SunningdaleTech

BUILDING LONG-TERM
SUSTAINABILITY

CONTENTS

BOARD
STATEMENT

Dear Stakeholders,

On behalf of the Board of Directors ("the Board") of Sunningdale Tech Ltd ("Sunningdale Tech" or "the Group"), I am honoured to present our third Sustainability Report.

In this financial year ("FY2019", from 1 January 2019 to 31 December 2019), the Board continues to integrate sustainability issues into our Group's strategic direction and oversee our Sustainability Steering Committee whose purpose is to instil core values within the Group and a culture that reflects our commitment to the environment and society at large.

In the last Sustainability Report, our reporting scope encompasses our policies, practices and performances over the reporting period at our Singapore, Malaysia (Johor) and Indonesia (Batam) manufacturing sites. In this Sustainability Report, we have expanded our scope to include our operations in China (Suzhou, Chuzhou, Guangzhou, Zhongshan and Shanghai).

The Board, along with various stakeholders, identified material and additional Environmental, Social and Governance ("ESG") matters in FY2017. Thereafter, we continuously monitor and manage these key ESG matters. This year, we conducted a review of our material and additional reporting matters and have concluded that the five reporting matters remain relevant and important to our business today. These reporting matters include Ethics, Bribery and Corruption, Occupational Health and Safety, Health and Safety of Our Customers, Waste Management and Material Use.

Instilling Core Values Within the Group

Our financial and operational objectives are aligned towards constantly improving our sustainability performance. We are committed to upholding the highest standard on corporate governance and transparency with an effective risk management system to safeguard our stakeholders' interests. Our Code of Business Ethics and Conduct serves to guide our management on business ethics and prevent conflict of interest. At the same time, the Group's Whistle-blowing Policy provides an avenue to all employees to raise concerns and offer reassurance that they are protected from reprisals or victimisation for whistle-blowing in good faith. In FY2019, we maintained our zero cases of corruption and whistle-blowing incidents.

Caring for Our Environment

It is our priority that the environment that we operate in has minimal risks and impact from our business. We ensure that our supply chain employs environmentally friendly techniques. In FY2019, we once again achieved our track record of zero chemical spills and zero cases of improper waste disposal. We have also managed to reduce both our hazardous and non-hazardous waste by 52% and 18% respectively.

We also continued with our four-pronged waste management strategy to ensure our waste is well sorted by its nature (i.e. hazardous and non-hazardous) and that the disposal methods comply with local regulations. The Shanghai Municipal Government implemented four types of garbage classification, namely – recyclable garbage, hazardous garbage, dry garbage and wet garbage. In response to the government's initiative, Sunningdale Tech's facility in Shanghai purchased new trash bins to comply with the new waste classification standards. We strive to comply and be in line with new regulations and governments' initiatives in environmental protection.

Prioritising our Employees and Customers

At Sunningdale Tech, we believe that a diverse and healthy human capital is key to deliver better business performance. We strive to maintain a healthy and safe working environment and provide fair and equal employment opportunities to all our employees regardless of age, race, gender, religion, or marital status. Sunningdale Tech is committed to an integrated human capital strategy which promotes fair employment practices and a safe working environment while fostering strong teamwork and employee development.

Our integrated Quality, Environmental, Health and Safety Policy guides us in surpassing our customers and relevant stakeholders' expectations and adheres to the highest industry standards.

On 11 March 2020, the World Health Organisation declared the outbreak of the Corona Virus Disease 2019 (" COVID-19") to be a global pandemic. The rapid spread of the virus has caused major disruptions to worldwide supply chains, dampened economic sentiment and led to several countries declaring national emergencies while closing their borders to contain the outbreak. To mitigate the impact of COVID-19, the Group is focusing on tightening cost controls, improving productivity and enhancing operational efficiency. During this difficult period, the priority across the Group's global operations is the health and wellbeing of our employees while ensuring the long-term sustainability of our operations.

Sustainability will continue to be central to who we are and how we operate. We strive to put safety first in all we do. As a worldwide leader in precision plastic engineering, Sunningdale Tech is committed to protecting our customers whom we are pleased to serve. We will look to build upon our success in 2019, while investing in doing what is right for our employees, customers, shareholders and the environment.

KOH BOON HWEE
Chairman
May 2020

BOARD
STATEMENT

OUR VISION

World leading precision plastic solution-provider recognised for our extensive engineering expertise and experience

VALUES

• Be experts

With an extensive global footprint, financial stability, and years of experience, we channel our expertise to deliver reliable solutions in all things plastics

• Be problem-solvers

As an engineering company, problem solving is our forte, and we're geared to solving challenging projects or exploring different ways to optimise our processes in order to better meet your needs

• Be progressive

We continually look to create better solutions, and explore, evaluate & apply new ideas & possibilities that are relevant to you

Sunningdale Tech Ltd ("Sunningdale Tech") is pleased to present our third sustainability report prepared in accordance to Singapore Exchange Securities Trading Limited's ("SGX-ST") Mainboard listing Rule 711(B) and the Global Reporting Initiative ("GRI") Standards – "Core" option. To be in line with the latest updates to the GRI standards, we have transited from GRI Standards 2016 to GRI Standards 2018 for the applicable ESG topic.

This year, our reporting scope has been expanded to include five of our key operation sites in China (Suzhou, Chuzhou, Guangzhou, Zhongshan and Shanghai), in addition to our reported operations – one in Singapore, three in Malaysia (Johor) and one in Indonesia (Batam). Please refer to the Appendix for the details of entities covered in this report. All ESG topics have been reviewed and remain relevant to Sunningdale Tech's operations today. Policies, practices, targets and performances are disclosed for all material topics. The reporting period covered in this report is the financial year 2019 ("FY2019", from 1 January 2019 to 31 December 2019), with the financial year 2018 ("FY2018") being the year of comparison.

Sunningdale Tech has not sought external assurance for this report but will consider doing so as reporting matures over time.

For more information with regards to this report or feedback on our sustainability practices, please feel free to write in to csrs@sdaletech.com.

ABOUT
SUNNINGDALE TECH

Sunningdale Tech is a leading manufacturer of precision plastic components with deep engineering expertise and broad experience. The Group provides one-stop, turnkey plastic solutions, with capabilities ranging from product and mould designs, mould fabrication, injection moulding, complementary finishing, through to the precision assembly of complete products.

Figure 1: Sunningdale Tech's business segments

AUTOMOTIVE

Sunningdale Tech designs and manufactures decorative plastic parts and functional parts for tier one system manufacturers in the automotive industry. With rising demand for custom-made plastic injection parts and sophisticated finishing, our production technologies ensure that we are well equipped to meet the industry's stringent requirements.

CONSUMER/IT

Coupled with our manufacturing capabilities, Sunningdale Tech is well-positioned to tap on the growth opportunities in this fast-paced and high-volume industry.

Our focus is to provide innovative solution in developing niche components for the mid to high end market, by offering superior surface finishing as well as rapid tooling to reduce product cost and time to market.

HEALTHCARE

With extensive knowledge and experience in manufacturing class 1, 2, and 3 medical device components, Sunningdale is well positioned to service the healthcare industry.

We take pride in our people and professionalism to attain highest quality standard, regulatory compliance, and premium customer service that encompasses a systematic program management from concept validation through to product end-of-life.

MOULD FABRICATION

Sunningdale Tech has 10 full fledge tooling operations located across Asia and Europe with more than 100 designers and 25,000 sqm of mould manufacturing area equipped with advanced toolroom machinery capable of fabricating up to 2,000 moulds annually.

Our highly experienced engineers are capable of transforming complex product designs to precision plastics using advanced computer aided design software, and our sophisticated mould designs are capable of producing plastics products that meet the requirements of the most stringent customers in the global arena.

Sunningdale Tech's manufacturing facilities are well equipped with advanced tool room machinery and together with proven track records, system and highly trained staff, we manufacture high precision moulds that will provide trouble-free, high-volume production for the life of the product.

Figure 2: 5 pillars of operational excellence

Quality

Delivery

Teamwork

Productivity

Continuous Improvement

Global Presence

Strategically located in the cost-competitive regions, we capture opportunities in diverse business sectors globally. Headquartered in Singapore, we are currently running 20 manufacturing facilities across nine countries which is boasting a total factory space of nearly three million square feet, with over 1,000 injection moulding machines and a tooling capacity of 2,000 moulds per year. A breakdown of our global presence is shown below in Figure 3.

Figure 3: Sunningdale Tech's global presence

01 Singapore
Headquarter:
Parts Production and Tools Fabrication

02 Malaysia (Johor, Penang)
Parts Production and Tools Fabrication

03 China (Chuzhou, Suzhou, Guangzhou, Zhongshan, Tianjin, Shanghai)
Parts Production and Tools Fabrication

04 India (Chennai)
Parts Production and Tools Fabrication

05 Latvia (Riga)
Parts Production and Tools Fabrication

06 Thailand, Rayong
Parts Production

07 Indonesia, Batam
Parts Production

08 Mexico, Guadalajara
Parts Production

09 Brazil, Atibala
Parts Production

10 USA Michigan
Support Office

11 China, Hong Kong
Sales Office

ABOUT
SUNNINGDALE TECH

Supply Chain

As a precision plastic components manufacturer, Sunningdale Tech's supply chain encompasses suppliers of engineering plastics, paint, packaging materials such as carton boxes, polyethylene bags, trays, as well as other engineering parts and components. We source these raw materials locally and globally, including Malaysia, China, USA and Europe.

The safety of our products has a large impact on the health and safety of our employees and customers. To protect our stakeholders from hazardous materials, we have well-defined processes and procedures in place (Figure 4) to manage the safety of the product from its inception to the end of the supply chain. Supporting these procedures are a team of Quality Assurance ("QA") who are tasked with investigating customer complaints and the implementation of product safety protocols.

Figure 4: Sunningdale Tech's supply chain management

Supply Chain Management

- Key suppliers as defined in our purchasing quality manual will be maintained in the Approved Vendor List ("AVL"). Suppliers' monthly performance ratings will be annually computed using Supplier Performance Assessment Form. Based on the overall rating, site audit or Supplier Risk Assessment will be conducted if needed. Poorly performed suppliers will be escalated to the management and customers to approve for alternative supplier before blacklisting or delisting them from AVL.

- For new purchases and subsequent compliance check, direct material suppliers are required to provide Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") and Restriction of Hazardous Substances ("ROHS") declaration, including conflict minerals reporting, whenever requested by our customers.

- Quality inspection and supplier audit has been implemented through our Quality Management System ("QMS").

SUNNINGDALE TECH LTD
SUSTAINABILITY REPORT 2019

Ethics, Bribery and Corruption

Zero cases of corruption from FY2017 to FY2019

Occupational Health and Safety

Zero cases of work-related fatalities and high consequence injuries in FY2018 and FY2019

Health and Safety of Our Customers

Zero cases of non-compliance with regulations concerning the health and safety impacts of products and services

Waste Management

52% reduction of hazardous waste
&
18% reduction of non-hazardous waste
in FY2019 compared to FY2018

Hazardous Waste

1,596 tonnes — FY 2018
763 tonnes — FY 2019

Non-hazardous Waste

3,298 tonnes — FY 2018
2,689 tonnes — FY 2019

Targets Achieved[1]

75%

Completed	In progress
3	1

[1] Targets have been set and tracked each year for our three material topics, including Ethics, Bribery and Corruption, Occupational Health and Safety and Waste Management.
For details of our targets and performance in FY2019, please refer to respective sections in this report.

OUR APPROACH
TO SUSTAINABILITY

Sunningdale Tech considers sustainability issues as part of our Group's strategic formulation and is committed to corporate social responsibility and sustainable long-term growth. To demonstrate our strong governance in sustainability, we have in place a sustainability policy as shown in Figure 5.

Sustainability Policy

Figure 5: Sunningdale Tech's sustainability policy

Seeking new technologies and methods to conserve energy, minimise resource consumption and reduce waste generation to maintain environmentally friendly manufacturing and supply chain processes.

Endorsing an integrated human capital strategy which promotes fair employment practices and a safe working environment while fostering strong teamwork and employee development.

Upholding the highest standards of corporate governance and transparency with an effective risk management system to safeguard our stakeholders' interests.

Upholding the highest standards of corporate governance and transparency with an effective risk management system to safeguard our stakeholders' interests.

Our financial and operational objectives are aligned towards constantly improving our sustainability performance through regular monitoring and effective reporting channels.

This policy has been communicated to our stakeholders including shareholders, business partners, suppliers, customers and our employees. It has also been made available to the public.

This year, we have revised our Quality, Environment, Health and Safety and Food Safety ("QEHS and FS") Policy to better guide our practices on Occupational Health and Safety, Customer Health and Safety and all environmental topics. Details of the policy are shown in the various sections of this report. The policy is also publicly available on our website: QEHS and FS Policy.

Sustainability Governance

As a global manufacturer, Sunningdale Tech manages our sustainability performance under the governance of our Sustainability Steering Committee ("SSC"). Our corporate SSC is headed by the Chief Executive Officer ("CEO") who reports to and updates the Board periodically and is supported by site SSC within each operation. Chaired by the General Managers, site SSC is responsible for:

- Executing corporate identified sustainability material issues/topics and recommending prevailing sustainability materials topics based on respective country laws to corporate sustainability steering committee for approval

- Recommending sustainability activities and/or initiatives to be undertaken within each operation, with consideration of impacts of company's business and interests of shareholders, clients, employees and communities etc.

- Recommending and budgeting the amount of expenditure to be incurred on the activities undertaken.

- Reviewing the Corporate Social Responsibility ("CSR") activities organised, planning and enlisting CSR activities for the subsequent years.

- Appointing the CSR working committee.

To support our key management personnel in driving individual policies and practices within each operation, the Corporate Social Responsibility ("CSR") working committee is formed with representatives from various departments, such as Human Resource, Tooling, Information Technology and Business Development.

Figure 6: Sunningdale Tech's sustainability governance structure

Corporate Sustainability Steering Committee

The Board

Chief Executive Officer

| Senior Vice President-South East Asia Operations | Senior Vice President-Business Development | Chief Finanacial Officer / Senior Vice President | Human Resource Director | Chief Materials Officer | General Manager (Tooling)/ Senior Vice President |

Site Sustainability Steering Committee

General Manager

Heads of Department ("HODs")   Senior Management

OUR APPROACH
TO SUSTAINABILITY

How Sunningdale Tech Engages with Our Stakeholders

Stakeholder group	Expectations of the stakeholder group	Modes of engagement	Frequency of engagement	Key interests by stakeholder group	Sunningdale Tech's response
Shareholders	Maximise profits and obtain information needed to make sound investment decisions	• SGX announcements	• Quarterly	• Profitability and financial sustainability of Sunningdale Tech	• Maintain sustained growth with increased sales and cost-effective processes
		• Annual report	• Annually		
		• Annual General Meeting	• Annually	• Timely and transparent disclosure of information and announcements	• Periodic and transparent communication of financial and non-financial information
		• Meeting analyst and investors	• As required	• Accessibility to management / Investor Relations team	• Maintain prompt response to feedback and queries
Employees	Fair remunerations and career development and progression	• Orientation for new employees	• As appropriate	• Employee engagement	• To assimilate new hires into the company's culture
		• Dinner and dance	• Biennial		
		• CSR activities	• Annually	• Increase team productivity through volunteerism	• To create corporate conscience, corporate citizenship or responsible business
		• Training	• As appropriate	• Work opportunities and career advancements • Employee engagement • Employee welfare and benefits	• Biennially review of training needs analysis and competency framework across all job levels/category
		• Ad hoc events	• As appropriate		• To foster teamwork and social interaction among employees

How Sunningdale Tech Engages with Our Stakeholders

Stakeholder group	Expectations of the stakeholder group	Modes of engagement	Frequency of engagement	Key interests by stakeholder group	Sunningdale Tech's response
Customers	Receive products that meet their specifications at a competitive price	• Customer satisfaction survey	• Annually	• Quality of products	• Maintain robust quality management systems in line with international standards such as ISO14001, ISO9001, IATF16949, ISO13485, and OHSAS18001 certifications • Yearly assessment by the third-party certification body to achieve certification for the aforementioned quality standards • Conduct quality audits on all its products
		• Regular meetings and discussions with respective Project Managers	• As required	• Responsiveness to requests	• Ensure that the Project Managers respond to their customers promptly and meet their needs aforementioned quality standards
Suppliers	Deliver good quality products timely	• Regular meetings and discussions with respective Procurements Managers	• As required	• Receipt of prompt payments for goods and services rendered	• Ensure that Sunningdale Tech complies with contract terms for timely payment

OUR APPROACH
TO SUSTAINABILITY

How Sunningdale Tech Engages with Our Stakeholders

Stakeholder group	Expectations of the stakeholder group	Modes of engagement	Frequency of engagement	Key interests by stakeholder group	Sunningdale Tech's response

Local communities	Ensure that organisations contribute positively to the community	• Cash donations to charitable organisations	• As appropriate	• Sustained support for CSR projects	• Maintain good relationships with charitable organisations
					• Some of our CSR activities in FY2019 include:
					  • Blood Donation Partnership with Singapore Red Cross Society
					  • Beach Cleaning
					  • Gotong Royong (Housekeeping of surrounding area of hostel)
					  • Dengue Awareness Seminar
					  • Safety, Health and Environment Campaign

Government institutions and regulators *(such as SGX, CPF, IRAS, and NEA)*	Implement and enforce standards and regulatory requirements	• Participate in meetings with government institutions and regulators	• As appropriate	• To ensure that organisations are in compliance with laws and regulations	• Keep all relevant employees abreast with changes to statutory requirements • To ensure compliance with all applicable laws and regulations

Materiality Assessment

Sunningdale Tech conducted our first formal materiality assessment to identify, prioritise and validate our ESG topics in July 2017. In the subsequent years, these ESG topics are reviewed and re-assessed for their continued relevance and importance to Sunningdale Tech.

This year, we engaged with key representatives from various operations in different countries and after taking their feedback into account, we concluded that our reporting topics remained relevant and applicable to our operations.

Figure 7: Sunningdale Tech's materiality assessment process

FIRST FORMAL MATERIALITY ASSESSMENT

Sunningdale Tech conducted our first formal materiality assessment as follows:

Identification:
A list of potential Environment, Social and Governance ("ESG") matters was identified.

Prioritisation:
Matters identified above were rated and prioritised.

Validation:
Matters prioritised were reviewed and approved by the board.

REVIEW

ESG matters reported in FY2018 were reviewed again in FY2019 and we concluded that they remained relevant. Please see Figure 8 for the details of material and additional matters reported in FY2019.

FY2018

FY2017

FY2019

REVIEW

Matters reported in FY2017 were reviewed in FY2018. Results were presented in Sunningdale Tech's Sustainability Report 2018.

Figure 8: Mapping material and additional reporting matters to GRI standards

Ethics, Bribery and Corruption

GRI 205: Anti-corruption
GRI 205-2: Communication and training about anti-corruption policies and procedures
GRI 205-3: Confimed incidents of corruption and actions taken

Waste Management

GRI 306: Effluents and Waste
GRI 306-2: Waste by type and disposal method

Material Use

GRI 301: Materials
GRI 301-2: Recycled input materials used

Occupational Health and Safety

GRI 403: Occupational Health and Safety
GRI 403-9: Work-related injuries
GRI 403-10: Work-related ill health

Health and Safety of our Customers

GRI 416: Customer Health and Safety
GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

Material Matters

Additional Matters

Ethics, Bribery and Corruption

Sunningdale Tech recognises that strong business ethics is key to the success of our organisation. Any non-compliance case, regardless whether it is financial or not, may bring severe repercussions, such as impairing stakeholders' confidence, incurring monetary penalties, which affects our reputation. Therefore, we treat every non-compliance case seriously and strive to maintain a high standard of corporate governance and business ethics.

Sunningdale Tech has in place several policies for all employees and key vendors, as shown below.

Figure 9: Policies relating to ethics, bribery and corruption

Whistle-blowing Policy

Sunningdale Tech maintains a whistle-blowing policy which provides channels for employees to report breaches and concerns that occurs within the organisation.

Code of Business Ethics and Conduct

Sunningdale Tech maintains a strong code of business ethics and conduct which guides the decision making of our employees in evaluating conflicts of interest.

ERM Policy

An Enterprise Risk Management ("ERM") Policy is in place to formalise the reporting, assessment, treating and monitoring of each significant risk that the group faces in achieving its business objectives. Such risks, including mitigating actions, are reported to the Board through the Audit and Risk Committee on an annual basis and are followed-up by the in-house internal audit team as part of its annual audit plan.

To ensure compliance with our existing policies and the relevant laws and regulations applicable to Sunningdale Tech, several practices and initiatives are instituted as follows:

Risk Management and Internal Controls

Whistle-blowing Mechanism

To encourage our employees to raise any concerns about possible irregularities, our whistle-blowing mechanism is established to allow employees to raise any actual or suspected concerns or issues without fear of reprisals or victimisation through channels such as telephone communications, emails or mails.

To oversee all matters raised from the whistle-blowing mechanism, a whistle-blowing committee ("WBC") is established consisting of the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Human Resource ("HR") Director, and Internal Audit ("IA") manager. The WBC makes the necessary reports and recommendation to the Audit and Risk Committee ("ARC"), for its review and further action.

Internal Compliance Audit

To evaluate the performance and maintain a strong internal control on business ethics, Sunningdale Tech's Internal Audit ("IA") team conducts regular compliance audit to ensure compliance to internal policies, laws and regulations. At a quarterly basis, the head of internal audit provides the Board with an internal audit report.

Control Self-Assessment ("CSA") framework

To support our ERM policy and track the performance of our internal controls, our annual CSA practice takes place through the completion of a questionnaire in accordance with the organisation's requirements. As a supplement to internal audit, the CSA results are reported to the ARC quarterly for review.

Training and Communication

As part of our mandatory orientation program, all new employees are briefed and trained on the group's Code of Business Ethics and Conduct, and the grievance channels they have access to.

Whistle-blowing posters are put up at all sites to increase everyone's awareness on anti-corruption and provide channels to report any concerns or issues.

Vendor Survey Form

All vendors are required to acknowledge and sign our standard Code of Business Ethics and Conduct form as part of our Vendor Survey Form. Sunningdale Tech will also conduct due diligence to ensure suppliers comply with all laws and regulations.

Perpetual Target		FY2018 Performance	FY2019 Performance
	Zero cases of corruption[2]	Achieved	Achieved

As a testament to Sunningdale Tech's strong governance on ethics, bribery and corruption, we are pleased to announce that there is zero case of corruption and whistle-blowing in both FY2018 and FY2019.

As at the end of FY2019, we have also communicated[3] with 544 business partners on anti-corruption policies and provided trainings[4] on anti-corruption to 19 business partners. Please refer to Figures 10 and 11 for FY2019's performance on communication and trainings on anti-corruption policies.

Figure 10: Percentage of employees who received communication on anti-corruption policies in FY2019

By employment category

Senior Managers	100%
Managers	100%
Supervisors/Executives	100%
All others	100%

By country

China	100%
Indonesia	100%
Malaysia	100%
Singapore	100%

Figure 11: Percentage of employees who received trainings on anti-corruption policies in FY2019

By employment category

Senior Managers	14%
Managers	28%
Supervisors/Executives	46%
All others	74%

By country

China	67%
Indonesia	98%
Malaysia	73%
Singapore	21%

All of our employees are communicated on anti-corruption policies through their acknowledgement in the annual declaration form which requires them to declare that they have read and understood the corporate policy on the Code of Business Ethics and Conduct and compliance with all regulations as stated in the policy. The policy is also saved in our internal portal which is accessible to all employees. Our new hires are required to declare and submit their declaration forms on their first day of work.

Trainings on Code of Business Ethics and Conduct are only provided for every new hires during employees' orientation programme. Due to a smaller proportion of senior managers and managers who are newly hired in FY2019, there was a lower percentage of trainings on anti-corruption policies to senior mangers and mangers in FY2019. Similarly, there was a smaller percentage of new hires in Singapore compared to other countries in FY2019 which results in a smaller percentage of employees who received trainings on anti-corruption policies this year. In Indonesia, majority of our employees are under fixed term contract, which results in a higher turnover and consequently new hires. This results in a higher percentage of employees who received training in Indonesia. All our employees are well aware of our policy through their acknowledgement in annual declaration forms as mentioned above.

[2] A case of corruption refers to the extent of corruption that is deemed material to Sunningdale Tech.
[3] Communication on anti-corruption policies by annual declaration form, etc.
[4] Trainings on anti-corruption policies include mandatory orientation program etc. Refer to Figure 11 for the percentage of employees who received trainings on anti-corruption policies in FY2019, which is calculated by taking the number of new hires who received training divided by the total number of employees at the end of the FY2019.

Profile of Our Workforce

Sunningdale Tech takes pride in our people and we always believe that they are key to our business growth. As at the end of FY2019, there was a total of 5,541 employees, a slight decrease of 0.31% compared to the 5,558 employees as at the end of FY2018. Among these employees, the majority were full-time employees and there were only 3 recorded part time employees in FY2019 and 2 part time employees in FY2018.

Most of our operating activities are performed by our employees and only one of our sites in China has a significant number of operators who are non-employee workers.

Please refer to Figures 12 to 14 for a breakdown of total number of employees by gender, by employment contract and employment type.

Figure 12: Total number of employees by gender

FY2018: 5,558 — 52% Male, 48% Female
FY2019: 5,541 — 52% Male, 48% Female

Figure 13: Total number of employees by gender, by employment contract[5] and employment type[6]

Total Employees by Employment Contract

FY 2018 Male, FY 2019 Male, FY 2018 Female, FY 2019 Female

Permanent: 2,075 / 2,136 / 1,868 / 1,854
Temporary: 7 / 10 / 142 / 52
Fixed Term: 828 / 855 / 441 / 634

Full Time Employees

FY2018: 2,908 / 2,648
FY2019: 3,000 / 2,539

[5] As defined by GRI Standards, permanent contract refers to a contract with an employee, for full-time or part-time work, for an indeterminate period. Fixed term contract refers to an employment contract that ends when a specific time period expires, or when a specific task that has a time estimate attached is complete. A temporary contract is of limited duration, and is terminated by a specific event, including the end of a project or work phase or returned of replaced employees.

[6] There are only two part time employees in both FY2018 and FY2019. Due to the small number of part time employees, the figure only illustrated full time employees by gender.

Figure 14: Total number of employees by employment contract, by region

FY2018

FY2019

Occupational Health and Safety

Employees are treated as our most valuable assets at Sunningdale Tech. By upholding a mindset of zero workplace injury, we are committed to providing and maintaining a healthy and safe working environment and comply with all relevant laws and regulations across the countries that we operate in.

Sunningdale Tech has established an integrated Quality, Environment, Health and Safety and Food Safety ("QEHS and FS") policy which acts as a guideline to all our employees. Our commitment to occupational health and safety is summarised as follows.

Figure 15: Policies relating to occupational health and safety

QEHS and FS Policy

01 Respect workers' dignity, and foster strong teamwork and co-operation spirit.

02 Achieve safe and healthy working conditions for the prevention of work-related injury and ill health through hazards elimination and risk minimization.

03 Fulfil compliance obligation of legal, regulatory and other needs and expectations of relevant interested parties.

04 Through continually improving the social responsibility, environmental, health and safety among the relevant interested parties by participation, consultation, communication, education, promotion and training to enhance EHS performance.

To maintain good occupational health and safety ("OHS") working environment in our activities, we implemented country-level practices in accordance with local and regional regulations and laws.

Occupational Health and Safety in Singapore

Hazard identification, risk assessment and incident investigation

Risk assessment and job safety aspect analysis are carried out for every department to identify and assess worked-related hazards and health issues. Aspects and hazards identified in risk assessment are reviewed at least once every two years or if there are any significant operational changes or incidents. Corrective actions and review of job safety aspects are required for every occurrence of accident or incident.

Worker participation, consultation, and communication on occupational health and safety

We encourage everyone to be engaged in our occupational health and safety process. Workers can inform Head of Department ("HOD") or safety officers for any potential hazards. We also provide internal trainings, organised EHS weeks and quiz and table top exercise to improve health and safety awareness to our people. At the same time, OHS related issues or feedback are communicated through toolbox meetings and EHS committee meetings.

Occupational health services and promotion of worker health

All our employees are free to visit any outpatient clinic and/or hospitals and are allowed to go for these medical consultations during working hours.

Occupational Health and Safety in China

Occupational health and safety management system

Three of our entities in China have been certified with OHSAS 18001 : 2007 Occupational Health and Safety Management System. Each site has their occupational health and safety management committee involving OHS representatives from each department, safety engineers and safety officers.

Hazard identification, risk assessment and incident investigation

Work-related hazards and risks are identified based on our hazard identification and evaluation of control procedures and are reviewed at least annually. To ensure continuous improvement of our system, we periodically review our current policies and targets, implement preventive and corrective actions for any findings from internal audits using hierarchy of controls. We also proactively lower the Likelihood, Exposure and Consequences ("LEC") scores for major hazards using the plan–do–check–act ("PDCA") method.

Worker participation, consultation, and communication on occupational health and safety

We communicate OHS regulations and policies during the signing of contracts and provide training for everyone. Internal and external communication management control procedures allow our workers to report any potential hazards while being protected from reprisal through corporate whistle-blowing policies.

Occupational health services and promotion of worker health

We provide medical insurances for our employees and we have arranged several actitivies, such as sports and medical checks for our employees to ensure their health at work.

Occupational Health and Safety in Malaysia

Occupational health and safety management system

Our OHS management systems are designed based on national regulations and laws which covers all employees within our premises. One of our sites in Malaysia has also obtained OHSAS 18001 certification. The system is reviewed and enhanced through yearly management review meeting, EHS committee meeting and EHS monthly inspection.

Hazard identification, risk assessment and incident investigation & Worker participation, consultation, and communication on occupational health and safety

Our EHS committee include General Managers ("GM"), HR, safety officer and representatives such as HOD or supervisors. Trainings and yearly job safety analysis ("JSA") are conducted by HOD and EHS officers. During work activities, all employees are also briefed on JSA and its application. Employees can report directly to the supervisor/department person-in-charge or through suggestion box on hazards or hazardous situation. The supervisor shall report to the safety officer and the EHS chairman immediately, followed by the logging of an accident/incident investigation report. The safety officer/EHS Committee will review, investigate and suggest corrective actions to be taken using the hierarchy of control.

Occupational health services and promotion of worker health

We provide panel clinics and insurance coverage (SOCSO) for employees. Our panel clinics provide medical health services to treat common illnesses and where necessary, refer patients to government hospital for further treatment. SOCSO provides temporary disablement and permanent disablement benefits, including the cost for medical treatment.

Occupational Health and Safety in Indonesia

Hazard identification, risk assessment and incident investigation

Our job safety and aspect analysis and register of significant aspects/hazards are in line with legal requirements which are reviewed yearly. We will track the key performance indicators and minimise risks through hierarchy of control.

Worker participation, consultation, and communication on occupational health and safety

The EHS and Emergency Response Team ("ERT") are responsible for overseeing OHS related issues and workers can report hazards to our safety committee. Any work-related incident and safety precautions will be shared to workers through tool box meeting to prevent reoccurrence. Incidents and health services available will also be posted on the notice board.

Occupational health services and promotion of worker health

Furthermore, we provide the appointed company clinics and health insurance to cover non-occupational health services as required by the Government Regulation (BPJS Kesehatan).

Examples of trainings and programs organised in FY2019

Singapore

- Audiometric test provided to every operation involved personnel who are potentially exposed to high noise workplace
- Schedule occupational training
- EHS Orientation training
- Job safety aspect analysis training
- Hearing Conservation Program
- Chemical Spill Drill
- Firefighting exercise

China

- EHS Orientation training
- On-job safety training
- Annual safety training
- Firefighting drill
- Medical insurance
- Critical illness insurance
- Annual health check
- Sports activities

Malaysia

- EHS Orientation Training
- Training for operators, material handlers, supervisors and forklift driver
- Competent training for first aider and firefighting team
- Yearly EHS promotion day: Visual eye test, blood test and blood donation programs

Indonesia

- EHS Orientation training
- Annual health check
- Annual First Aids Training
- Yearly fire drill
- Chemical spillage drill

Please refer to Figure 4 on page 7 for our supply chain management which has included our prevention of occupational health and safety impacts from our suppliers by compliance check, etc.

To ensure that our employees' health and safety are taken care of, we have put in place resources in the area of health and safety, such as the occupational health services provided, promotion of workers' health, safety equipment and other preventive measures. Due to the different number of reported sites in each country, the amount of resources may vary significantly across the four countries in this reporting scope.

Figure 16: Resources allocated to managing EHS

EHS Management Cost in (SGD)

Legend:
- Singapore
- Indonesia
- Malaysia
- China

FY2019: 21,600 | 72,828 | 390,944 | 4,744

FY2018: 75,989 | 4,704 | 331,012 | 380

Case Study: Occupational health and safety programs

Due to the nature of Sunningdale Tech's operations, it is our responsibility to continuously improve our employees' awareness on workplace health and safety. Therefore, this year, we have implemented several programs in different operations to ensure these knowledge and skillsets have been obtained by our employees. These programs include Occupational Health and Safety trainings and EHS awareness week as shown below.

Occupational health and safety trainings

In addition to aligning with local regulations, it is imperative that our employees have the knowledge and skill to react in case of an emergency. This year, we engaged doctors from a local hospital to conduct first aid training (left) and third-party trainers to conduct an emergency response training (right).

EHS awareness week

Annually, our EHS awareness week held at one of our sites in Malaysia provides a chance for everyone to better understand EHS on site, giving back to society and receiving EHS services from the company as well.

This year, we organised the EHS poster competition, safety and environment talks, blood donation programs and quiz sessions to engage all our employees in our EHS building.

EHS poster competition   Safety and environment talks   Blood donation   EHS quiz

Case Study: Enhancing safety machinery and facilities

To continuously improve the safety of our facilities, we have implemented assess control system in the automation equipment areas (left) and emergency stop button (right) on our machines.

Safety posters are put up to remind technicians to close the gate to prevent any re-entering of the facility should the alarm sound. Only maintenance personnel are allowed to enter automation equipment areas in order to prevent the general personnel from accidentally entering the area and causing possible personal injury.

To enhance the safety of our machineries, in case of emergency, people can simply press the stop button to stop the device immediately, so as to achieve protection and avoid mechanical accident or personal accident.

Perpetual Target		FY2018 Performance	FY2019 Performance
	Zero workplace injury rate	Not achieved	Not achieved

Please refer to Figure 19 for the details of total number and rate of recordable work-related injuries for employees in FY2018 and FY2019. Actions taken to mitigate the reoccurrence of work-related injuries are mentioned below as well.

There are total 9,090,238 hours recorded in FY2019, a 4% increase in hours worked by FY2018. Please refer to Figure 17 for a breakdown of manhours[7] worked by countries in FY2018 and FY2019.

Figure 17: Estimated number of hours worked per country

Estimated number of hours worked (Employees)		
Country	FY2018 (hrs)	FY2019 (hrs)
Singapore	120,072.32	127,964.80
Malaysia	3,066,427.14	3,132,050.52
Indonesia	441,056.00	601,987.50
China	3,401,246.10	3,060,661.50
Estimated number of hours worked (Non-Employees)		
Singapore	442.00	323.00
Malaysia	900.96	1,007.60
Indonesia	8,320.00	8,372.00
China	1,740,634.00	2,157,871.50

[7] The manhours are calculated by combined the exact manhours recorded in our system from our non-managerial employees and workers with the estimated manhours for our managerial employees and wokers in both FY2018 and FY2019. When estimated of our manhours, we have included the overtime hours and excluded public holidays, medical leaves and other leaves.

In FY2019, we continue to put in our best efforts to minimise workplace injuries to achieve our target of zero workplace injury rate. We have identified several work-related hazards that will pose a risk of high-consequence injury or ill health and put in place various preventive actions accordingly. Please refer to Figure 18 for examples of work-related hazards.

Figure 18: Work related hazards that pose a risk of high-consequence injury or ill health

Work-related hazards that pose a risk of high-consequence injury	How these hazards have been determined	Did it cause/ contribute to high-consequence injuries in FY2019?	Actions taken/underway to eliminate this hazard and minimise risks using the hierarchy of controls
Lacerations, burns or impact caused by machines	Job safety analysis, inspection and WI	No	Improvising engineering controls, administrative controls, Personal Protective Equipment ("PPE") enforcement, and communication
Impact from falling objects	Job safety analysis, inspection and WI	No	
Overhead crane hazards	Job safety analysis, inspection and WI	No	
Slip and fall due to oil or water leakage	Risk assessment	No	Ensure warning signs are put up to caution people of wet or oily floor.
Improper handling of objects during transfer	Risk assessment	No	Technicians are trained on proper manual handling, wearing of proper PPE.
Work-related hazards that pose a risk of ill health	**How these hazards have been determined**	**Did it cause/ contribute to ill health in FY2019?**	**Actions taken/underway to eliminate this hazard and minimise risks using the hierarchy of controls**
Chemical Hazards (e.g. Benzene)	Chemical Exposure Monitoring are also conducted by third-party consultants. Hazardous chemicals are determined in line with national and local standards.	No	Provision of suitable PPE and periodic review of chemical exposure, such as masks.
Noise Hazard	Noise Exposure Monitoring and Audiometric Test conducted by third-party consultants in line with local regulations. Hearing tests are included in our health checks to the employees who are potentially posed under noise hazard.	No	1. Provision of suitable PPE and remove the affected employees from the noisy environment. 2. Hearing examination during health check.
Dust/Exhaust Emission	Hazardous exhaust or dust are determined in line with national and local regulations. Pneumoconiosis and other related illness have been included in our health checks.	No	Daily supervision of employees donning the PPE.

In FY2019, there are zero workplace fatalities, high consequence work-related injuries and ill health for both employees and non-employee workers[8]. There is also zero case of recordable work-related injury for non-employee workers[9].

The overall workplace injury rate remained almost the same as last year at 6.98 in FY2019 (6.95 in FY2018). For each case, we have put in place corresponding measures to prevent its reoccurrence. See Figure 19 below for more information on our performance for occupational health and safety.

Figure19: Total number and rate (per 1,000,000 manhours worked) of recordable work-related injuries for employees

Total number and rate of recordable injuries in FY2018

Total number and rate of recordable injuries in FY2019

The main types of work-related injury include minor cuts and lacerations from machiner¬¬ies, sprains and traffic accidents during employees' commute. To mitigate the reoccurrence of work-related injuries, we conduct briefing sessions to warn employees of the potential risks involved in their work, established our Work Instruction ("WI") and update our risk assessment when there are new injuries. Sunningdale Tech takes every injury case seriously and we strive to take more preventive actions to maintain our zero-injury rate.

[8] Non-employee workers refer to workers who are not employees but whose work and/or workplace is controlled by the organisation, such as contractors.

[9] There were 2 cases of recordable work-related injuries for non-employees workers in FY2018, which result in a 0.11 recordable work-related injury rate.

Health and Safety of Our Customers

Sunningdale Tech believes the topic on health and safety of our customers stems from our moral imperative of ensuring that no one is harmed during the use of our products. We take pride in ensuring that our manufactured products are safe not only to our direct customers, but also the end users of the products that we manufacture. Breaches in health and safety concerns can result in a negative consequence to the reputation and business of Sunningdale Tech. Although Sunningdale Tech is restricted in our ability to modify product designs due to customers' specifications, we take a strong stand in ensuring that our operations comply with legal requirements and safeguarding the quality of our products wherever possible.

Sunningdale Tech has established an integrated QEHS and FS policy which acts as a guideline to all our employees. Our commitment to the health and safety of our customers is summarised as follows:

Figure 20: Policies relating to the health and safety of our customers

QEHS and FS Policy

01   Performing our jobs Right-First Time and Every Time

02   Ensure product manufactured are safe, complying to quality and food safety that meets customer, statutory, regulatory and End User requirement.

03   Respect workers' dignity and foster strong teamwork and co-operation spirit.

04   Foster and utilising HACCP and adopt GMP to consistently produce and control all processes.

05   Operate with enhanced quality, food safety capability, mindset and culture through structured programmes.

06   Rely on employees' competencies, skills, awareness, manage risk and increase all levels of excellence.

08   Manage quality, food safety aspects, strategies and performance by communicating to all relevant interested parties.

To ensure that the interest of our customers' health and safety are safeguarded, we have in place the following practices below. However, due to the difference in nature of our operations at different sites and countries, the following systems and practices in place are not representative of the entire group but catered for certain operational entities for their specific operations and nature of business.

Figure 21: Practices to ensure the health and safety of our customers

Systems and Certifications

- Certified ISO 9001 Quality Management System ("QMS")
- In compliance with Restriction of Hazardous Substances ("RoHS") directive and Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") regulation
- IATF 16949 Automative Quality Management System

Equipping our Team with the Relevant Skills to Ensure Product Quality

- "I Care" training programme - a yearly in-house training programme conducted for operational staff and biyearly for administrative staff on health and safety risks and practices
  - Topics include Ethics, Key Opererational Practices, Current Good Manufacturing Practices
- Technical training conducted for automation engineers

Processes to Ensure Product Safety

- Implementation of Hygiene Standard Operating Procedure ("SOP") for high risk products such as products related to infant formula
- Use of Computed Tomography ("CT") Scan to aid in precision and quality control in products
- On-Line Camera Inspection System allowing the detection of external flaws of the products
- Camera inspection during the parts assembly
- Functional checks conducted to ensure well-fitting of the products
- Ongoing feasibility study for new projects on product development which includes analysis on potential health and safety impact to customer

Case Study: Precision and quality control using CT Scan

As opposed to the traditional methods of Coordinate Measuring Machine ("CMM") and multisensory measurement systems to measure the geometry of our products, our newly introduced CT Scan equipment is utilised across a wide range of our products – from plastic consumables to medical products to automotive parts etc. The introduction of CT Scan allows a three-dimensional analysis of internal features to pick out product assembly faults and errors, without the need to cut into the sample. It provides an overall increase in quality of inspection and decrease in processing time.

Case Study: Automatic test to ensure product stability

To automatically detect any potential defects and to ensure the stability and quality of our end product, we introduced Automated Optical Inspection ("AOI") machine for testing of the equipment and system before mass production. The testing result will then be confirmed by each operation department, EHS department and third party for equipment maintenance.

In FY2019, there were zero cases of non-compliance with regulations concerning the health and safety impacts of products and services.

Waste Management

Sunningdale Tech recognised the fact that global waste has increased at an alarming rate over the past decade and is projected to increase steadily in the years to come. This increase in waste generation has had a major impact on the environment and if left unmanaged, will continue to harm human health and their environments. In support of our global movement towards waste reduction, Sunningdale Tech is committed to some of the most effective waste management practices in the industry.

Sunningdale Tech has established an integrated QEHS and FS policy which acts as a guideline to all our employees. Our commitment to waste management is summarised as follows.

Figure 22: Policies relating to waste management

QEHS and FS Policy

01 Supply safe, effective and quality products that have minimum impact on the environment.

02 Fulfil compliance obligation of legal, regulatory and other needs and expectations of relevant interested parties.

03 Establish and inculcate waste reduction attitude, cost, manpower, resources, including natural resources.

04 Through continually improving the social responsibility, environmental, health and safety among the relevant interested parties by participation, consultation, communication, education, promotion and training to enhance EHS performance.

Most of Sunningdale Tech's facilities covered in the scope of reporting has attained the ISO14001 Environmental Management System certification. To ensure an effective waste management, Sunningdale Tech's four-pronged strategy aims to drive waste management practices and initiatives in a systematic and controlled manner.

Figure 23: Sunningdale Tech's four-pronged waste management strategy

Periodic Review
- Monitoring of production scrap with the usage of the Systems, Applications and Products ("SAP") System
- Conducting of regular internal and external audit

Employee Awareness
- Session on waste management during the EHS orientation programme highlighting the types of waste and their disposal method
- Yearly EHS compaign

Waste Management Strategy

Control Measures
- Secondary containment of chemical wastes to prevent contamination to soil
- Obtaining of safety data sheet from suppliers

Process Optimisation
- Optimisation of production process to minimise resource wastage such as opting for the hot runner system over the cold runner system

For all Sunningdale Tech's operations, we ensure that our waste is well sorted by its nature (i.e. hazardous and non-hazardous) and that our disposal method complies with the local regulations. We have engaged a list of licensed waste collectors to dispose of different waste produced, including waste oil and coolant, contaminated rags, used chemicals which are used for testing by Quality Assurance ("QA"), plastic wastes such as runner and scrap parts, metal scrap, e-waste such as computers or laptops and other general wastes.

While we include Shanghai operations in this reporting year, it is notable that the Shanghai government rolled out its new waste management regulations on municipal waste classification system – from the two traditional categories (recycling and other waste) to a more comprehensive four-tier classification system (recyclable waste, hazardous waste, residual waste, and kitchen waste). In respect of this, Sunningdale Tech ensures that we fully comply with the new regulations.

Case Study: Waste bins initiative in Shanghai

Since July 1, 2019, the Shanghai Municipal Government implemented four types of garbage classification, namely – recyclable garbage, hazardous garbage, dry garbage and wet garbage. In response to the government's initiative, Sunningdale Tech's facility in Shanghai purchased new trash bins at common areas to comply with the new waste classification standards.

Case Study: Production tracking system on mobile device

To minimise production error which leads to waste generated, the tracking system utilises mobile devices which allows mobile workers to obtain real-time visibility into business-critical information

Case Study: Waste scorecard

To monitor our waste produced, we implemented an internal waste scorecard monitoring scheme which generates a graph on the consistency of waste disposal in our facility. Should there be significant rise in waste disposed, we will be alerted, and corrective measures may be implemented depending on the situation.

Examples of waste scorecard template

Perpetual Target		FY2018 Performance	FY2019 Performance
	Zero chemical spill	Achieved	Achieved
	Zero cases of improper disposal of waste	Achieved	Achieved

We have reduced our hazardous waste by 52% from 1,596 tonnes in FY2018 to 763 tonnes in FY2019 due to various reasons, including a change in injection machine oil at one of our sites in Shanghai, decrease in production due to a drop in painting business in Guangzhou, closure of one of our plants in Zhongshan, as well as a drop in sales revenue in Singapore and Malaysia. Our non-hazardous waste has also been reduced by 18% from 3,298 tonnes in FY2018 to 2,689 tonnes in FY2019. Our reused and recycled packaging waste[10] has decreased slightly from a total of 21.4 million pieces in FY2018 to 20.8 million pieces in FY2019.

Figure 24: Total amount of hazardous[11] waste and non-hazardous waste (in tonnes)

Reuse 0.7
Recycling 59.3
Recovery 264.0
Total Hazardous Waste in FY2018: 1,596 tonnes
Incineration 370.3
Scrap sales of resin 854.8
Others 29.7
On-site storage 17.7

Reuse -
Recycling 39.7
Recovery 179.4
Total Hazardous Waste in FY2019: 763 tonnes
Incineration 179.5
Scrap sales of resin 316.2
Others 30.2
On-site storage 17.6

Landfill 338.6
Reuse 79.6
Incineration 286.3
Total Non-hazardous Waste in FY2018: 3,298 tonnes
Recycling 1,761.2
Recovery 832.3

Landfill 317.3
Reuse 92.0
Incineration 289.0
Total Non-hazardous Waste in FY2019: 2,689 tonnes
Recycling 1,496.5
Recovery 494.1

[10] Packaging waste consists of waste such as trays, totes, plastic and wooden pallets and cartons which are reused many times before they are eventually recycled.

[11] Total amount of hazardous waste has been restated to include the scrap sales of resin. Others refers to waste that are sent to waste collection companies where the end life of the waste is not known.

Figure 25: Recycled and reused packaging waste[12] (in '000 Pcs)

Material Use

Sunningdale Tech acknowledges the cruciality of preserving earth's finite resources and seeks to ensure that our operations are consuming resources in a controlled and responsible manner. Although we do not have absolute control over the type and amount of input materials (i.e. nature of the material selection being customer-driven), we occasionally provide recommendations on input materials during the decision-making process. In addition, with the increasing scrutiny of responsible use of raw materials by stakeholders, it is of greater impetus for Sunningdale Tech to be aware of our resource consumption and responsibilities as a plastic manufacturer.

Sunningdale Tech has established an integrated QEHS and FS policy which acts as a guideline to all our employees. Our commitment to material use is summarised as follows:

Figure 26: Policies relating to material use

QEHS and FS Policy

01 Supply safe, effective and quality products that have minimum impact on the environment.

02 Fulfil compliance obligation of legal, regulatory and other needs and expectations of relevant interested parties.

03 Through continually improving the social responsibility, environmental, health and safety among the relevant interested parties by participation, consultation, communication, education, promotion and training to enhance EHS performance.

04 Yearning the protection of the environment including the prevention of pollution by controlling the use of resources, wherever practicable.

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[12] Packaging waste consists of waste such as trays, totes, plastic and wooden pallets and cartons which are reused many times before they are eventually recycled.

The following practices around material use applies to some of our production facilities due to the difference in nature of production.

Figure 27: Material use practices

Additive manufacturing

Also known as 3D printing, additive manufacturing allows the creation of three-dimensional objects one superfine layer at a time. This technique rids the need of cutting parts to meet the exact dimensions, therefore reducing the overall amount of input material use.

Hot runner system

The hot runner system ensures the material injected remains molten throughout the runner process until it enters the mold cavity, thereby producing less wastage and results in significant material cost savings if production quantities are significant. Although we offer both options to our clients, we would recommend our clients to opt for the hot runner system when cost savings outweigh the premium paid for the adoption of this system, reducing the overall amount of material use during the moulding process.

Use of recycled resin (customer-driven)

Specific to our plastic manufacturing operations, we partner some of our customers to only produce materials manufactured from recycled plastics.

Advising customers on material types

During the decision-making process, we hold discussions with the customer to agree on the suitability on material use and encourage customers who have the capacity to use recycled materials or materials that prove to have a lower yield loss.

Minimising production material and packaging inputs

As far as possible, we have purposefully designed manufacturing processes to require less input of paint material and an improved yield in output. Packaging material inputs such as plastic totes, pallets and cartons are minimised by reusing them whenever possible.

Crushing and reusing plastic waste during production

Waste in the form of defective parts or runners are recycled by grinding and reprocessing them to become fixtures that aid the lacquering process, thereby minimising the quantity of raw materials required for these fixtures.

Case Study: Substituting paper and cotton packaging materials with vacuum moulding material

Before

After

In FY2018, we have utilised 22,392 tonnes of recycled input materials in our production, of which are mainly customer-driven.

This year, we optimised our packaging materials from layer pad and foam into vacuum tray. The new packaging has an increased capacity of 70 pcs/carton compared to 42 pcs/carton previously, allowing an estimated savings of $ 423.8/month on material and shipping cost.

In FY2019, our percentage of total recycled input materials over the total input materials has decreased from 13% in FY2018 to 3% in FY2019. As our input materials are largely dependent on customer requirements, we have limited ability in controlling the amount of recycled input material used.

Figure 28: Recycled input materials used during production (in tonnes)

Details of the entities in the reporting scope			
Singapore	**China**	**Malaysia**	**Indonesia**
Sunningdale Tech Ltd	Sunningdale Precision Tech (Chuzhou) Co., Ltd	SDP Manufacturing Sdn Bhd	PT Sunningdale Tech Batam
	First Engineering (Shanghai) Co., Ltd	First Engineering Plastics (Malaysia) Sdn Bhd	
	Omni Tech (Suzhou) Co., Ltd	Sunningdale Tech Sdn Bhd (Malaysia)	
	First Engineering (Guangzhou) Co., Ltd		
	Zhongshan Zhihe Electrical Equipment Co. Ltd		

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102-12	External initiatives	External initiatives that Sunningdale Tech subscribes to include: • Blood Donation by the Singapore Red Cross Society	
102-13	Membership of associations	Sunningdale Tech is a member of the following associations: • Singapore Precision Engineering & Tooling Association (SPETA) • Singapore Manufacturing Federation (SMF) • Singapore National Employers Federation (SNEF)	
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