton and use re-usable materials in our tote bags.

Through meaningful company-customer engagement, we create awareness for our customers to ensure they are aware of sustainable choices.

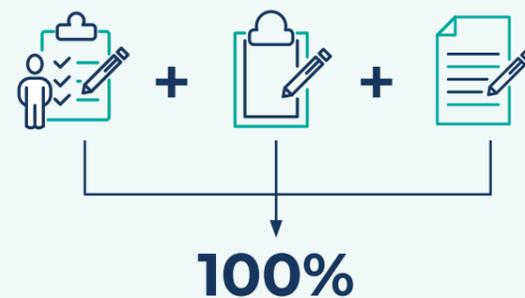
### EcoVadis Best Performer AMEA (Asia Pacific, Middle East and Africa)



DTC World received an EcoVadis regional Sustainability Leadership Award in March 2022. The objective of this award is to recognise leading companies in sustainability performance, and award winners were selected based on their EcoVadis Sustainability Ratings in 2021. DTC World achieved EcoVadis Platinum Certification in 2021 and is placed in the top 1% of organisations rated for their sustainability performance.



Each employee attended an average of 12.1 training hours in FY2021.



New suppliers screened based on **SOCIAL AND ENVIRONMENT CRITERIA**

### Zero incidents of product recall



## MANAGING DIRECTOR'S MESSAGE

In 2020 and 2021, people's lives were dramatically impacted everywhere by the COVID-19 pandemic, which made existing social and economic challenges all the more apparent. Meanwhile, efforts to address climate change have accelerated significantly as the world acknowledges the urgency of this issue for sustainability, and human rights issues have also been in the spotlight. It is clear that companies today must provide not only economic value, but also environmental and social value.

At DTC World, we have sought to improve the sourcing of our products for our customers while at the same time helping to contribute to a decarbonized, resource efficient society. We have rolled out several new initiatives in 2021 as part of our efforts to move towards more environmentally friendly products. For example, we plan to roll out Green POSM. Our Green POSM takes on a modular approach so that it can be reused and changed for each new product or campaign, without the need to discard all the materials. This helps us to reduce waste and also save on natural resources.

We plan to also start to report on the carbon emissions of some of our campaigns so that customers can better understand the environmental impact of the choices they make. Every effort to reduce carbon emissions counts, and we want our customers to appreciate the impact they can make.

I am also delighted to share that DTC World was awarded the APEX Corporate Sustainability Award 2021 under Sustainable Business (SME Category). The Award recognises companies whose business operations or solutions have demonstrated excellence in embodying the Ten Principles of the United Nations Global Compact, in the areas of environment, human rights, labour and anti-corruption. The Awards also recognise companies attaining the triple bottom line. We are encouraged by this award and will continue to improve on sustainable practices within our operations.

The global pandemic has been extraordinary and challenging for everyone in our community, but our focus on health and safety during the pandemic was a strong reminder that to build a lasting and sustainable business, people matter the most. There is more work to be done, but I am confident through the collective efforts of our management team, employees and partners, we can continue to contribute to a better world for us all.



Mr. Jason Cheng

## ABOUT THIS REPORT

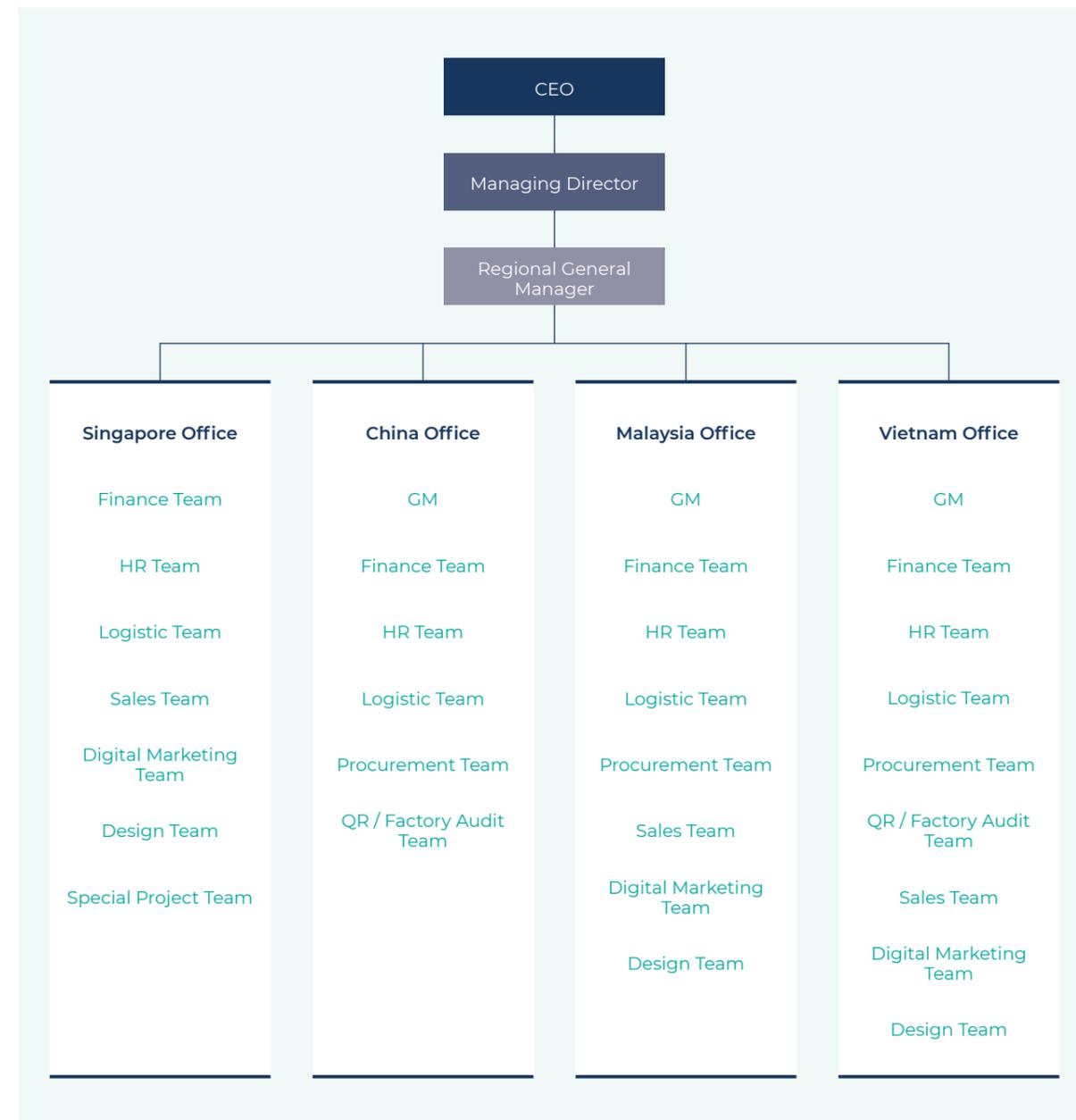
This is DTC World's fourth sustainability report ("Report") and covers our performance for the period from 1 January 2021 to 31 December 2021 ("FY2021").

Our sustainability report has been prepared in accordance to the GRI Standards "Core" Option and is published on an annual basis. It is made available online on our corporate website.

The boundary of reporting for economic, social and environmental data in this Report covers all our operations in Singapore, China, Malaysia and Vietnam. Where the performance data being reported does not cover all locations, it is explained in the relevant data sets.

We welcome feedback and comments on this sustainability report at [feedback@DTCworld.com](mailto:feedback@DTCworld.com)

## OUR CORPORATE STRUCTURE



## OUR LOCATIONS

DTC World is headquartered in Singapore with an extensive supplier network across Asia Pacific, Middle East and Europe, offering our clients a wide range of products at competitive prices. Our Head Office is located in Singapore, and we have a regional presence in China, Vietnam and Malaysia. Our China office serves as our focal point for all our main suppliers and partners based in China.



### Our Clients

Asia		Pacific	North / South America
Singapore	Japan	Australia	America
Malaysia	South Korea	Papua New Guinea	Canada
Indonesia	China	Solomon Island	Guam
Cambodia	East Timor	Palau	
Myanmar		New Caledonia	
Thailand		New Zeland	
Vietnam			

# SUSTAINABILITY AT DTC WORLD

At DTC World, sustainability is a philosophy of business continuity. We position ourselves as the leading sustainability-focused corporate gifts & premium supplier in Asia. We believe that our standards and practices play a big role in holding our stakeholders and ourselves responsible for our sustainability practices throughout our business activities.

Our sustainability pillars help to guide us in addressing our sustainability strategy and how we influence the people we work with, our impact on the environment and our impact on the communities where we operate. Topics which are material to DTC World (further explained under Materiality Analysis) are listed under each of our sustainability pillars.

## Our Sustainability Pillars

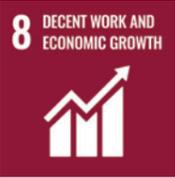
 <p><b>Our Business</b></p> <p>We are committed to a robust corporate governance, including roles and responsibilities for monitoring our sustainability impacts, our regulatory compliance and business ethics.</p>	 <p><b>Our Environment</b></p> <p>We are committed to assessing and managing the environmental and social impacts of our products, in order to ensure sustainable production in our own activities and to support responsible consumption practices in our value chain.</p>	 <p><b>Our People</b></p> <p>We are committed to ensuring the safety and well-being of our employees, investing in training for developing our human capital, and safeguarding diversity, equal opportunities and human rights</p>
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## External initiatives, Memberships of associations

DTC World is signatory to the United Nations Global Compact (UNGC) and upholds the 10 Principles of the UNGC. We are a participating member of SEDEX; a global membership organisation for buyers, suppliers and auditors that manages data on responsible sourcing, and have been Sedex certified since 2018. DTC World is also a member of the Gifts Association of Singapore; a network of suppliers and customers in the corporate advertising and premium gifts industry. We remain committed against modern slavery as part of 'The Business Pledge' at Mekong Club; a membership-based organisation that works with businesses to eradicate modern slavery.

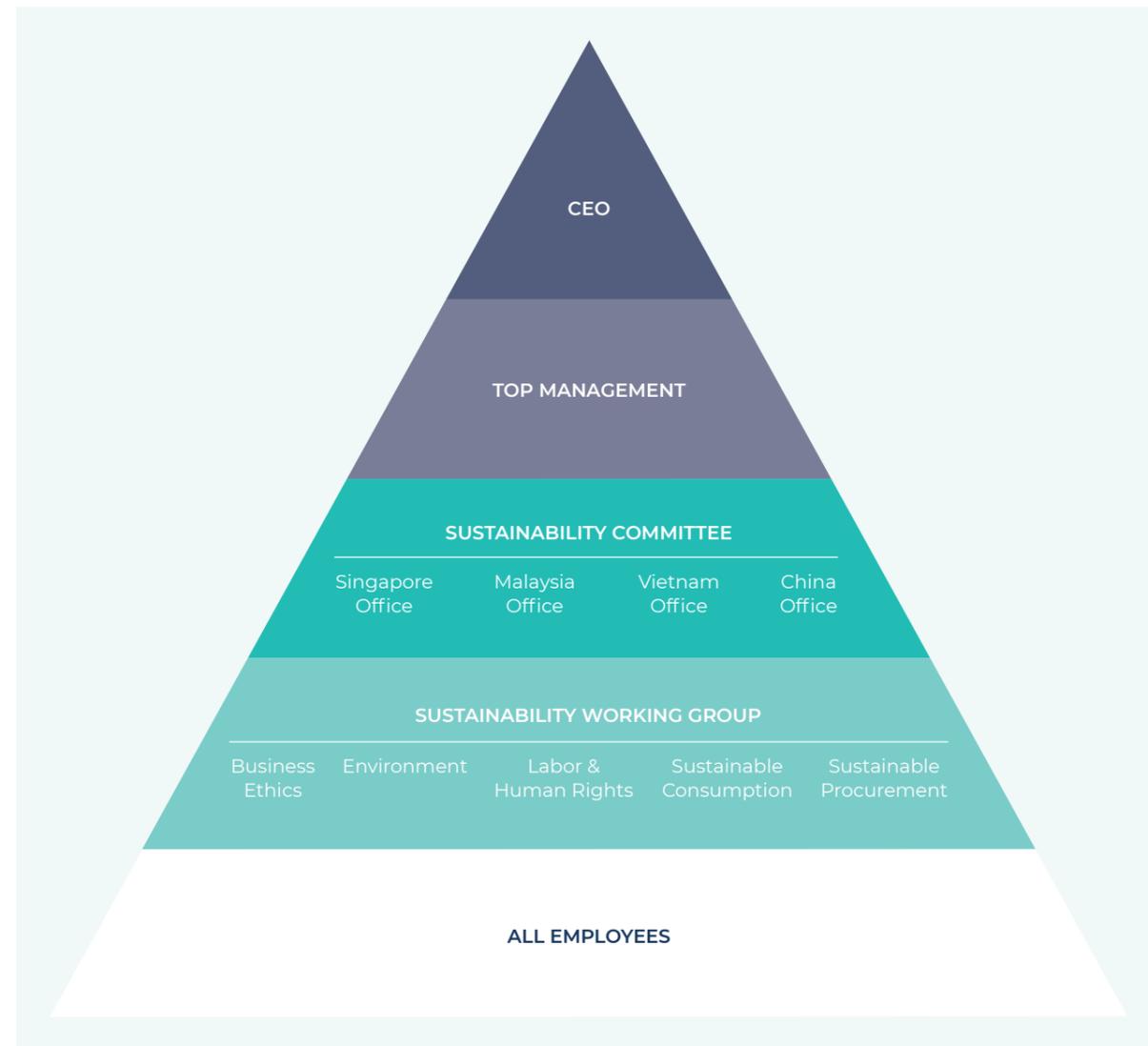
## United Nations Sustainable Development Goals (UN SDGs)

DTC World is committed to supporting the UN SDGs in its operations.

SDG	MATERIAL TOPICS	OUR CONTRIBUTION
	 <p><b>Employee Welfare</b></p>	<p>In FY2020, 68% of DTC World's total employees across all locations comprised of females.</p> <p>Females are represented widely at the executive as well as management levels, with 56% of females in management positions. All employees are trained in discrimination, harassment and disciplinary policies.</p>
	 <p><b>Employee Welfare</b></p>	<p>DTC World does not discriminate based on gender and promotes equal pay for equal work of equal value for both women and men. The average wage for both genders are solely based on job responsibility and will remain the same.</p> <p>DTC World prohibits any form of forced labour including child labour, human trafficking and modern slavery across all business activities, including the supply chain. Regular supplier audits are conducted to ensure that social and environmental standards are maintained by our suppliers. There were no cases of child labour in both internal operations and suppliers for FY2021.</p>
	 <p><b>Health &amp; Safety of Employees</b></p>	<p>DTC World promotes a strong work safety and well-being culture to ensure business activities run smoothly and risks of hazards are minimised. There were zero cases of injuries and fatalities across all locations in FY2021.</p>
	 <p><b>Environment Footprint</b></p>	<p>DTC World encourages reducing, reusing and recycling at the offices across all locations. 505.23kg of waste was recycled in FY2021.</p>
	 <p><b>Ethical Sourcing</b></p>	<p>DTC World has implemented a sustainable procurement policy and action plan since FY2018 with updated priorities for FY2022.</p>
	 <p><b>Ethics and Compliance</b></p>	<p>DTC World prohibits any form of discrimination based on race, colour, religion, or political inclination that could have impaired equality of opportunity or treatment in employment or development opportunities.</p> <p>DTC World does not tolerate any form of corruption and bribery in all its business activities as well as dealings with suppliers. All employees are provided with DTC World's policies, procedures and code of conduct. A whistleblowing channel has been established for all DTC World's employees and other stakeholders.</p> <p>There were zero incidents of corruption and bribery across all locations in FY2021.</p>

## Sustainability Governance

DTC World's Sustainability Working Group comprises of our CEO, supported by the Managing Director, General Manager and Sustainability Team which is supported by representatives from the various offices. Representatives are selected based on their duties, gender and age so as to provide different perspectives on sustainability topics. The Sustainability Team reports to the General Manager and provides updates on sustainability performance and targets. The purpose of the Sustainability Working Group is to manage the organisation's sustainability efforts, brainstorm possibilities for improvements, and coordinate and support the organisation's sustainability initiatives and efforts



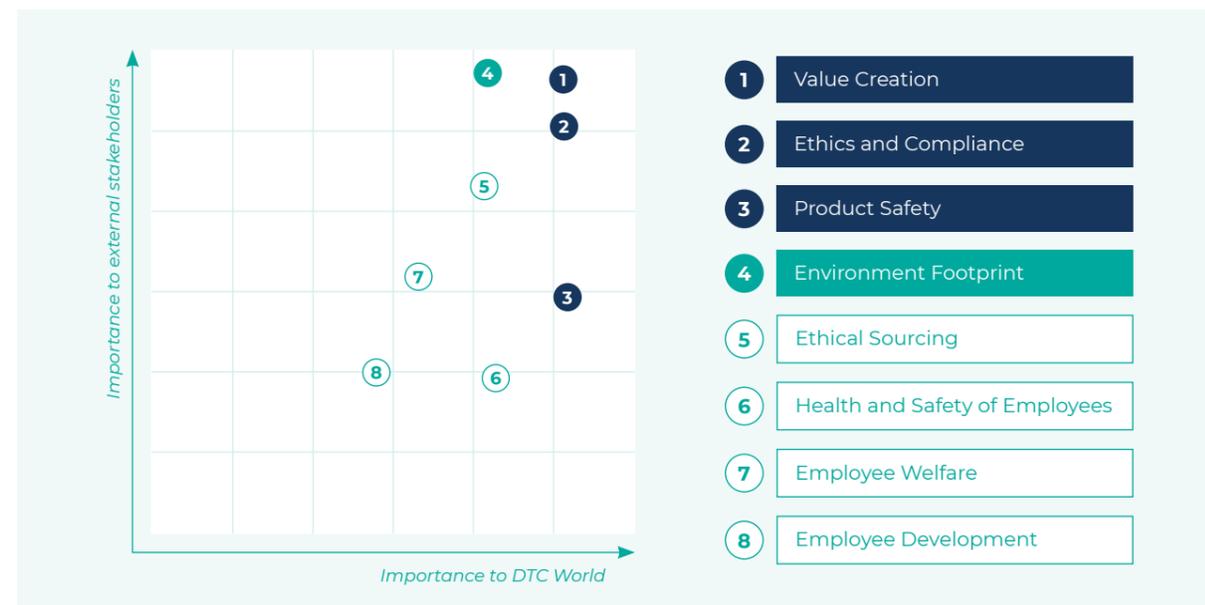
## Stakeholder Engagement

Our Sustainability Working Group, which was established in 2018, continues to engage the various stakeholders to address key areas of concern. This extends our commitment to deliver continual success in value creation for all our stakeholders. We use a broad range of communication channels to engage our stakeholders throughout the year. As DTC World continues to expand, we are committed to review the relevance and significance of our stakeholders on an annual basis and include new stakeholders who are relevant to the business. Our stakeholders include suppliers, employees and customers, and their areas of concerns in 2018 remain relevant in FY2021.

KEY STAKEHOLDERS	TYPE OF ENGAGEMENT	AREAS OF CONCERN	OUR RESPONSE (ACTION)
<b>Regulators, Local authorities</b>	<ul style="list-style-type: none"> <li>i Meetings</li> <li>ii Active participation in various industry sustainability-related forums organised by the local government agency or association</li> </ul>	<ul style="list-style-type: none"> <li>i Compliance with local regulations</li> </ul>	<ul style="list-style-type: none"> <li>i Due diligence on local laws &amp; regulators</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>i Annual General Meetings</li> <li>ii Site-Audits</li> <li>iii Company Policies</li> <li>iv Surveys &amp; questionnaires</li> </ul>	<ul style="list-style-type: none"> <li>i Economic performance</li> <li>ii Procurement practices</li> <li>iii Anti-corruption</li> <li>iv Compliance</li> <li>v Waste management</li> <li>vi Emissions</li> <li>vii Supplier assessments</li> <li>viii Customer health and safety</li> <li>ix Marketing and labelling</li> </ul>	<ul style="list-style-type: none"> <li>i Supplier management program including risk management</li> <li>ii Product recall process</li> </ul>
<b>Customers e.g., Corporates</b>	<ul style="list-style-type: none"> <li>i Company Website</li> <li>ii Customer Feedback</li> <li>iii Surveys &amp; questionnaires</li> <li>iv Workshop</li> </ul>	<ul style="list-style-type: none"> <li>i Compliance to international environmental and social standards</li> <li>ii Environmentally friendly products</li> <li>iii Product safety</li> </ul>	<ul style="list-style-type: none"> <li>i Eco-Products</li> <li>ii Greater disclosure on product composition</li> <li>iii Carbon footprint of products</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>i Orientation</li> <li>ii Company Intranet</li> <li>iii Company Policies</li> <li>iv Training</li> <li>v Materiality Workshop</li> <li>vi Feedback box</li> </ul>	<ul style="list-style-type: none"> <li>i Employee health and safety</li> <li>ii Environmental footprint</li> <li>iii Governance</li> <li>iv Ethical sourcing</li> <li>v Respecting human rights in the supply chain</li> <li>vi Employee welfare and development</li> </ul>	<ul style="list-style-type: none"> <li>i Feedback mechanism</li> <li>ii Training &amp; Development</li> <li>iii More benefits to staff</li> </ul>
<b>Local Community</b>	<ul style="list-style-type: none"> <li>i Outreach programmes</li> <li>ii Charity drives</li> </ul>	<ul style="list-style-type: none"> <li>i Ethical sourcing</li> </ul>	<ul style="list-style-type: none"> <li>i Monetary donation</li> <li>ii Goods donation</li> <li>iii Employees Volunteer</li> <li>iv Active participation in various sustainability-related forums organised by UN Global Compact and Singapore Environment Council</li> </ul>

## Materiality Analysis

In 2018, DTC World conducted the first materiality assessment and identified key topics that were material to our business and stakeholders. The materiality matrix mapped out the issues that had an economic, environmental and social influence on our business risks and stakeholders' confidence. To ensure the relevance and significance of the material topics to our business both internally and externally, we review them annually. In FY2021, we reviewed these material topics and assessed that there are no changes.



SUSTAINABILITY PILLARS	MATERIAL TOPICS	CORRESPONDING GRI TOPIC-SPECIFIC DISCLOSURE	
Our Business	Value Creation	GRI 201-1 GRI 204-1	Economic Performance Procurement
	Ethics and Compliance	GRI 205-3 GRI 206-1	Anti-Corruption Anti-Competitive Behaviour
	Product Safety	GRI 416-2 GRI 417-1	Customer Health & Safety Marketing and Labelling
	Ethical Sourcing	GRI 308-1 GRI 414-1	Supplier Environmental Assessment Supplier Social Assessment
	Information Security	-	
Our Environment	Environment Footprint	GRI 302-1 GRI 305-1, 305-2 GRI 306-4	Energy Emissions Waste
Our People	Health & Safety of Employees	GRI 403-1, 403-9	Occupational Health & Safety
	Employee Welfare	GRI 202-1 GRI 401-1, 404-2, 404-3 GRI 406-1	Market Presence Employment Non-Discrimination
	Employee Development	GRI 404-1	Training & Education
	Diversity and Equal Opportunity	GRI 405-1	Diversity and Equal Opportunity

## Key Performance Data and Targets

SUSTAINABILITY FOCUS AREA & MATERIAL TOPICS	FY2021 TARGETS	WHAT WE HAVE ACHIEVED IN FY2021	OUR TARGETS FOR FY2022
<b>OUR BUSINESS</b>			
<b>Ethics and compliance</b>	<ul style="list-style-type: none"> <li>Strive to maintain zero cases of corruption and competitive cases.</li> <li>Fully comply with all rules and regulations in all locations that we operate in.</li> </ul>	No reported cases of anti-corruption and anti-competitive violations across all locations	<ul style="list-style-type: none"> <li>Strive to maintain zero cases of corruption and competitive cases.</li> <li>Fully comply with all rules and regulations in all locations that we operate in.</li> </ul>
<b>Product safety</b>	<ul style="list-style-type: none"> <li>Zero product recall for all locations.</li> </ul>	Zero reported cases of product recall.	<ul style="list-style-type: none"> <li>Zero product recall for all locations.</li> </ul>
<b>Ethical sourcing</b>	<ul style="list-style-type: none"> <li>100% screening of new suppliers.</li> </ul>	100% screening of new suppliers.	<ul style="list-style-type: none"> <li>100% screening of new suppliers.</li> </ul>
<b>Information security</b>	<ul style="list-style-type: none"> <li>Strive to maintain zero cases in privacy breaches, data loss or copyright infringement.</li> </ul>	Zero cases of violations in privacy breaches, data loss or copyright infringement.	<ul style="list-style-type: none"> <li>Strive to maintain zero cases in privacy breaches, data loss or copyright infringement.</li> </ul>
<b>OUR ENVIRONMENT</b>			
<b>Energy intensity</b>	<ul style="list-style-type: none"> <li>Strive to maintain similar energy intensity</li> </ul>	23.44 GJ / million revenue	<ul style="list-style-type: none"> <li>Strive to maintain similar energy intensity.</li> </ul>
<b>Carbon emissions intensity</b>	<ul style="list-style-type: none"> <li>Strive to maintain similar emissions intensity</li> </ul>	0.002 kgCO <sub>2</sub> e / million revenue	<ul style="list-style-type: none"> <li>Strive to maintain similar emissions intensity.</li> </ul>
<b>Waste</b>	<ul style="list-style-type: none"> <li>Strive to maintain 100% recycling rate for wooden pallets and carton boxes.</li> <li>To recycle other packaging waste</li> <li>To send all e-waste to vendors for recycling.</li> </ul>	100% of wooden pallets and carton boxes sent for recycling.	<ul style="list-style-type: none"> <li>Strive to maintain 100% recycling rate for wooden pallets and carton boxes.</li> <li>To recycle other packaging waste</li> <li>To send all e-waste to vendors for recycling.</li> </ul>
<b>Eco-Products</b>	<ul style="list-style-type: none"> <li>Strive to increase new products in our eco-range by 5% (from 34% in FY2020).</li> </ul>	36.7% of our products are in the eco-range.	<ul style="list-style-type: none"> <li>Strive to increase new products in our eco-range by 5%.</li> </ul>
<b>OUR PEOPLE</b>			
<b>Employee hiring rate</b>	<ul style="list-style-type: none"> <li>Strive to have a comparable hiring rate.</li> </ul>	34%	<ul style="list-style-type: none"> <li>Strive to have a comparable hiring rate.</li> </ul>
<b>Employee turnover rate</b>	<ul style="list-style-type: none"> <li>Strive to have less than 10% total turnover rate across all locations.</li> </ul>	13.5%	<ul style="list-style-type: none"> <li>Strive to have less than 10% total turnover rate across all locations.</li> </ul>
<b>Average training hours</b>	<ul style="list-style-type: none"> <li>Average of 11 hours per person.</li> </ul>	12.1 hours per person.	<ul style="list-style-type: none"> <li>Average of 16 hours per person.</li> </ul>
<b>Work-related accidents or injuries</b>	<ul style="list-style-type: none"> <li>Strive to maintain zero cases of work accidents and injuries across all locations.</li> </ul>	Zero cases of work accidents and injuries across all locations.	<ul style="list-style-type: none"> <li>Strive to maintain zero cases of work accidents and injuries across all locations.</li> </ul>

# OUR BUSINESS



## Our Business

DTC World creates value for the clients through our continuous stream of products and services that offer unique benefits. This is achieved by having a team that is constantly involved in innovating, understanding the changing needs of our customers and creating win/win partnerships with customers, employees, and suppliers. By having strong business ethics among employees and our suppliers, DTC World is committed to conduct our business fairly and ethically, and do not tolerate any form of anti-competitive behaviour, non-compliance or malpractices. Ensuring correct labelling of our products with adequate safety instructions and component composition is also important to guide our customers who use our products..

## Value Creation [ 201-1, 204-1 ]

### Our Approach

DTC World creates value not only for our clients and our employees but also the suppliers we work with. We have an extensive network of more than 200 suppliers in Asia Pacific, ranging from hand crafted items to factory manufactured goods. Our suppliers and customers are located globally and we encourage procuring products from suppliers localised to the area or region to reduce transport costs, lower carbon footprint and to support local businesses.

### Our Performance

In FY2021, we have continued to work with suppliers in Singapore, China, Vietnam and Malaysia, with China having the largest procurement budget spent on local suppliers, followed by Vietnam, Malaysia and then Singapore.

	PERCENTAGE OF LOCAL PROCUREMENT BUDGET SPENT ON LOCAL SUPPLIERS	TYPE OF SUPPLIERS INCLUDED
<b>Singapore</b>	<b>10%</b>	<ul style="list-style-type: none"> <li>• Printing</li> <li>• Embroidery</li> <li>• Apparel</li> <li>• Stationery</li> <li>• Logistics Forwarder</li> </ul>
<b>China</b>	<b>100%</b>	<ul style="list-style-type: none"> <li>• Bags</li> <li>• Apparel</li> <li>• Packaging</li> <li>• Ceramic Products</li> <li>• Household Products</li> <li>• Electronic Products</li> <li>• Metal Products</li> </ul>
<b>Vietnam</b>	<b>80%</b>	<ul style="list-style-type: none"> <li>• Bags</li> <li>• Apparel</li> <li>• Ceramic Products</li> <li>• Towels</li> <li>• Point of Sales Materials</li> </ul>
<b>Malaysia</b>	<b>40%</b>	<ul style="list-style-type: none"> <li>• Logistics Forwarders</li> <li>• Stockist</li> <li>• Paper/box manufacturer</li> <li>• Branded distributor, e.g. Tefal, Philips</li> </ul>

In FY2021, our revenue stands at S\$19.688 million<sup>1</sup>, which is an improvement over FY2020's figures. FY2021's revenue is almost on par with FY2019, which was more reflective of business pre-COVID. In FY2021, approximately 22% of our total revenue was distributed<sup>2</sup> while another 78% was retained<sup>3</sup>.

	FY2019	FY2020	FY2021
 <b>REVENUE</b>	<b>18.4m</b> SGD	<b>12.7m</b> SGD	<b>19.7m</b> SGD
 <b>OPERATING COST</b>	<b>3.15m</b> SGD	<b>2.8m</b> SGD	<b>2.3m</b> SGD
 <b>EMPLOYEE WAGES &amp; BENEFITS</b>	<b>1.75m</b> SGD	<b>1.8m</b> SGD	<b>1.9m</b> SGD
 <b>PAYMENTS TO GOVERNMENTS (TAXES)</b>	<b>0.059m</b> SGD	<b>0.033m</b> SGD	<b>0.075m</b> SGD

### Our Target in FY2021

We aim to widen our global network of suppliers so that each region/country has a number of local suppliers to choose from. We also aim to increase our FY2022 revenue by 20% further this year.

<sup>1</sup> Direct economic value generated is calculated based on revenue.

<sup>2</sup> Economic value distributed is calculated based on sum of operating costs, employee wages & benefits, payments to providers of capital, payments for taxes and community investments.

<sup>3</sup> Economic value retained is calculated based on difference between direct economic value generated (footnote 2) and economic value distributed (footnote 3).

## Ethics and Compliance [ 205-3, 206-1 ]

### Our Approach

DTC World understands that our commitment to ethical business conduct provides a competitive advantage. Our senior management is committed to promoting our ethical culture throughout our organisation, and leads by example. Senior management continuously and repeatedly communicate the importance of being true to our core ethical values. Their commitment is supported by a robust ethics and compliance program aligned with integral business processes including policies and procedures, training and audits.

All new employees are provided with a list of our company policies, guidelines and code of conduct. At DTC World, we support a healthy and free competition to ensure fair business practices for all employees, suppliers and any other stakeholders.

The DTC World Business Ethics Policy and the Supplier Code of Conduct establishes our standards for ethical and responsible business conduct, our core ethical values and our basic policies on important topics. Our whistleblowing channel is also available to employees, suppliers and other stakeholders that we do business with.

### Our Performance

In FY2021, we reported zero cases of anti-competitive behaviour and anti-corruption across all the countries that we operate in. We have maintained zero violations in the last 3 years and remain vigilant to ensure full compliance across all our operations.

### Our Target in FY2022

We aim to maintain zero cases of anti-competitive behaviour and corruption violations in FY2022.

## Product Safety [ GRI 416-2, 417-1 ]

### Our Approach

Chemical substances are useful in many of the products we sell, providing beautiful colours, giving texture and serving as a protective layer. Most chemicals are safe to use, but some may pose a health risk. At DTC World, we have a responsibility to ensure that the chemicals in our products are safe, and that the products are produced in a way that protects co-workers and the environment.

We are committed to ensuring that our products do not harm our customers' well-being and safety. Ensuring correct labelling of our products with adequate safety instructions and component composition is important to guide our customers who use our products. Our products are sourced from manufacturers in China, Vietnam and Malaysia who meet our environmental and social criteria and possess the necessary product certifications.

All suppliers will receive a copy of DTC World Environmental Standards for Merchandise Materials. The objective of the DTC World Environmental Standards for Merchandise Materials is to set a specification for the Base Materials to include what the merchandise materials are composed of, to ensure compliance with safety and environmental legislation. It is mandatory for all suppliers to comply with the DTC World Environmental Standards for Merchandise Materials when purchasing merchandise materials for our products.

In 2019, we started using eco-friendly inks for the printing of our products. Eco-friendly inks are typically water-based, as compared to traditional petroleum-based inks and are much lower in Volatile Organic Compounds (VOCs), phthalate plasticisers and polyvinylchloride (PVC) resins which can cause a number of health problems. Our eco-friendly ink is also RoHS<sup>4</sup> compliant. Where required by our customers, our products will also comply with obligations under REACH<sup>5</sup>.

### Our Performance

Our product range includes food contact items and toys for children below 6 years old, which require usage instructions to be provided with the products. Our products also contain labelling such as BPA free, CE approved or biodegradable. If our customers require our products to be tested based on EU standards, we will ensure the required testings are conducted. In FY2021, we have no cases of products being non-compliant to Health & Safety standards and zero reports of product recall. DTC World has maintained zero product recall in the last 3 years due to our continuous stringent product safety measures, which we will continue to enforce.

### Our Target in FY2021

We aim to maintain zero cases of non-compliance cases and product recall in FY2021.

Indicator Product Safety	
<b>Metrics measured</b>	Number of product recalls.
<b>Performance in FY2021</b>	Achieved zero product recall across all locations.
<b>Target for FY2022</b>	Continue to achieve zero product recall for all locations.

<sup>4</sup> RoHS stands for Restriction of Hazardous Substances. RoHS, also known as Directive 2002/95/EC, originated in the European Union and restricts the use of specific hazardous materials found in electrical and electronic products (known as EEE).

<sup>5</sup> REACH stands for (EC) Regulation No 1907/2006 on Registration, Evaluation, Authorization and Restriction of Chemicals, which establishes procedures to assess and manage the risks posed by chemicals.

## Ethical Sourcing [ 308-1, 414-1 ]

### Our Approach

Advancing accountability and improving performance across our supply chain creates value for DTC World and our customers by helping us reduce risks, improve product quality, and achieve environmental and social goals. Through communication, assessments and capability-building programs, we work to ensure that our supply chain is resilient, responsible, and respectful of human rights.

Our Supplier Code of Conduct provides the basis of our expectations and requirements of all our suppliers on the social and environmental front for their activities. This Code of Conduct establishes standards on safe working conditions, humane working conditions, labour rights for workers and environmentally responsible business operations. We also ensure suppliers in our supply chain are aware of and compliant with the international labour laws and respective countries regulations.

Before establishing any business partnership with any new suppliers, DTC World requires all our suppliers to comply with our Supplier Code of Conduct. As part of our procurement screening process where we only select quality suppliers with sustainable business practices, DTC World conducts background checks and on-site audits before they are included in our list of approved suppliers.

Our Supplier Management Team performs annual on-site reviews for all our high-risk suppliers to ensure there is no breach to our Supplier Code of Conduct. Our supplier development, monitoring, and enforcement efforts are integrated across our Procurement and Supplier Management teams. This integration allows us to influence suppliers that may be reluctant to meet our requirements. We communicate our expectations in our supplier contracts and hold annual meetings with our suppliers.

As part of the CSR analysis for potential suppliers, environmental and social criteria are applied to assess the level of risk associated with the suppliers. Social criteria assessed include housing facilities provided by the supplier and risk of forced labour. Environmental criteria take into consideration handling of hazardous materials, legal violations and risk of pollution due to the types of activities carried out on site. The frequency of on-site audits is based on the risk rating of the supplier. Suppliers are required to address their audit findings within 6 months and those with repeated violations identified through our supplier audits would be removed from the approved supplier list.

### Our Performance

In FY2021, DTC World added another 55 new suppliers. 100% of our new suppliers were screened based on environmental and social criteria. 4 suppliers (or 1.17%) of suppliers were terminated due to significant and potential negative environmental impacts identified.



### Our Target in FY2022

We will strive to maintain 100% screenings for all new suppliers in environmental and social criteria, as well as address closure of corrective actions arising from our new suppliers within six months.

Indicator New Supplier Screenings	
<b>Metrics measured</b>	% screenings for environment & social criteria
<b>Performance in FY2021</b>	Achieved 100% of screening for new suppliers
<b>Target for FY2022</b>	Aim to achieve 100% screening of new suppliers

### Information Security

Building strong relationships with our stakeholders based on mutual trust and confidence is a key strategic priority for DTC World's business success and credibility. To uphold their trust, it is vital that we have in place robust internal information security control frameworks to prevent any breach in data privacy, loss of data, intellectual property mishandling and cybersecurity threats. It is our responsibility to safeguard the information provided by our stakeholders as well as our own intellectual property, in a safe and secure manner.

We are committed to build a robust information security infrastructure. As a general rule, DTC World complies with all applicable regulations and standards on personal data protection and privacy guidelines as per PDPA guidelines respective of each country. Our Information Security Policy and Information Technology Procedure guides our general IT processes as well as establish safeguards to protect sensitive information from unauthorised access and disclosure. All new hires are trained on information security, data privacy and intellectual property rights during their orientation period. They are also required to sign a Non-Disclosure Agreement ("NDA") to acknowledge their understanding and agreement in protecting our company's intellectual property and any information or data deemed confidential.

In FY2020, a dedicated IT team has been established consisting of 3 employees. They provide support in setting up of hardware, software installations, help raise awareness among employees on phishing mails or suspicious emails, as well as provide support on back-ups and security.

There were no cases of violations in privacy breaches, data loss or copyright infringement in FY2021. As we continue to grow, DTC World will invest in improving our internal controls and keep up to date with information on security developments and threats across all the locations that we operate in.

# OUR ENVIRONMENT



## Our Environment

At DTC World, we are passionate to protect the environmental ecosystems and conserving energy. We recognise the impact our actions can have on the environmental ecosystems and we are committed to improve our environmental practices to protect the ecological systems and reduce our footprints. We strive to conserve our energy and water usage and manage our waste responsibly. Our actions also have an indirect positive impact on our financial bottom-line. DTC World's environmental policy guides us in upholding our environmental practices.

We monitor our environmental performance with realistic goals and KPIs, and are kept in check by our sustainability working group.

We aim to reduce the environmental impact of our products by applying eco-design principles and using more sustainable materials, which is also what we are hearing from our customers, who wish to reduce the environmental impact of the products that they purchase from us.

## Energy [ 302-1 ]

### Our Approach

The energy consumed across our operations arises from fuel and electricity use – fuel is used primarily for staff travelling or goods transportation, and electricity use is from our offices and warehouse. In addition to implementing various energy saving measures at our offices, we have also started to find ways to reduce our fuel consumption internally and also through working with our third-party logistics partners. Since we started tracking our fuel consumption in 2018, we have observed that a significant amount of fuel arises from trips made by company vehicles to supplier sites for audits or to conduct quality checks. To reduce the travelling needed, we have put in place the following initiatives;

- i Reduction in the number of physical audits at supplier sites, which have been replaced with online audits. We would conduct a physical audit at the supplier's site only if there were critical issues identified during the online audit;
- ii Reduce the frequency to conduct quality checks on site at the supplier's factory. For initial production inspection, we have arranged for supplier to show us production video and send us mass production raw materials for checking. For goods that are less than RMB50K, we will arrange factory to deliver 2-3 cartons of the finished goods to our China warehouse for quality checks instead. This is more efficient as the delivery of the goods would be consolidated with other shipments that are being delivered to the same area (either by the supplier or a third-party logistics provider).

We have also implemented various initiatives in the offices and warehouse to reduce our electricity

#### Other initiatives to reduce fuel consumption when staff are required to travel by company vehicles

- Drivers are taught fuel-efficient driving techniques
- Employees carpool when heading to the same area for meetings
- Regular servicing is scheduled for vehicles every 3-6 months to ensure the vehicles are well-maintained and in compliance with all necessary local regulations

### Our Performance

DTC World's total energy consumption from all our locations in FY2021 was 461 GJ. China and Singapore's energy use is mostly from fuel for transportation, however the energy from fuel for China has been reduced substantially as we have put in place various initiatives to reduce the number of trips that need to be made, be it for quality checks at suppliers' sites or last mile delivery of goods to our customers. Overall, our energy use in FY2021 has reduced by 41% and our average energy intensity for FY2021 is 23.44 GJ/million revenue, which is also an improvement from our FY2020 energy intensity of 61.96 GJ/million revenue<sup>6</sup>.

Energy consumed within the organization (MJ)  
(All energy consumed is from non-renewable sources)



Conversion factors for fuel were sourced from IPCC (2006).

### Our Target in FY2022

We will continue monitoring our emissions and strive to maintain a similar emissions intensity.

Indicator Energy Intensity	
<b>Metrics measured</b>	Total Energy Consumed (All Locations) / Total Revenue (All Locations)
<b>Performance in FY2021</b>	23.44 GJ / S\$ million revenue
<b>Target for FY2022</b>	To maintain similar energy intensity

<sup>6</sup> Our energy intensity for FY2020 was reported previously as 0.062 MJ / million revenue. It has been restated to 61.96 GJ / million revenue.

## Emissions [ 305-1, 305-2 ]

### Our Approach

We are aware that the majority of our greenhouse gas (GHG) emissions arise from Scope 3 emissions in our value chain, in particular, our upstream and downstream transportation and distribution, as well from the manufacturing of the products from our suppliers. As we have greater control on Scope 1 and Scope 2 GHG emissions which arise from activities within our organisation, we have implemented various programs to reduce the emissions. These include ways to reduce the electricity use in offices and warehouses, as well as a reduction in the amount of travelling by our staff.

In order to reduce our Scope 3 emissions, we encourage our customers to use sea freight instead of airfreight. To allow for adequate time for the delivery of our products, we also recommend our customer to plan at least 3-6 months ahead of a scheduled promotion. To optimise container utilisation, we work with our regular sea freight forwarder to consolidate our products into one shipment so as to achieve a full container load. We have also expanded our factory network to include Thailand, Indonesia, India and Pakistan to shorten the distance between our clients and our suppliers' factories. We aim to achieve a mixture of global and local sourcing.

### Our Performance

In FY2021, the total Scope 1 and Scope 2 carbon emissions from all our locations was 46.1 tonnes, which is a reduction of 30% emissions compared to FY2020. This reduction was due largely to less fuel used in our China operations because of the reduction in the number of physical audits at supplier sites as well as less travelling to suppliers' sites to conduct quality checks.

Our Scope 1 emissions in FY2021 accounted for 48% of our overall emissions, while Scope 2 emissions accounted for the remaining 52% of our emissions. Our GHG intensity in FY2021 was 2.34 tCO<sub>2</sub>e / million Singapore dollars revenue, which is a 55% reduction compared to our energy intensity in FY2020, which was 5.22 tCO<sub>2</sub>e / million Singapore dollars revenue.

Although work is in progress for us to calculate our significant Scope 3 emissions, we have started to establish ties with more forwarders in China so that distance taken for the goods to be delivered from the factory to forwarder's warehouse can potentially also be reduced. As part of our long-term goal to be carbon neutral, we are also implementing good practices such as route optimisation and consolidation of shipments.

Since FY2019, we have voluntarily offset all our emissions through participation in carbon-offset projects in China. In FY2021, we remain committed to carbon neutrality through our participation in the CECIC HKC Danjinghe Wind Farm project in Zhangbei County, Hebei Province in China. This offset project involves the installation and operation of wind turbines and the sale of the renewable electricity to the North China Power Grid. This carbon-offset project allowed us to contribute to the local community as well as reduce emission.

### Scope 1 & Scope 2 GHG Emissions



Emission factors for fuel were sourced from IPCC (2006). Grid emission factors were sourced from Energy Market Authority (for Singapore), and IGES v10.10 for China, Malaysia and Vietnam.

### Our Target in FY2022

We will continue monitoring our emissions and strive to maintain a similar emissions intensity.

Indicator GHG Emissions Intensity	
<b>Metrics measured</b>	GHG Emissions (All Locations) / million revenue (All Locations)
<b>Performance in FY2021</b>	2.34 tCO <sub>2</sub> e / million Singapore dollars revenue
<b>Target for FY2022</b>	To maintain similar emissions intensity.

**Waste [ 306-1, 306-2, 306-3, 306-4 ]**

**Our Approach**

Our first priority is to always reduce waste and not create additional wastage. Our waste is managed effectively ensuring that it is either properly transported, reused, recycled or disposed of responsibly. DTC World operations in Singapore do not generate any hazardous waste. All of our non-hazardous waste is sent for recycling. Recycling bins are also placed in our offices to collect non-hazardous waste which can be recycled. Electronic waste is gathered and disposed of responsibly at RENEW (Recycling the Nation's Electronic Waste) recycling bins available at several locations.

We have centralised our printing to one multifunction printer with an energy saving feature. It allows for printing on both sides of the paper, which will save the company a considerable amount of paper usage. Employees are encouraged to use ink toner-saving modes for printing drafts that do not require high-quality printouts. Used ink and toner cartridges are set aside for refill or recycling.

**Recycling Initiatives**

DTC World accumulates excess stock of various items such as containers, apparels and cutlery every year. These items are in good condition and are donated to the Salvation Army and other charitable organisation annually for reuse and recycling.

**Our Performance**

In FY2021, DTC World recycled a total of 502kg of waste – this included carton boxes, plastic (largely from shrink wrap), paper and electronic waste. DTC World has been practising reducing and reusing our otherwise unwanted waste and wooden pallets are either reused or sent for recycling. At our warehouse, we have also replaced the wooden pallets with plastic pallets which are able to last longer and which would avoid the need for frequent replacements due to wear and tear.

**Our Target in FY2022**

We aim to maintain a 100% recycling rate for our wooden pallets and carton boxes received, as well as recycle other packaging waste.

Indicator <b>Recycling</b>	
<b>Metrics measured</b>	Wooden pallets and carton boxes
<b>Performance in FY2021</b>	100% of wooden pallets and carton boxes were sent for recycling
<b>Target for FY2022</b>	<ul style="list-style-type: none"> <li>Maintain 100% recycling rate for wooden pallets and carton boxes</li> <li>Aim to recycle other packaging waste received</li> <li>All electronic waste to be sent to e-waste vendors for recycling</li> </ul>



	FY2019	FY2020	FY2021
Electronic Waste	15	0	0
Carton box	392	238.30	343.90
Paper	208	81.2	150.8
Plastic	50	1	7.3

**Hazardous waste recycled**

TYPE OF WASTE	TOTAL WEIGHT (KG)					
	2019		2020		2021	
	SG	VN	SG	VN	SG	VN
Electronic Waste	15	-	0	-	0	0.23

**Non-hazardous waste recycled and reused**

TYPE OF WASTE	DISPOSAL METHOD	TOTAL WEIGHT (KG)									
		2019				2020				2021	
		SG	CN	SG	CN	VN	MY	SG	CN	VN	MY
Carton / Paper Boxes	Reused or Recycled	332	48	96.5	137.8	13.5	4	242.5	84	6.4	11
Paper	Recycled	160	60	38	43.2	2.1	-	38	108	4.8	-
Plastic	Recycled	50	-	-	-	0.7	1	-	-	0.3	7

## Eco-Products [ 417-1 ]

### Our Approach

As part of our goal to educate consumers and advocate the use of products that can be reused or recycled, we ensure that our products are labelled with the appropriate information. This may include the type of plastic used in the product, and whether it is reusable or recyclable. Through meaningful company-customer engagements, we also create awareness for our customers to ensure they are aware of the sustainable choices available.

### Definition of Eco-Products



Through meaningful company-customer engagements, we create awareness for our customers to ensure they are aware of the sustainable choices available.

### Our Performance

As customers are becoming more environmentally conscious, they are looking for more eco-friendly promotional gifts. We are continuously introducing more varieties in our eco range to meet the increasing demand of eco-friendly products, such as jute bags, stone notebook. Although our target for FY2021 was to increase the percentage of eco-friendly products by 5%, we were only able to increase it by 2.7%, from 34% to 36.7%. Examples of products in our eco-friendly range include cotton bags, recycled polyethylene terephthalate or recycled PET bags, bamboo fibre lunchboxes, wheat straw tumblers and sustainably sourced notebooks and notepads. Since FY2020, we have also worked with our suppliers to make our plastic products biodegradable.

### Our Target in FY2022

We aim to increase new products in our eco-friendly product range by 5% in FY2022.

Indicator <b>Eco-friendly products in our products range</b>	
<b>Metrics measured</b>	Range of eco-friendly products
<b>Performance in FY2021</b>	36.7% of our products are in the eco-friendly range
<b>Target for FY2022</b>	To increase new products in our eco-friendly range by 5% to have an overall 50% of eco-friendly products in our product range by 2025.

## OUR PEOPLE

### Employee Welfare [ 202-1, 401-1, 401-2, 401-3, 405-1, 406-1 ]

#### Our Approach

DTC World cultivates a positive working environment with a commitment to fair employment practices and only hire based on merit. Employee retention is key to maintaining continuous sustainable success at DTC World, thus boosting employee morale is crucial in creating a positive influence on retaining our employees. Creating a positive work environment where employees are inspired to perform at their best reduces our employee turnover rates.

By promoting equal opportunities, DTC World ensures our hiring practices are solely based on relevant and objective factors. We don't condone any form of discrimination based on colour, race, religion, political inclination and any other type of distinguishing characteristics.

At DTC World, we ensure the well-being of all our employees are taken care of. We are guided by the Tripartite Alliance for Fair Employment Practices (TAFEP) and Ministry of Manpower Singapore on our relationship with our employees with regards to remuneration and benefits requirements. As Singapore wage laws do not impose a minimum wage, DTC World uses the Adecco Salary Guide as reference to industry average to determine a fair and competitive compensation package for our employees as shown below. In China, Vietnam and Malaysia, localised minimum wage regulations apply to our employees.

For all new hires, we provide an orientation session to guide them on our internal policies, standards and requirements at DTC World. Our code of conduct is also communicated out to reflect our expectations of all our employees and their individual rights as an employee. We ensure an adequate and fair remuneration based on progress in reaching their individual key performance indicators. DTC World strive to select the right people in our recruitment drives and provide a comparable and fair remuneration package and benefits accordingly. By boosting our remuneration package and benefits, DTC World aims to increase employee productivity. We believe their well-being and health is predominant in ensuring consistent productivity and we provide medical and dental compensation as well as annual check-ups for all.

#### Our Performance

In China, Vietnam and Malaysia, localised minimum wage regulations apply to our employees. There is no difference in pay between male and female employees at the entry-level across all countries with minimum wage laws. DTC World provides employees with competitive remuneration packages and welfare in countries without minimum wage laws. DTC World hires based on merit and objective factors. There were no reported cases of discrimination in FY2021 across all the countries that we operate in.

### Our People

At DTC World, we believe that our employees are our biggest asset and are critical to the long-term success of our business. We are committed to provide an inclusive working environment with opportunities for continual development in an inclusive nurturing and safe working environment. Keeping our employees engaged is key to high productivity and retention rates. DTC World places high importance in the highest standards of health and safety practices.



As our business continues to grow in Singapore and in our new regional offices, we needed additional headcount to manage our operational activities. In FY2021, our hiring rate across all locations was 33.8%. Our total staff strength as of 31 Dec 2021 was 74, with the Singapore office having the largest headcount at 28 persons. We are gradually hiring for our Vietnam and Malaysia offices to manage our growing operations in the region.

By fostering a culture of understanding and respect for everyone, we promote a positive work environment. We also realise that hybrid work is likely to replace pandemic mandated remote work for many people, with the balance between home and office becoming increasingly important for employees. In 2021, we have implemented hybrid work arrangements so that staff can be in the office on alternate weeks. This continued even after the pandemic measures were being scaled back. Staff were given the option to work from home for 5 days each month; some of our Malaysian colleagues who used to be based in the Singapore office were also allowed to work from home in Malaysia as they had family commitments. This, coupled with the competitive benefits offered to our employees and robust employee engagement process, has helped to keep our turnover rate low. In FY2021, our turnover rate across all locations was 13.5%.

### Our Target in FY2022

We continue to prioritise the welfare and well-being of our employees and strive to reduce the employee turnover rate.

Indicator <b>Employee turnover rate</b>	
<b>Metrics measured</b>	Rate of employee turnover
<b>Performance in FY2021</b>	13.5% overall turnover rate across all locations.
<b>Target for FY2022</b>	Aim to have less than 10% overall turnover rate

### We offer comprehensive employee benefits:

All employees are provided with statutory benefits as well as other company benefits, which are reviewed from time-to-time. For example, in light of the ongoing COVID-19 pandemic, we recognize the importance of our employees' psychological health. In FY2020, we initiated a monthly Mental Health Wellness Program and rewarded employees \$300 for staying healthy and maintaining good attendance under the "Stay Healthy Reward" programme. Employees also receive an additional day of leave on their birthdays.

**All employees in Singapore are provided statutory benefits as well as other company benefits**  
[ GRI 401-2 ]

**BENEFITS PROVIDED TO ALL FULL-TIME PERMANENT EMPLOYEES AT DTC WORLD INCLUDE:**

- Medical / Dental Reimbursement
- Medical / Hospitalisation Insurance
- Workers Compensation Insurance
- Bonus Scheme (Annual wage supplement and special bonus)\*
- Lunch Time Talks\*
- Annual Eye Check and Talk, Annual Body Check Up
- Wellness programs\*
- Informal rewards program\*
- Daily lunch provided / daily lunch allowance\*
- Company team-bonding activities\*

**OTHER INCENTIVES:**

- Flexible working arrangements, e.g. work from home
- Opportunities to be involved in projects of employees' interest
- Recognition Award

\* Benefits also apply to China, Vietnam and Malaysia locations

### [ GRI 401-3 ]

PARENTAL LEAVE (PATERNITY & MATERNITY LEAVE)	MALES	FEMALE
Total number of employees that were entitled to parental leave	1	1
Total number of employees that took parental leave	0	1
Total number of employees that returned to work from after parental leave ended (Period of 1 Jan 2021 - 31 Dec 2021)	0	1
Total number of employees that returned to work after parental leave ended and were still employed 12 months after return to work (This figure is based on employees who took parental leave from 1 Jan 2020 to 31 Dec 2020)	0	0
Return to work rate of employees that took parental leave	N.A.	100%
Retention rate of employees that took parental leave	N.A.	0%

### Profile of employees in all locations as of 31st Dec 2021 [ 102-8 ]

**24**  
Male Employees

**74**  
Total Employees

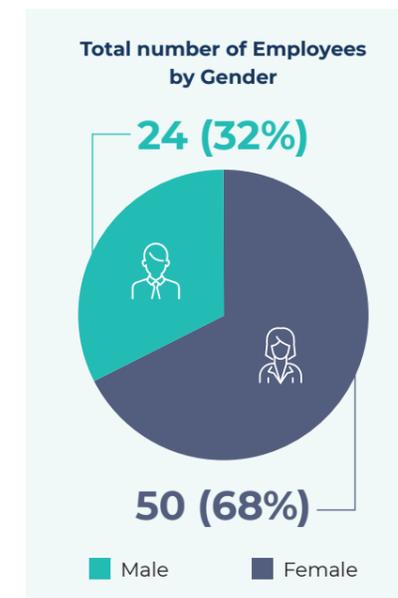
**50**  
Female Employees

**By Employee Category**

- 16** Management
- 54** Executive
- 4** General

**TOTAL EMPLOYEES BY EMPLOYMENT CONTRACT AND GENDER**

	MALE	FEMALE
Full time employees	24	50
Part time employees	0	0
Permanent contract	24	50
Temporary contract	0	0



## Employee Hiring [ GRI 401-1, 405-1 ]

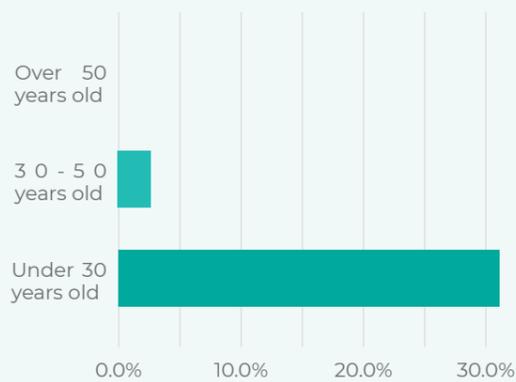


Total number of employees across all locations

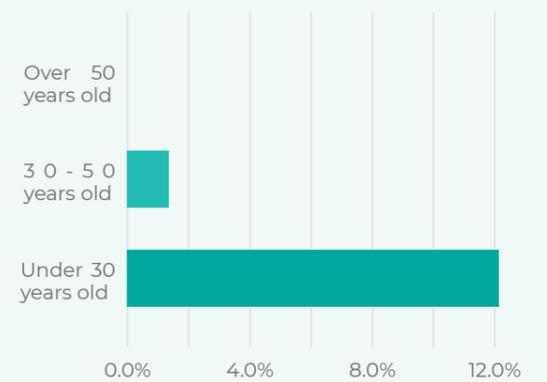
### BY AGE GROUP

	ACCUMULATED NO. OF HIRES	ACCUMULATED NO OF EMPLOYEE TURNOVER	ACCUMULATED HIRING RATE (%)	ACCUMULATED EMPLOYEE TURNOVER RATE (%)
Under 30 years old	23	9	31.1%	12.2%
30-50 years old	2	1	2.7%	1.4%
Over 50 years old	0	0	0.0%	0.0%

Hiring Rate by Age Group



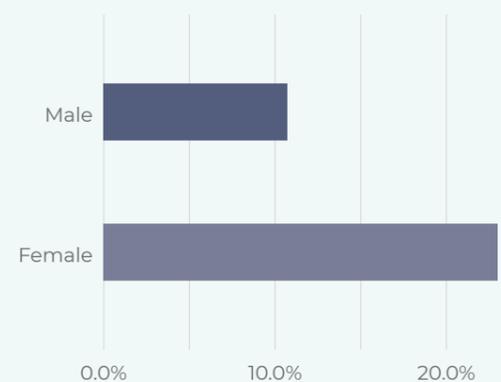
Turnover by Age Group



### BY AGE GENDER

	ACCUMULATED NO. OF HIRES	ACCUMULATED NO OF EMPLOYEE TURNOVER	ACCUMULATED HIRING RATE (%)	ACCUMULATED EMPLOYEE TURNOVER RATE (%)
Male	8	1	10.8%	1.4%
Female	17	9	23.0%	12.2%

Hiring Rate by Gender



Turnover Rate by Gender



## Employee Development [ GRI 404-1 ]

### Our Approach

At DTC World, we recognize the importance of developing our employees and provide continuous learning opportunities to ensure they stay relevant with changing times. Appropriate development and training are essential for our employees to be better equipped to contribute effectively and at optimal levels to DTC World's performance. Creating the freedom for our employees to grow professionally will boost their morale and in return, reduce our turnover rates.

Performance appraisals are conducted annually to help ensure a clear career route for our employees so that individual capability and competency can be met. Performance appraisal provides a great career management perspective, which evaluates the competency and capability of our employees as well as setting out a clear career route for all our employees.

### Our Performance

DTC World provide a variety of learning and development opportunities for our employees across all locations to enhance their potential and drive progress. In FY2021, each employee attended an average of 12.1 hours of training.

All new hires are required to attend the DTC World Orientation Internal Training which includes DTC World Business Ethics, DTC World Information Security Procedures, DTC World HR Policy, DTC World Human Rights & Labour, DTC World Environment Sustainability, DTC World Whistleblowing, Eco Office Guidelines and Fuel Efficient Driving Techniques.

Some of the training courses attended by the management level staff include people management, improving procurement processes, leadership, effective communications and change management. Executive and non-executive staff attended technical courses relevant to their job scope, such as design, sales, quality control and procurement and soft skills such as time management, communication and critical thinking. In house training was also conducted on DTC World's labour, ethics, environmental and health and safety policies for all employees in the various offices.

### Our Target in FY2022

We will continue expanding our variety of development programmes to cater to the changing needs of the industry and that of our employees, and increase the training hours per employee.

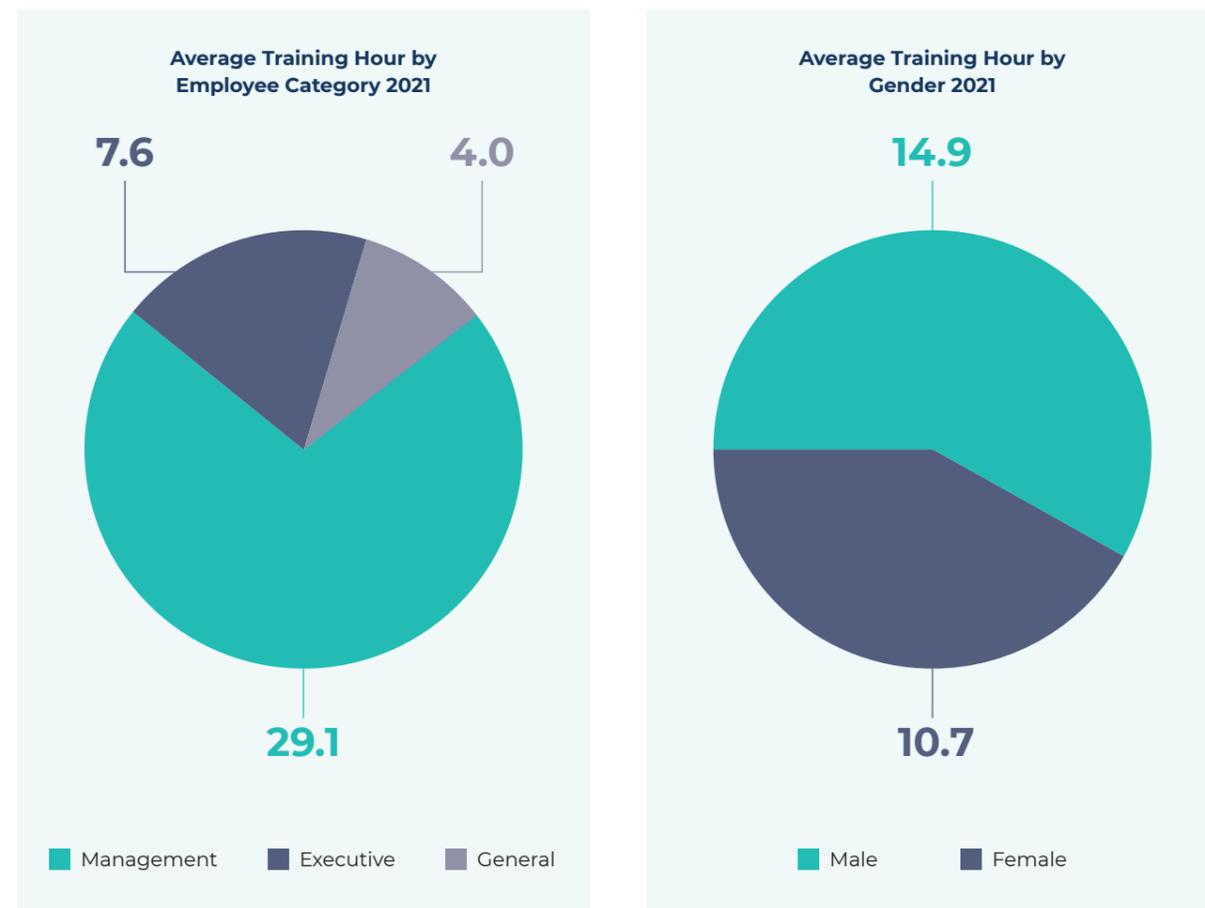
Indicator	
<b>Training hours</b>	
<b>Metrics measured</b>	Average number of training hours for each employee
<b>Performance in FY2021</b>	Achieved an average of 12.1 training hours for each employee
<b>Target for FY2022</b>	Aim for an average of 16 hours of training for each employee

Training hours as of 31st Dec 2021 for all employees

		2019	2020	2021
		AVERAGE NO. OF TRAINING HOURS	AVERAGE NO. OF TRAINING HOURS	AVERAGE NO. OF TRAINING HOURS
By Gender	Males	16.0	23.8	14.9
	Females	6.2	12.8	10.7
	<b>TOTAL</b>	<b>9.0</b>	<b>16.1</b>	<b>12.1</b>
By Employee Category	Management	10.3	19.4	29.1
	Executive	9.1	13.8	7.6
	Non-executive*	7.8	16.9	-
	General	-	-	4.0

\* Non-executive category has been re-categorized to Executive for FY2021 (with the exception of 1 employee from Singapore and 2 from China, who are categorized as General employees)

Average Number of Training Hours



Health & Safety of Employees

[ GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9 ]

Our Approach

A safe working environment is of prominent importance at DTC World. It is our duty to protect our employees from occupational hazards and work-related accidents. We enforce a strong work safety and well-being culture to allow our employees to perform their best in their daily work activities.

We introduced a Workplace Safety policy that addresses our high expectations of safety control in our company, which is communicated to all employees, contractors and other stakeholders. Training and education in occupational health and safety are provided to ensure employees understand to avoid unsafe situations.

A risk assessment team was introduced at DTC World to oversee all the health and safety processes and identify hazards and actions to minimise the dangers. We also work with a risk assessment consultant to assess our workplace and advise us on any hazards and actions, which can minimize any safety and health risks. During the COVID-19 pandemic, we had in place Safe Management Measures (SMM) procedures for the workplace covering physical interactions and ensure safe, use of personal protective equipment, cleaning of the workplace and managing potential COVID-19 cases at the workplace.

With the gradual opening of our borders and the resumption of travelling, our staff who are required to travel for work also comply with all local and international travel requirements with respect to COVID 19 vaccinations and tests.

Our Performance

DTC World adheres to the Workplace Safety and Health Act (Ministry of Manpower) in Singapore, as well as other applicable local regulations in countries that we operate in. We set ambitious goals and have maintained zero work related accidents over the past 3 years and in FY2021 maintained zero lost days and zero work-related accidents and injuries across all our operations. For ensuring continual workplace safety, DTC World achieved the BizSafe Level 3 certification in 2018, and was re-certified in 2021.

We will continue to work at maintaining a clean record while looking at improving processes for a greater safety culture across all our offices. DTC World championed safe driving practices and have implemented the Safe Work Procedure Training and Vehicle on time to encourage our employees to take the necessary precautionary measures when driving.

Our Target in FY2022

We strive to maintain zero work related accidents and injuries across all the countries that we operate in.

Indicator	
<b>Work related accidents &amp; injuries</b>	
<b>Metrics measured</b>	Annual number of work-related accidents and injuries per 100 workers
<b>Performance in FY2021</b>	Zero cases of work accidents and injuries across all locations
<b>Target for FY2022</b>	Continue to maintain zero cases of work accidents and injuries across all locations

# OUR COMMUNITY

## Our Community

At DTC World, we are driven by our core values to look after our communities that we operate in. We seek to enrich the quality of life of our communities and serve as good stewards of society.

Our corporate social responsibility approach is instilled with the culture of giving back to our communities in need. In FY2021, DTC World contributed to several charity organisations and worked with a number of community programmes in Singapore and China.

### Sharella

As part of the Share Umbrella initiative by Republic Polytechnic (RP) students, we distributed our excess stock of umbrellas to the surrounding area of 2 locations : Sun Plaza and a crossing opposite Sembawang MRT station. This initiative allows the sharing of umbrellas when crossing the road on rainy days. The umbrellas are placed on both sides of the road and anyone can simply use the umbrella and drop it off after using it.



### FoodBank

In February and March 2021, our employees at the Singapore office volunteered at the Food Bank in Singapore, helping to sort the donated food products, ensuring that the items were still fit for consumption; while in April 2021, our employees at the Vietnam office volunteered at Foodbank Vietnam, a charitable organisation that provides free food to the disadvantaged in the society. Our colleagues assisted in preparing ingredients and cooking the dishes for the meals. When the dishes were ready, DTC World colleagues helped in packing the food, and serving the healthy and delicious food to the beneficiaries.



### Food Donation Drive

In July 2021, DTC World participated in a food donation drive in Malaysia organised by Uncle Kentang, a charity group that distributes food to those in need. Malaysia was under enhanced movement control order (EMCO) for several months in 2021, resulting in many people losing their source of income. The Malaysia White Flag Campaign was thus initiated, where food donations are given to those in need, in order to render some hope to Malaysians who are living in despair, and more importantly, to curb the suicide rates. DTC World donated foods such as rice, instant noodles, cooking oil, biscuits and canned food items.



**DTC World is a proud signatory of the United Nations Global Compact, a voluntary Corporate Responsibility Initiative.**

The Global Compact requests participating companies to pursue two complementary goals:

- 1 Internalize the Ten Principles within the company's strategies, policies and operations, and
- 2 Undertake projects to advance the broader development goals of the United Nations, particularly the Sustainable Development Goals.

DTC World is committed to the UN Global Compact's Principles in the areas of human rights, labour, environment and anti- corruption.



#### THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT

 <b>HUMAN RIGHTS</b>	<b>PRINCIPLE 1</b>	Businesses should support and respect the protection of internationally proclaimed human rights; and
	<b>PRINCIPLE 2</b>	Make sure that they are not complicit in human rights abuses.
 <b>LABOUR</b>	<b>PRINCIPLE 3</b>	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
	<b>PRINCIPLE 4</b>	The elimination of all forms of forced and compulsory labour;
	<b>PRINCIPLE 5</b>	The effective abolition of child labour; and
	<b>PRINCIPLE 6</b>	The elimination of discrimination in respect of employment and occupation.
 <b>ENVIRONMENT</b>	<b>PRINCIPLE 7</b>	Businesses should support a precautionary approach to environmental challenges;
	<b>PRINCIPLE 8</b>	Undertake initiatives to promote greater environmental responsibility; and
	<b>PRINCIPLE 9</b>	Encourage the development and diffusion of environmentally friendly technologies.
 <b>ANTI-CORRUPTION</b>	<b>PRINCIPLE 10</b>	Businesses should work against corruption in all its forms, including extortion and bribery.

## GRI CONTENT INDEX

DISCLOSURE	DISCLOSURE	PAGE NO.	OMISSION
<b>GRI 102: GENERAL DISCLOSURES 2016</b>			
102-1	Name of the organization	2	
102-2	Activities, brands, products, and services	2	
102-3	Location of headquarters	7	
102-4	Location of operations	7	
102-5	Ownership and legal form	6	
102-6	Markets served	7	
102-7	Scale of the organization	7	
102-8	Information on employees and other workers	29	
102-9	Supply chain	14	
102-10	Significant changes to the organization and its supply chain	None	
102-11	Precautionary Principle or approach	2	
102-12	External initiatives	8	
102-13	Membership of associations	8	
102-14	Statement from senior decision-maker	5	
102-16	Values, principles, standards, and norms of behaviour	2	
102-18	Governance structure	8	
102-40	List of stakeholder groups	11	
102-41	Collective bargaining agreements		There is currently no Union within the Company. As a signatory to the UN Global Compact we recognise employees' right to belong to unions, and we also follow the local Law in this regard.
102-42	Identifying and selecting stakeholders	11	
102-43	Approach to stakeholder engagement	11	
102-44	Key topics and concerns raised	11	
102-45	Entities included in the consolidated financial statements	6	
102-46	Defining report content and topic Boundaries	6	
102-47	List of material topics	12	
102-48	Restatements of information	20	

DISCLOSURE	DISCLOSURE	PAGE NO.	OMISSION
102-49	Changes in reporting	None	
102-50	Reporting period	1 Jan 2021 – 31 Dec 2021	
102-51	Date of most recent report	30 Sept 2021	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	6	
102-54	Claims of reporting in accordance with the GRI Standards	6	
102-55	GRI content index	36-39	
102-56	External assurance	None	
<b>GRI 201: ECONOMIC PERFORMANCE 2016</b>			
103-1	Explanation of the material topic and its Boundary	14	
103-2	The management approach and its components	14	
103-3	Evaluation of the management approach	14	
201-1	Direct economic value generated and distributed	14	
<b>GRI 202: MARKET PRESENCE 2016</b>			
103-1	Explanation of the material topic and its Boundary	27	
103-2	The management approach and its components	27	
103-3	Evaluation of the management approach	27	
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	27	
<b>GRI 204: PROCUREMENT PRACTICES 2016</b>			
103-1	Explanation of the material topic and its Boundary	14	
103-2	The management approach and its components	14	
103-3	Evaluation of the management approach	14	
204-1	Proportion of spending on local suppliers	14	
<b>GRI 205: ANTI-CORRUPTION 2016</b>			
103-1	Explanation of the material topic and its Boundary	16	
103-2	The management approach and its components	16	
103-3	Evaluation of the management approach	16	
205-3	Confirmed incidents of corruption and actions taken	16	
<b>GRI 206: ANTI-COMPETITIVE BEHAVIOR 2016</b>			
103-1	Explanation of the material topic and its Boundary	16	

DISCLOSURE	DISCLOSURE	PAGE NO.	OMISSION
103-2	The management approach and its components	16	
103-3	Evaluation of the management approach	16	
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	16	
<b>GRI 302: ENERGY 2016</b>			
103-1	Explanation of the material topic and its Boundary	20	
103-2	The management approach and its components	20	
103-3	Evaluation of the management approach	20	
302-1	Energy consumption within the organization	20	
<b>GRI 305: EMISSIONS 2016</b>			
103-1	Explanation of the material topic and its Boundary	22	
103-2	The management approach and its components	22	
103-3	Evaluation of the management approach	22	
305-1	Direct (Scope 1) GHG emissions	22	
305-2	Energy indirect (Scope 2) GHG emissions	22	
<b>GRI 306: WASTE 2020</b>			
103-1	Explanation of the material topic and its Boundary	24	
103-2	The management approach and its components	24	
103-3	Evaluation of the management approach	24	
306-1	Waste generation and significant waste-related impacts	24	
306-2	Management of significant waste-related impacts	24	
306-3	Waste generated	24	
306-4	Waste diverted from disposal	24	
<b>GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT 2016</b>			
103-1	Explanation of the material topic and its Boundary	18	
103-2	The management approach and its components	18	
103-3	Evaluation of the management approach	18	
308-1	New suppliers that were screened using environmental criteria	18	
<b>GRI 401: EMPLOYMENT 2016</b>			
103-1	Explanation of the material topic and its Boundary	27	
103-2	The management approach and its components	27	

DISCLOSURE	DISCLOSURE	PAGE NO.	OMISSION
103-3	Evaluation of the management approach	27	
401-1	New employee hires and employee turnover	27	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	28	
401-3	Parental leave	29	
<b>GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018</b>			
103-1	Explanation of the material topic and its Boundary	33	
103-2	The management approach and its components	33	
103-3	Evaluation of the management approach	33	
403-1	Occupational health and safety management system	33	
403-2	Hazard identification, risk assessment, and incident investigation	33	
403-3	Occupational health services	28	
403-4	Worker participation, consultation, and communication on occupational health and safety	33	
403-5	Worker training on occupational health and safety	33	
403-6	Promotion of worker health	28	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		This information is not included as data is currently not available.
403-9	Work-related injuries		
<b>GRI 404: TRAINING AND EDUCATION 2016</b>			
103-1	Explanation of the material topic and its Boundary	31	
103-2	The management approach and its components	31	
103-3	Evaluation of the management approach	31	
404-1	Average hours of training per employee	31, 32	
<b>GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016</b>			
103-1	Explanation of the material topic and its Boundary	30	
103-2	The management approach and its components	30	
103-3	Evaluation of the management approach	30	
405-1	Diversity of governance bodies and employees	30	

DISCLOSURE	DISCLOSURE	PAGE NO.	OMISSION
<b>GRI 406: NON-DISCRIMINATION 2016</b>			
103-1	Explanation of the material topic and its Boundary	27	
103-2	The management approach and its components	27	
103-3	Evaluation of the management approach	27	
406-1	Incidents of discrimination and corrective actions taken	27	
<b>GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016</b>			
103-1	Explanation of the material topic and its Boundary	18	
103-2	The management approach and its components	18	
103-3	Evaluation of the management approach	18	
414-1	New suppliers that were screened using social criteria	18	
<b>GRI 417: MARKETING AND LABELING 2016</b>			
103-1	Explanation of the material topic and its Boundary	26	
103-2	The management approach and its components	26	
103-3	Evaluation of the management approach	26	
417-1	Requirements for product and service information and labeling	26	

