



CASA HOLDINGS LIMITED



NURTURING OUR PEOPLE

SUSTAINABILITY REPORT 2019

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PURPOSE

Bringing joy to people's lives.

VISION

To be the most admired company with the most loved lifestyle brands in Asia.

MISSION

We create innovative, beautifully designed lifestyle products, that are premium quality, user-friendly and bring joy to people's lives.

ABOUT US

The Group had its beginnings in 1976 when Casa (S) Pte. Ltd. was set up to market and distribute Faber Cooker hoods. Since then, the Group has forged partnerships with some exclusive brand names for home appliances, consumer electronics and bathroom fixtures from Europe. Eventually they become synonymous with quality home appliances.

Listed on 20 September 1995 on SGX Mainboard, the Group's core strength is to market, distribute and provide after-sales services/technical supports. In Singapore, the Group has established a wide network of dealers including electrical retailers, interior designers, chain stores and property developers.



ABOUT THIS REPORT

This is the second Sustainability Report ("Report") of Casa Holdings Limited ("The Group"). The Report addresses the Group's distribution activities and data for the financial year from 1 October 2018 to 30 September 2019 ("FY2019"), as property development and construction activities were minimal.

Associated companies and joint venture activities were excluded as the operational controls are held by different management teams.

The Group will continue to strengthen its sustainability works in the areas of environmental, social and governance aspects which we will share more in our subsequent reports on an annually basis.

In line with our environmental initiatives to conserve resources, an electronic edition of this Report is made available for download on our website at www.casaholdings.com.sg and the website of the SGX-ST at www.sgx.com.

We welcome stakeholders to provide us with feedback and suggestions on this Report. You may contact us at corporate@casa.com.sg.

ABOUT THIS REPORT

OUR CORE VALUES



Customer obsessed

We care about our customers deeply. Everything we do, we do with the intention of bringing joy to our customer's lives.



Aspiring to learn

We believe in continual self-improvement. We are open to learning new things and finding new ways to improve ourselves and our company.



Speaking up

We believe in open, honest and direct communication. We encourage people to speak up and share ideas and opinions across departments to drive innovation and resolve issues quickly.



Aligned

We put aside our differences and work together as a cohesive team. We are aligned by our purpose; to bring joy to people's lives.



Committed to helping each other

We believe that our people are the source of our strength. We overcome internal and external obstacles together. We help each other achieve our tasks in the larger interest of making our customers joyful and our company successful.



Owning it

We are accountable for the results of the projects we work on. We proactively step in to take ownership of and solve customers issues and problems.



Daring & bold

We dare to experiment and to take bold and calculated risks. We challenge ourselves to find creative solutions to problems. We believe that failure is the stepping stone to success.



Empathy

Our empathy helps us understand the problems faced by our colleagues and our customers. We put ourselves in their shoes, listen and do our utmost to help them.

MESSAGE FROM THE BOARD OF DIRECTORS

Dear Stakeholders,

The Board of Directors (“Board”) is pleased to present the Group’s Sustainability Report (“Report”) for the financial year ended 30 September 2019. The Report highlights the Group’s sustainability journey and progression over the year in four key areas (i) Environmental Initiatives, (ii) Our People, (iii) Supply Chain Management and (iv) Governance, which in our assessment, are the most significant to our stakeholders.

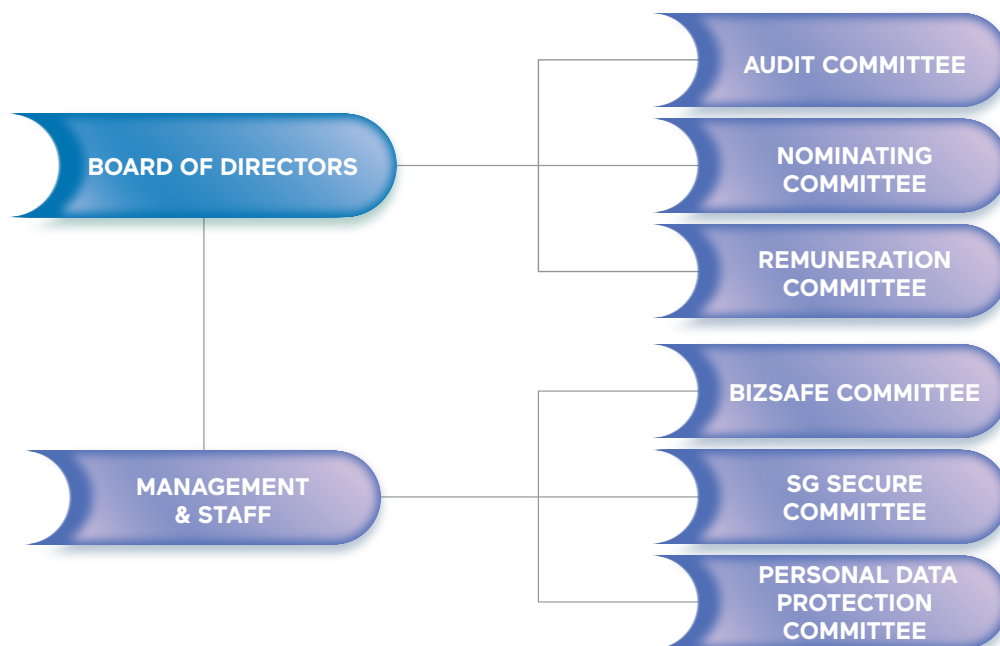
We place strong emphasis on sustainability issues as an integral part of the Group’s strategic formulation. The Group aims to achieve delivering quality products and service excellence in a responsible and sustainable ways.

In a rapid changing business environment, we carried out transformation initiatives in order to remain competitive and meet changing needs of customers. In 2019, we decided to strengthen critical behaviours across the Group by embarking on a cultural transformation project.

We would like to thank our valued stakeholders for their continued support of the Group. We strive to continue to improve our sustainability efforts towards building the business and creating better values for our stakeholders.

GOVERNANCE STRUCTURE

Sustainability governance is led by the Board of Directors and supported by all levels of the Group.









We are committed to high standards governance practices to protect the interests of the Group and our stakeholders. We will continue to strengthen our sustainability governance structure so as to create long-term viability for the Group and our stakeholders.

STAKEHOLDER ENGAGEMENT

As we progress in our sustainability journey, we understand that the key to maintaining the Group's long-term success is greatly dependant on us meeting or even exceeding the expectations of our key stakeholders.

We believe that creating an environment to promote regular communication and greater stakeholder participation is instrumental to understanding the demands and concerns of our stakeholders.

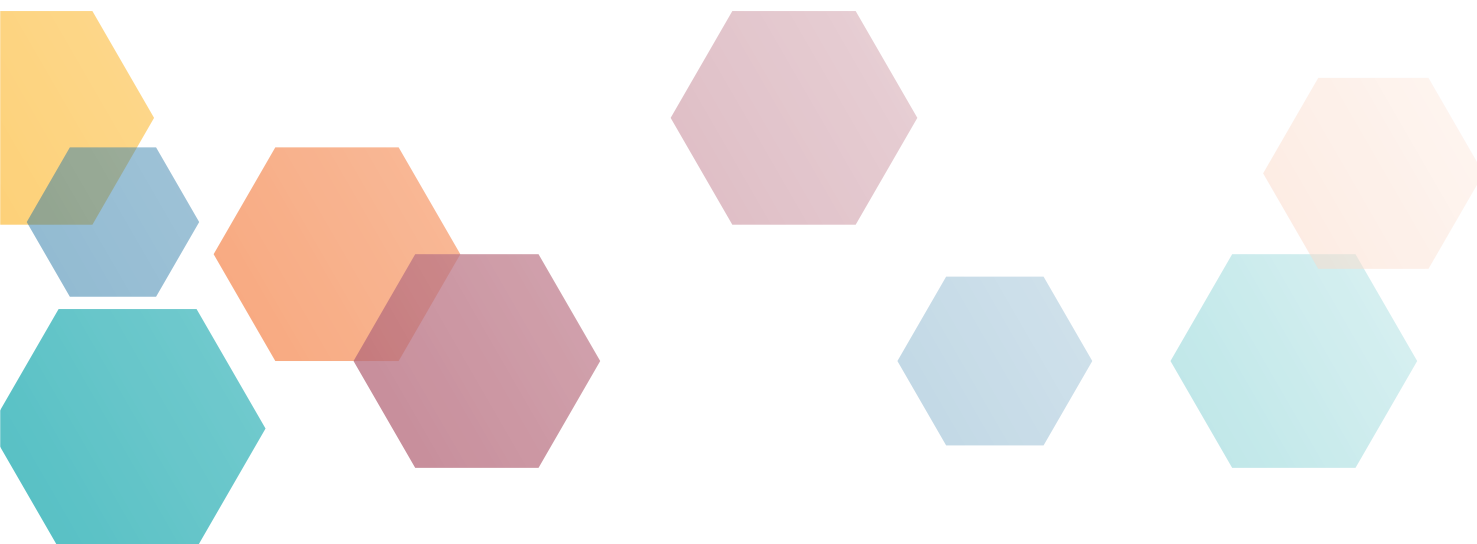
The Group adopt both formal and informal channels of communication to understand the needs of our key stakeholders. The following table highlights our key stakeholders, their key concerns and mode of engagement:

Stakeholder	Topics of Concern	Method of engagement
Employees 	<ul style="list-style-type: none"> - Employee engagement - Talent retention and attraction - Employee safety and well-being - Employee training 	<ul style="list-style-type: none"> - Regular staff meeting - Regular floor walks - Annual performance review with on-going process of communication between supervisor and employee throughout the year - Whistle-blowing policy - Casa's newsletters and notice board - Employee feedback box - Employee bonding room - Monthly product training
Shareholders 	<ul style="list-style-type: none"> - Financial performance - Corporate governance - Sustainability efforts 	<ul style="list-style-type: none"> - Half-yearly financial results announcements - Annual General Meeting (AGM) - Public announcement Via SGXNET - Annual Sustainability Report - Corporate website
Customers 	<ul style="list-style-type: none"> - Customer satisfaction - Quality products and services - Available feedback platforms 	<ul style="list-style-type: none"> - Customer/dealers feedback/ satisfaction survey - Regular dealers visit - Product testing & certification - Casa's and Brands' websites - Brands' social media platforms e.g. Facebook - Feedback handling through email / phone calls - Roadshows
Suppliers 	<ul style="list-style-type: none"> - Product quality assurance - Product pipeline - Supply chain management 	<ul style="list-style-type: none"> - Supplier visits / meetings - Suppliers selection - Thirty party certification - Trade shows
Community 	<ul style="list-style-type: none"> - Clean and safe environment - Well-being of our community 	<ul style="list-style-type: none"> - Reduce consumption of resources and expand recycling initiatives - Employee community programmes and initiatives
Regulator 	<ul style="list-style-type: none"> - Compliance 	<ul style="list-style-type: none"> - Government publication/written communication - Code of conduct for employees

MATERIALITY ASSESSMENT

Based on a Group-wide materiality assessment, the following Environmental, Social and Governance (“ESG”) factors were identified to be material for the Group and are the focus of this Report.

SUSTAINABILITY CATEGORIES	MATERIAL FACTORS
Environmental	<ol style="list-style-type: none"> 1. Energy, Water Consumption and Waste Management 2. Energy and Water Efficient Products
Social	<ol style="list-style-type: none"> 3. Diversity and Equal Opportunities 4. Talent Attraction and Retention 5. Training and Education 6. Safe and Healthy Workplace 7. Employee Engagement 8. Engaging Our Suppliers 9. Customer Satisfaction and Privacy 10. Product Health Management
Governance	<ol style="list-style-type: none"> 11. Anti-corruption and Corporate Governance 12. Risk Management






POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

ENVIRONMENTAL INITIATIVES

ENERGY, WATER CONSUMPTION AND WASTE MANAGEMENT

We are committed to protect the environment by promoting environmentally friendly practices. The Group encourage energy saving, water conserving and waste reducing practices through its 3Rs awareness and education initiatives. 3Rs are Reduce, Reuse and Recycle. Our environmentally friendly initiatives:

CATEGORY		Initiatives
Energy Saving		<ul style="list-style-type: none"> • Regular maintenance of machinery & equipment to improve productivity, prolong their useful life spans and minimise energy consumption • Reminders to switch off any idle facilities or equipment that are powered by energy
Water Conserving		<ul style="list-style-type: none"> • Regular maintenance of water fittings to reduce risk of leakage • Encourage employees to report to Admin Department in the event of any water leakage
Waste Reducing		<ul style="list-style-type: none"> • Reduce paper usage through double-sided printing • Reuse paper with single side printing • Implement paperless initiatives e.g. e-invoice and e-statement to customers • Paper that cannot be used are sent to recycling plants • Recycle used toner cartridge

ENERGY AND WATER EFFICIENT PRODUCTS

In addition to the above, the Group strive to bring in products that are energy and water efficient. The Group will continue to source for eco-friendly suppliers to enhance its sustainability practices.

While we ensure that refrigerators and laundry dryers meet the minimum requirements of NEA before they are allowed for sale in Singapore, we are also conscientiously working with suppliers to increase the range of more energy efficient products for distribution at competitive prices. The Group are making conscious efforts on promoting highly energy efficient products such as heat pump dryers which are labelled with the most “ticks” in energy saving grading by NEA.

As for products which are listed to be water efficient by PUB before they can be brought in to Singapore for sales, we ensure that these products, namely faucets and washing machines, comply with at least the minimum requirements. In addition to that, we endeavour to bring more products which are of higher grading in terms of water efficiency.

This year, we have introduced laundry washers with AutoDosing technology, which measures the weight of your washing to dispense the perfect amount for the load which helps to save water, detergent and energy.

POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

SOCIAL – OUR PEOPLE

Our employees are the key drivers in our pursuit to steer the Group towards Bringing Joy to People's Lives.

Human resources are the foundation that support the Group's business initiatives and day-to-day activities. We believe that a happy workforce will infuse a positive vibes that will energise all around them, including our stakeholders.

2019 was a fruitful year for Our People. The cultural transformation project was one key initiative that the Group has embarked on to strengthen our core values. Hence, the birth of CASA Employee Code:



Respect

I respect my colleagues regardless of their job title. Their opinions and views matter to me. I respect their culture, language and time. I respect the CASACODE.



Energy

I have positive energy. I am cheerful and friendly towards everyone. I connect with and get to know my colleagues. I always smile and greet everyone.



Action-oriented

I am proactive and strive to anticipate issues before they happen. I lead by example and walk the talk (turn my words into actions and deeds)



Considerate & Courteous

I jump in to help my colleagues who need help. I give guidance when needed. I am always polite.



Humble

I am humble. I accept that I don't know everything and am not always right. I am open and receptive to feedback.



Optimistic

I see the glass half-full, not half-empty. I believe there is a creative solution to every problem and do my utmost to find it.



Understanding

I am non-confrontational in my approach. I listen with an open mind and genuinely try to help and resolve issues quickly.

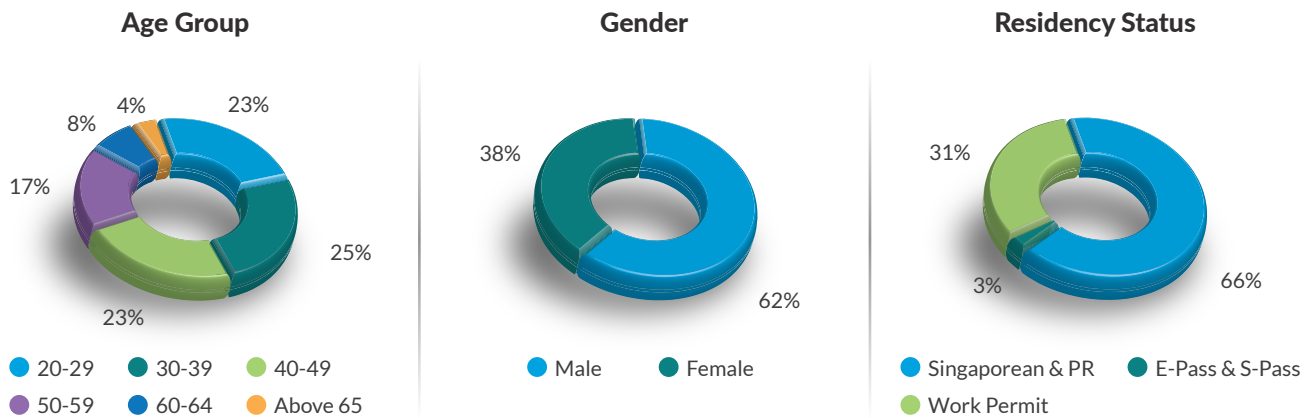


Trustworthy

I am trustworthy. My colleagues can trust me to get the job done. Likewise, I can trust my colleagues to do the same.

POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

As at 30 September 2019, the Group has 88 employees. We maintain a diverse workforce in terms of age and nationalities, with different skills and experiences. The profile of our employees as at 30 September 2019 is as follow:



DIVERSITY AND EQUAL OPPORTUNITIES

The Group is committed to ensure that all employees are treated fairly, with respect and dignity, regardless of nationality, gender, race, religion or rank.

Our hiring procedures are fair, merit-based and non-discriminative. We recruit and select employees based on skills, experience and ability to perform the job.

We provide equal opportunities for existing and new employees in order to maintain a diverse and robust workforce.

TALENT ATTRACTION AND RETENTION

We reward employees based on attributes such as performance, competency and experience. Staff remuneration is determined based on performance, responsibilities, as well as the Group's performance.

We commend and reward our staff whenever their great service received customers' compliment.

Annual appraisal is conducted to ensure that our compensation package remains competitive.

POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

TRAINING AND EDUCATION

Our employees play a vital role in the Group's pursuit to be customer centric. We recognise the importance of continuous professional development of all our employees in quest for service excellence.

The Group encourage employees to upgrade their knowledge and skillset by providing various training and development programme to update them with the right skills and technical know-how in order for us to remain relevant in the future.

In FY2019, our staff received about 1,516 hours of training. This year, our training programmes focused on CASA cultural transformation, leadership, customer service, product knowledge and digital workplace.



We have an orientation programme to give new recruits an introduction to their jobs, their colleagues and the company.

SAFE AND HEALTHY WORKPLACE

Workplace safety is of top priority to the Group. Our approach to workplace safety is underpinned by legislative requirements and industry safety standards.

Being BizSafe Level 3 certified, we have established a Bizsafe Committee to oversee and monitor the establishment and maintenance of safety practices and policies of the Group.

We upskill our employees in area of workplace safety by sending them for related certified training in workplace safety, first aid and Automated External Defibrillator (AED).

POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

We train our employees on fire safety hazard processes at the workplace by holding regular fire and emergency evacuation exercise.

Aside from promoting a safe workplace, the Group also organises complimentary health screening, health talk and regular healthy food distribution for our employee to encourage a fit and healthy workforce.

In FY2019, the Group participated in the National Steps Challenge organised by the Health Promotion Board. CASA ranks 27 out of the 63 organisations in the Wholesales & Retail Trade Industry with an average step of 6,648.

EMPLOYEE ENGAGEMENT

In order to build a stronger working relationship across all levels, the Group ensure that ready channels, such as a employee feedback box, are available for employees to communicate with us.

We recognise the importance of discussions in clearing up misunderstandings and preserving harmonious relations. We have procedure in place for the handling of any employee's grievance.

Our management team regularly engage with the staff through monthly meetings. This practice fosters communication, cooperation, mutual trust and respect among employees.

We encourage our employees to participate in our social contribution initiatives, such as food donation to Food Bank. In addition, two of our employees supported the Hair for Hope 2019, a signature outreach event organised by the Children's Cancer Foundation. Our CASA shavees have courageously shaven their heads to shout out to children with cancer that they are not alone in their battle against cancer. Not only did these initiatives make a difference to those in need, it also inculcates the culture of giving and creates a bonding event for our employees.



POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

SOCIAL – SUPPLY CHAIN MANAGEMENT

ENGAGING OUR SUPPLIERS

We visit suppliers' factories and hold regular meetings with our suppliers to give feedback and take on their feedback and formulate action plans where possible to enhance the sustainability of our partnership.

Our suppliers are expected to meet our required specifications and deliver products that are of consistent quality.

Our major suppliers are selected based on track record, their ability to deliver quality products and services, competitive pricing and high ethical standards that adhere to our sustainability practices.

The Group is on constant lookout for new products to add to our product range. We attend related trade shows to seek collaboration with new business partners to broaden our product offering to customers.

CUSTOMERS SATISFACTION AND PRIVACY

Our future is dependent on our ability to maintain a strong customer relationship with our dealers and consumers. We strive to supply quality products and provide reliable services, both pre and after sales services to our customers.

Our after-sales service centre is staffed with trained customer service officers and technicians to assist customers who require after-sales service. Customers can also make inquiries through sales and marketing personnel and senior management.

We value feedbacks from our customers. We follow up on customer feedback on a timely basis. The Group make relentless efforts to improve our service standards through customers' feedback.

The Group protects the privacy of our customers' information. Our Personal Data Protection Policy clearly defines our approach to personal data management. The privacy of our customers is of paramount importance. While we collect personal data in the furtherance of our business activities, we do not sell, rent or give away personal data of our customers to third parties for commercial purposes. There were no instances on breaches of customer confidential information during the reporting period.

PRODUCT HEALTH MANAGEMENT

Product safety is our utmost priority. To ensure that the Group remains at the forefront of quality assurance, we seek to conform to well-recognised industry standards and regulatory requirements.

We carry only home appliances that are in compliance with mandatory requirements prescribed by the respective agencies. Furthermore, we take customers' safety as a top priority; we act timely and responsibly when incidents are envisaged to happen in order to protect customers from unnecessary harm.

To protect the financial interest of the Group, in addition to holding our suppliers liable for product defects whenever practicable whereby costs associated with defective product are passed to suppliers to the extent possible. Furthermore, should there be cases of claims from customers pertaining to damage to properties owing to products defect, we are covered by product liability insurance.

POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

GOVERNANCE

ANTI-CORRUPTION AND CORPORATE GOVERNANCE

The Group is committed to ensuring and maintaining good corporate governance in order to safeguard the interest of our stakeholders.

We endeavour to strengthen the ethical environment and promote professional conduct within the Group. We have a Code of Conduct that is communicated to all employees. It provides detailed guidelines to ensure that employees' business conduct is consistent with ethical standards. The Policy also requires all employees to declare any direct or indirect interest in, or relationship with other businesses and organisations where potential conflicts of interest may arise.

Whistle Blowing Policy

A whistle blowing policy is in place to aid in the deterrence and reporting of corporate malpractice and misconducts. The policy provides the mechanisms where employees of the Group may, in good faith and in confidence, submit incident or concern about possible corporate malpractices and misconducts or other matters directly to the Chairman of Audit Committee.

Details of the whistle blowing policy have been made available to all employees. Through a well-defined procedure, all reported incident or concern will be duly and independently investigated and handled with appropriate measures. The Chairman of Audit Committee will ensure the confidentiality and anonymity of the employee reporting the incident or concern to the fullest extent reasonably practicable within the requirements of the law.

Due to confidentiality, the Chairman of Audit Committee shall table to the Audit Committee during its half yearly meetings only the number of reported cases. The full report will be submitted under confidential cover to the Audit Committee. For serious reported incidents or concerns, the Chairman of Audit Committee shall submit its report under confidential cover to the Audit Committee via circulation or through a special Audit Committee meeting arranged as soon as possible.

The Audit Committee shall review the report, advise and authorise the Chairman of Audit Committee of an appropriate action to be taken against the investigated incident or concern. Where appropriate or required, we will file a formal report with the relevant government authorities for further investigation or action.

In FY2019, we are not aware of any incident or concern, confirmed or suspected.

POLICIES, PRACTICES AND PERFORMANCE IN RELATION TO THE MATERIAL ESG TOPICS

Dealings in Securities

In line with Listing Rule 1207 (19) of the Listing Manual, the Company has in place a policy prohibiting dealings in the shares of the Company by Directors and Officers of the Company for the period of one month prior to the announcement of the Company's half yearly and yearly results as the case may be, and ending on the date of the announcement of the relevant results. Directors and Officers are discouraged from trading the Company's securities on short-term considerations and are expected to observe the insider trading laws at all times even when dealing in securities within permitted trading period.

For more details of the Group's corporate governance practices, please refer to Corporate Governance Report from page 9 to 18 of the Annual Report.

RISK MANAGEMENT

The Group has an Enterprise Risk Management Framework ("Framework") in place. The Framework has been reviewed by the Audit Committee and approved by the Board of Directors.

The Group conducts regular review of its business and operational activities to in order to identify significant areas of risks so that timely measures can be implemented to mitigate these risks.



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