



# Broadway Industrial Group Limited

Sustainability Report 2017





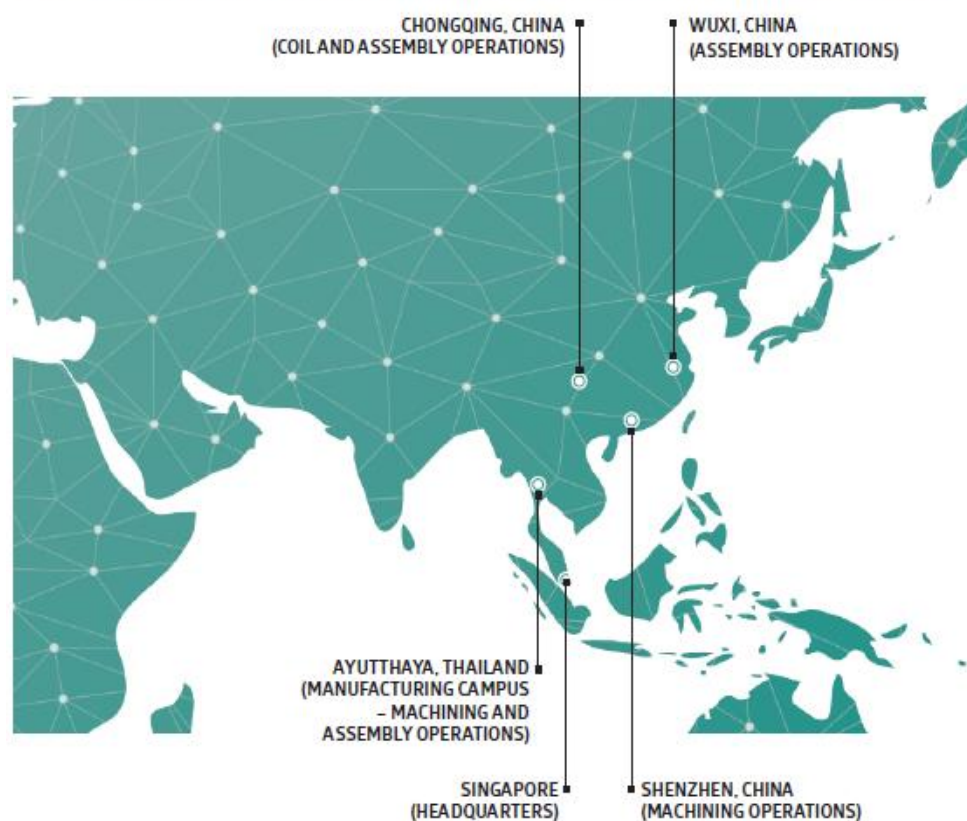
## Board Statement

Established in 1969, Broadway Industrial Group Limited (“Broadway”) is a leading manufacturer of precision components with 4 manufacturing facilities in China and Thailand, employing more than 4,000 people. With such a wide manufacturing footprint, we believe it is our corporate and social responsibility to apply our experience, expertise and resources to address the environmental, social and governance (“ESG”) issues that arise wherever we do business.

The Board integrates sustainability considerations into our business strategy where applicable to mitigate potential risks and seize new opportunities. We believe that sustainable business practices can enhance value creation for our stakeholders and ensure the long-term viability of our business.

The Board of Directors (“the Board”) is pleased to present the inaugural Sustainability Report of Broadway, guided by the Global Reporting Initiative (“GRI”) standards. In the development of this report, Broadway has established a sustainability governance team within the group, identified eight material ESG factors and developed a sustainability framework with performance indicators and targets in order to manage and monitor our performance in this area. The Board oversees the management and monitoring of the selected material ESG factors and approves the annual sustainability report.

*Broadway Industrial Group Limited is a manufacturer of precision-machined components offering an excellent mix of cost-efficient manufacturing facilities, state-of-the-art technologies, experienced management teams and innovative solutions to a global customer base.*

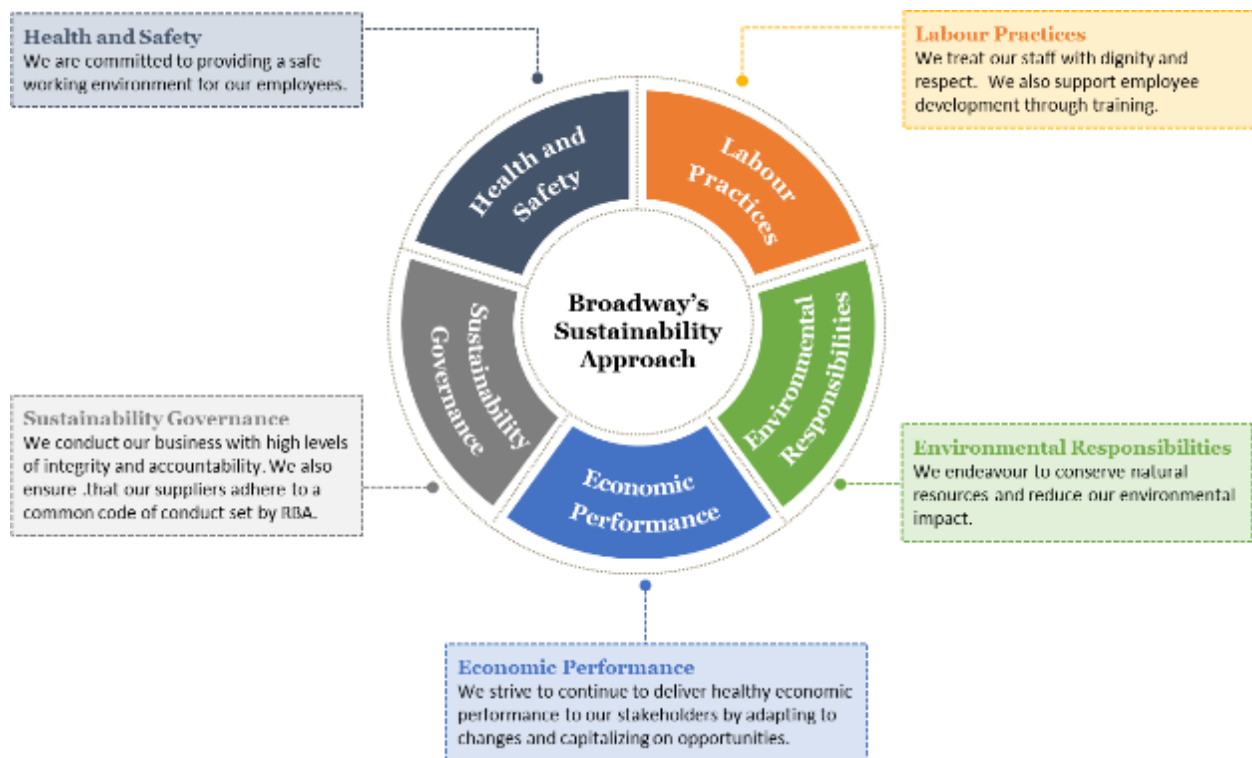


## Sustainability at Broadway

In the past two decades, the electronics industry has witnessed the awakening of consumer consciousness about the environmental and social impacts of the products they purchase. Consumers are increasingly demanding greater environmental and social responsibility, not only from the final manufacturer, but throughout the value chain.

Against this backdrop of shifting customer expectations, the founding members of the Responsible Business Alliance (RBA), originally under the name “Electronics Industry Citizenship Coalition” (EICC), saw an opportunity to drive positive change across the industry by creating a unified approach and ensuring that suppliers were held to common standards. At present, RBA members have grown to cover almost all leading electronics companies around the world, including the major clients of Broadway<sup>1</sup>.

To fulfil our corporate social responsibility and the expectations of our clients, Broadway adopts the RBA Code of Conduct as the overarching managing strategy of our ESG issues. We integrate the focus areas of the RBA Code of Conduct into Broadway’s business. Broadway has identified five pillars of sustainability, covering issues on economic performance, environmental responsibilities, employee wellbeing, health and safety as well as ESG governance. Through holistically managing these five pillars in our sustainability approach, we can bring about positive environmental and social impacts for our employees, local communities and clients alike.



<sup>1</sup> In reference to RBA website <http://www.responsiblebusiness.org/about/>

## About This Report

This Sustainability Report summarises the sustainability approach and performance of Broadway from 1<sup>st</sup> January 2017 to 31<sup>st</sup> December 2017 (“2017”). While the economic performance section covers the whole Broadway Group, the rest of this report focuses on Broadway’s two subsidiaries, BIGL Technologies (Thailand) Co., Ltd (BTH) (formerly known as Compart Precision (Thailand) Co., Ltd) and BIGL Technologies (Wuxi) Co., Ltd (BWV) (formerly known as Compart Precision Components Manufacturing (Wuxi) Co., Ltd), which are the top revenue contributors.

This report is aligned with the reporting requirements of Singapore Exchange (SGX) Listing Rules Practice Note 7.6 Sustainability Reporting Guide and prepared with reference to the GRI Standards (2016), one of the global best practice guides for reporting on ESG factors. No external assurance has been sought for this report. This report references the following GRI Standards and topic-specific disclosures:

- Disclosure 302-3 from GRI 302: Energy 2016
- Disclosure 307-1 from GRI 307: Environmental Compliance 2016
- Disclosure 404-3 from GRI 404: Training and Education 2016
- Disclosure 419-1 from GRI 419: Socioeconomic Compliance 2016

Broadway welcomes your feedback to improve our sustainability practices and reporting. Please forward enquiries and feedback to [ir@bigl.com.sg](mailto:ir@bigl.com.sg).

## Stakeholder Engagement

Key stakeholders are those who either are significantly affected by, or have the capacity to significantly influence, Broadway’s activities and operations. Broadway is committed to building lasting and mutually beneficial relationships with our stakeholders.

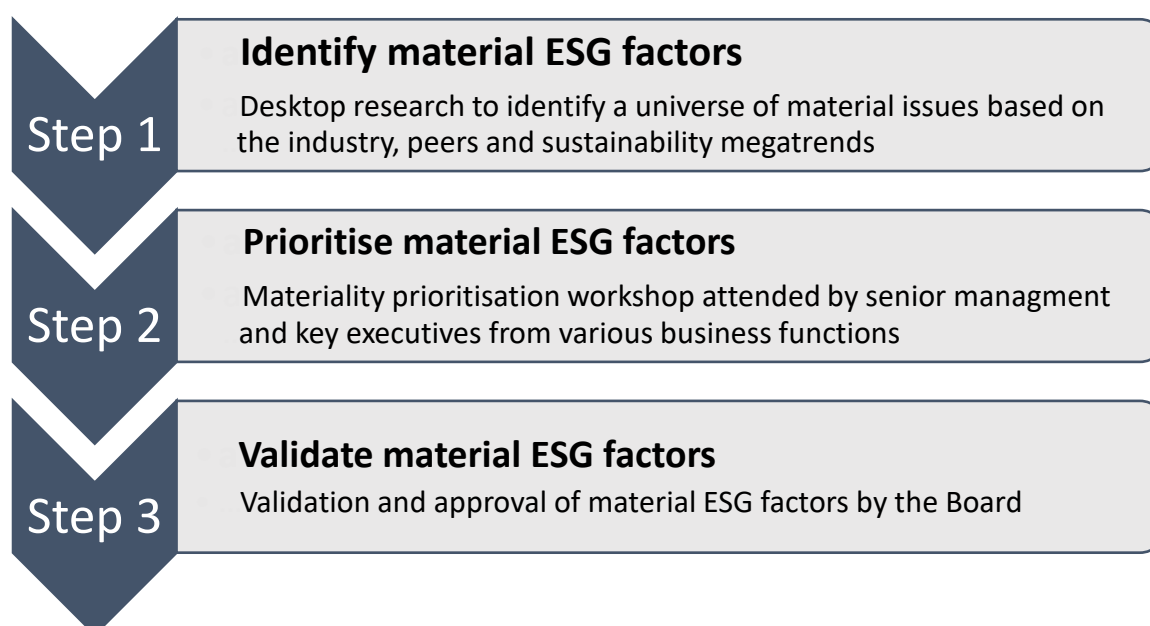
Stakeholder engagement is essential to creating value and strengthening the sustainability of Broadway’s business. Not only does it enable us to better understand the expectations and concerns of our stakeholders, it also supports Broadway in adapting to the evolving needs of the industry. The following table identifies Broadway’s key stakeholders and shows how they are engaged.

Stakeholders	What do they expect from us	Engagement methods	Frequency
Employees	<ul style="list-style-type: none"> <li>▪ To work in a safe and inclusive environment</li> <li>▪ To be updated on the company’s latest strategic developments and feel empowered</li> <li>▪ To develop professionally and grow expertise</li> <li>▪ To maintain work-life balance</li> </ul>	<ul style="list-style-type: none"> <li>▪ Safety Day activities</li> <li>▪ Safety talks</li> <li>▪ Safety newsletters</li> <li>▪ Employee communication</li> <li>▪ Suggestion box</li> <li>▪ Welfare Committee meeting</li> <li>▪ Training and career development programmes</li> <li>▪ Happy Workplace Project (Engagement and CSR activities)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Once a year</li> <li>▪ Monthly</li> <li>▪ Monthly</li> <li>▪ Twice a year</li> <li>▪ Throughout the year</li> <li>▪ Every two months</li> <li>▪ Throughout the year</li> <li>▪ Every two months</li> </ul>

Stakeholders	What do they expect from us	Engagement methods	Frequency
Investors/ Shareholders	<ul style="list-style-type: none"> <li>To disseminate accurate and timely information on the company's progress and profitability, with updates on future plans</li> </ul>	<ul style="list-style-type: none"> <li>Release of financial results and other relevant disclosures through SGXNet and Broadway's website</li> <li>Annual General Meeting</li> </ul>	<ul style="list-style-type: none"> <li>Throughout the year</li> <li>Once a year</li> </ul>
Client	<ul style="list-style-type: none"> <li>To be supplied with products of good quality</li> <li>To fulfil client's ESG management requirements, such as compliance with RBA Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Strategy Alignment meeting with Seagate</li> <li>Quarterly Business Review (QBR)/QQR score review</li> <li>Process Management Plan Audit</li> <li>QPM data upload</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Quarterly</li> <li>Quarterly</li> <li>Daily</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>To engage in collaborative partnerships for mutual growth</li> <li>To streamline procurement workflow, clearly spelling out expectations</li> </ul>	<ul style="list-style-type: none"> <li>Quality on-site Audit</li> <li>OBR score review</li> <li>Incoming Quality Assurance</li> </ul>	<ul style="list-style-type: none"> <li>Once a year</li> <li>Quarterly</li> <li>Daily</li> </ul>
Local Communities	<ul style="list-style-type: none"> <li>To be a responsible and caring corporate citizen, serving the local communities</li> </ul>	<ul style="list-style-type: none"> <li>CSR Activities</li> </ul>	<ul style="list-style-type: none"> <li>Twice a year</li> </ul>

### Materiality Assessment

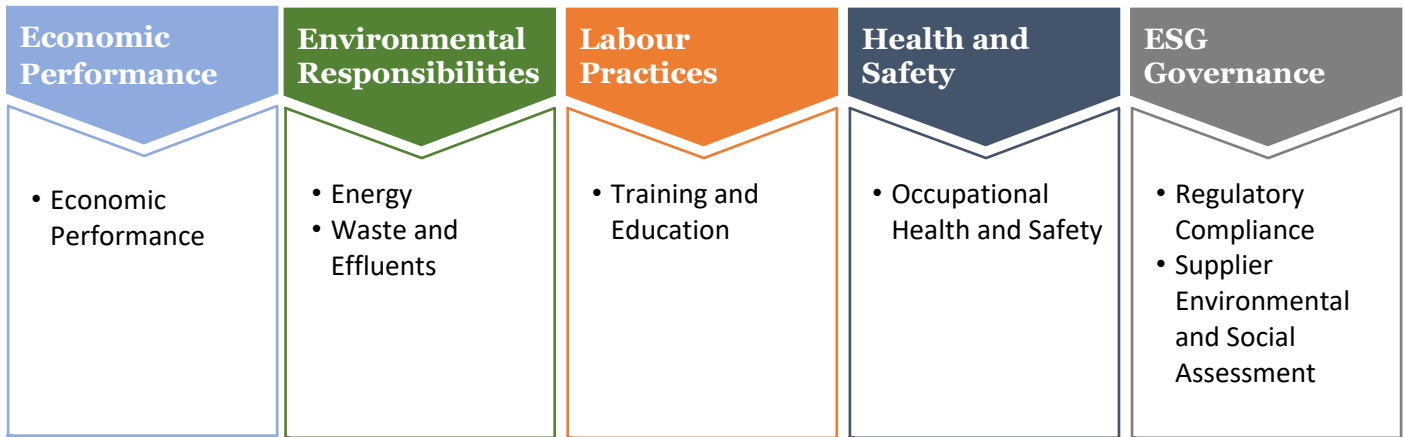
We believe it is important for us to focus on the areas which are most relevant to our business. A formal materiality assessment was conducted to identify ESG risks and opportunities that are most important to our business and stakeholders. The assessments, facilitated by an external consultant, followed a three step approach as illustrated by the chart below.



The materiality assessment was guided by the GRI Principles of Materiality and Stakeholder Engagement, and considered the following aspects:

- Global and local emerging sustainability trends;
- Main topics and future challenges for the electronics sector, as identified by peers;
- Insights gained from interactions with both internal and external stakeholders.

Seven material factors were identified from the assessment and are shown in the table below.



## 2017 Sustainability Performance at a Glance



0.73 MJ/unit of production	81.6% waste reused, recycled or composted
100% employees received performance review	No incidence of non-compliance
No incidents of workplace fatalities	100% of suppliers comply with the RBA Code of Conduct

## 2018 Sustainability Targets at a Glance

### GOAL SETTING



Maintain or reduce energy intensity based on 2017 levels	Maintain or increase waste reused, recycled or composted based on 2017 levels
100% eligible employees to receive annual performance reviews	Zero incidence of non-compliance
Zero incidents of workplace fatalities	100% new suppliers to comply with the RBA Code of Conduct



## Economic Performance

The emergence of new information technology is reshaping the future of the electronics manufacturing industry. In this era of change, Broadway strives to stay relevant and competitive by adapting to changes and capitalising on opportunities, so as to continue to deliver healthy economic performance to its stakeholders.

In 2017, Broadway continued to restructure and consolidate its remaining Hard Disk Drive (HDD) business after the disposal of the Foam Plastics Solutions (“FPS”) and Flow Control Devices (“FCD”) businesses in 2016. In line with the Group’s process streamlining strategy, Broadway has relocated part of its machining operations from China to Thailand and integrated the coil bonding process in Chongqing into the Wuxi operations. Meanwhile, Broadway continued to focus on cost optimization in HDD production. We adopted a multi-pronged approach to cut cost, through strengthening our operation control, leaning our manufacturing systems and actively managing our supply chain.

Details of the financial performance in 2017 can be found in Broadway’s Annual Report, which is available at <https://sginvestors.io/sgx/stock/b69-broadway-ind/company-announcement> .

We believe that long-term value creation depends on the sustainable development of our business. We aim to deliver sustainable economic performance coupled with good ESG performance.

## Environmental Responsibilities

Broadway is committed to conserving natural resources and reducing our environmental impact. We recognise the importance of conserving natural resources, such as non-renewable energy sources and water. Natural resources are limited and as a responsible corporate citizen, we seek to improve our resource efficiency. Resource efficiency can also bring tangible benefits to Broadway. Reducing the consumption of energy, water and materials may lead to significant cost savings.

Meanwhile, the regulatory landscape regarding environmental issues have been strengthened across countries where we operate in. Local communities are also paying more attention to the environmental performance of businesses, especially on emissions and sewage discharge, as these environmental impacts could affect their living environment and health.

With the objective of achieving a higher level of environmental responsibility, Broadway has established an ISO14001:2015 certified Environmental Management System (EMS), which governs our environmental performance, such as energy consumption, water consumption, waste and effluents, and materials.

### What is ISO14001:2015?

In a nutshell, ISO14001:2015 is the international standard that specifies requirements for an effective environmental management system (EMS). It is a voluntary standard set by the globally recognised International Organisation of Standardisation (ISO). ISO defines an EMS as “part of the management system used to manage environmental aspects, fulfil compliance obligations, and address risks and opportunities.”

## Energy

### 2017 Highlights

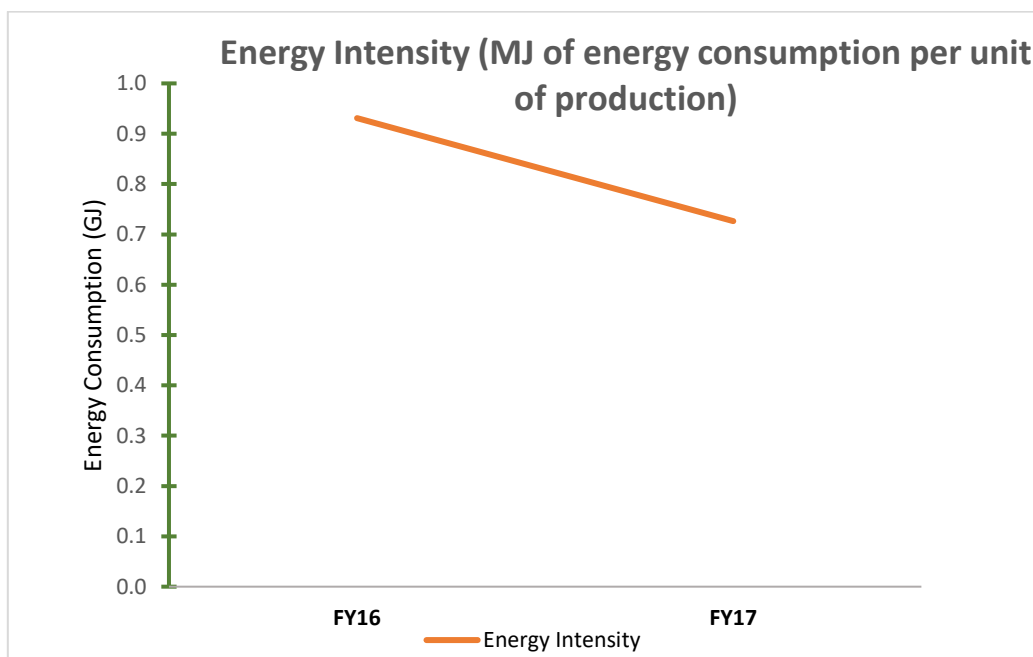
Indicator	Performance for FY2017	Targets for FY2018
Energy Intensity	0.73 MJ/unit of production	<ul style="list-style-type: none"> <li>Maintain or reduce energy intensity based on 2017 levels</li> </ul>
Reduction in Energy Intensity from FY2016	22.0%	

Globally, energy use and its associated greenhouse gas (“GHG”) emissions are emerging concerns. In 2016, the Paris Agreement, for the first time, brings all nations together under a common cause to undertake ambitious efforts to combat climate change. The central aim is to strengthen the global response to the threat of climate change by keeping global temperature increase this century well below 2 degrees Celsius above pre-industrial levels, and to pursue efforts to further limit the temperature increase by just 1.5 degrees Celsius. Broadway is committed to supporting this international agenda by adopting green practices to improve its energy efficiency and thus reducing GHG emissions.

Broadway has developed an Energy Policy to systematically manage our energy performance. At the beginning of the year, we established an energy masterplan, detailing targeted KPIs and initiatives we hoped to achieve for the year. During the year, we tracked the completion status of our scheduled initiatives and supervised our energy efficiency through daily checks and monthly analytical reports. Broadway has put into place various practices and initiatives to improve energy efficiency, including:

- Ensuring regular maintenance of plant machinery and air conditioning units
- Reducing standby consumption by plant machinery and air conditioning units during production breaks and non-production time by either running them on lower power or a temporary shut down
- Installing sub-area light-switches to increase controllability and maximise utilisation of natural light
- Replacing existing T8 light fittings with T5 fluorescent lamps, which are more energy-efficient

Electricity usage accounted for more than 99% of total energy consumption, among other types of energy such as diesel, petrol and natural gas. Our energy performance managed to display a commendable improvement in 2017, as indicated by a 22.0% reduction in energy intensity from 0.93 mega-joules<sup>2</sup> (“MJ”) of energy consumption per unit of production in 2016 to 0.73 MJ of energy consumption per unit of production in 2017.



<sup>2</sup> The energy conversion factors for diesel and petrol are adapted from data published by Intergovernmental Panel on Climate Change (IPCC,2006) and International Energy Agency (IEA,2005).

## Waste and Effluents

Indicator	Performance for 2017	Targets for 2018
Percentage of waste reused, recycled or composted	81.6%	<ul style="list-style-type: none"> <li>Maintain or increase the percentage waste reused, recycled or composted based on 2017 levels.</li> </ul>

Waste is an inevitable part of any manufacturing process. The generation, treatment and disposal of waste and effluents warrant careful management as they can potentially pose harm to environmental and human health.

Broadway has established systems to track, manage and report waste at our manufacturing facilities. Broadway actively identifies and implements waste minimisation initiatives through the “3R” approach, which promotes “Reduce, Reuse and Recycle”.

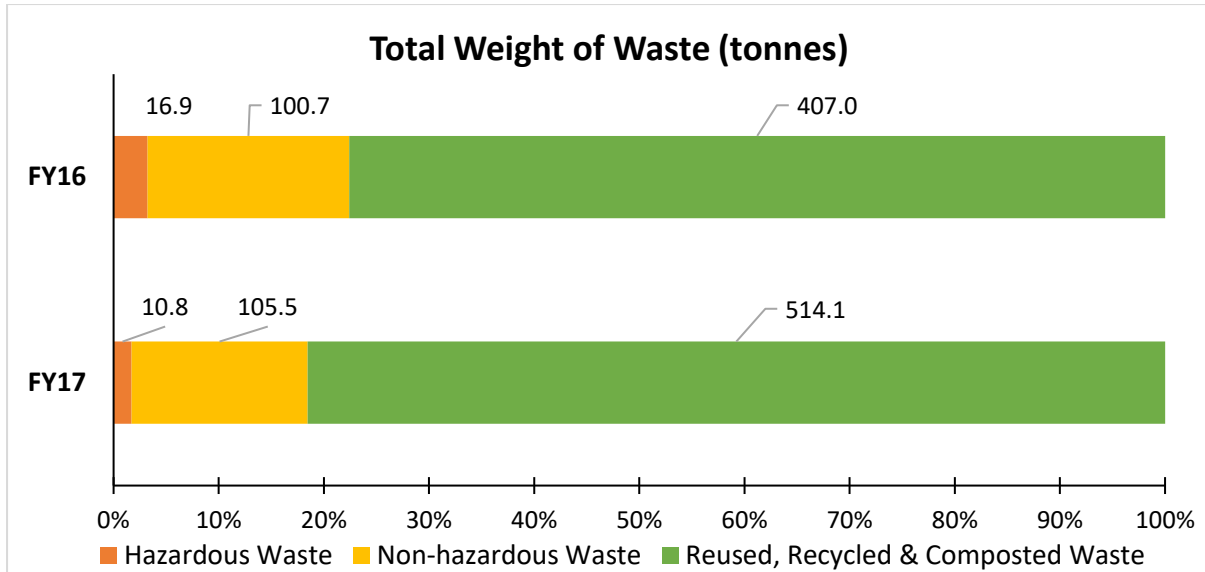
At Broadway, waste is categorised into three broad categories, as follows:

- Recyclables including paper, carton boxes, metal scraps, plastics, electronics, pallets and shipping trays
- Non-recyclables including general waste and process waste
- Hazardous waste including chemicals and heavy metals

Our waste management policy details the definition of each waste category and specifies the corresponding storage and disposal method. The handling of each waste type is colour-coded and clearly delegated to respective departments. We also take extra precautions in handling hazardous waste. Weekly audits are conducted on our hazardous waste and a licensed waste collector has been engaged for its disposal. We have also improved packaging design and implemented a system for packaging reuse. Moreover, Broadway’s effluent discharge is also closely supervised. We engaged a third party specialist to monitor our effluent and ensure that our waste water quality has met the statutory environmental requirements.

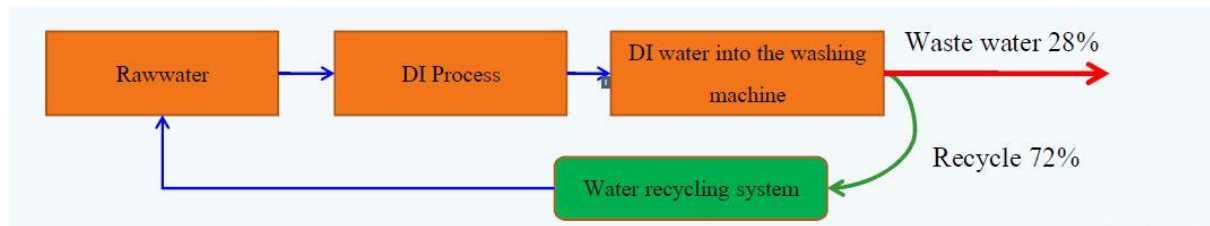
In 2017, we reused, recycled or composted 81.6% of total waste generated, showing an improvement from the previous year’s rate of 77.6%. The total weight of disposed waste, which is the sum of hazardous waste and non-hazardous waste, decreased slightly from 117.6 tonnes in 2016 to 116.3 tonnes in 2017, despite the 41% increase in the units of production. This represented a positive result in our waste reduction efforts.





### Water Recycling at Broadway

Precision manufacturing requires high-purity water for cleaning. Ions need to be removed in raw water through the de-ionising process. At Broadway, we have a sophisticated water recycling system, which allows us to recycle 72% of our water.

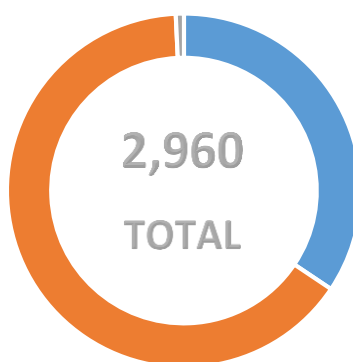


## Labour Practices

At Broadway, we nurture a loyal staff base through our equal opportunity and fair labour practices as well as the various training and development programmes.

Our human resource policies are grounded in equal opportunities and fair employment practices. In our recruitment process, all qualified candidates will be considered without discrimination of gender, age, ethnicity, religion, marital status, sexual orientation, trade union association and national origin. Broadway seeks to maintain a diverse workforce, which in turn promotes creativity and brings different perspectives on handling unique challenges. The charts below provide a quantitative measure of employee diversity. As of 31 December 2017, we have in total 2,960 full-time employees in BTH and BWX. Among them, 43% are permanent employees and 57% are contract employees.

### Full-time Employees



Male 37% | 1,084      Female 63% | 1,876

- < 30 years old      34% | 1,018
- 30 – 50 years old      65% | 1,920
- > 50 years old      1% | 22

Our employees are fairly compensated in line with market standards. Employees are also entitled to a variety of benefits, such as medical care, paid annual leave and gifts during traditional festivals.

#### We are a family-friendly employer.



*A Broadway mother taking nursing leave*

Broadway supports employees in maintaining good work-life balance. We cherish the value of family and adopt pro-family policies. On top of paid maternity and paternity leave, we also grant expectant mothers extra resting time and nursing leaves for mothers with newborn babies.

We place strong emphasis on team work and collaboration. In 2017, our employees have participated in several team building activities such as “Company Sports Day” and “International Marathon”. Through these activities, we have strengthened the team bonds and encouraged positive lifestyle, which are essential to the continued growth of Broadway.



Broadway Running Club at International Marathon.

### Training and Education

Indicator	Performance for 2017	Target for 2018
Percentage of employees receiving performance reviews	100%	<ul style="list-style-type: none"> <li>100% of eligible employees receiving regular performance reviews</li> </ul>

In a dynamic business environment, Broadway recognises the need to continually update our employees with skills necessary for growth. We are committed to providing our employees with opportunities to develop their potential through training and education.

We provide a range of learning and development programmes to cater to the learning needs of our employees, covering topics such as management and leadership, professional skills training, software and languages. To emphasise on the importance of corporate citizenship, we incorporate ESG education in our orientation training for employees, where we raised awareness on environmental responsibilities, business ethics, as well as occupational health and safety.

### Understanding Operation Training

As a manufacturer, ensuring that front-line staff are equipped with relevant skills and knowledge are critical in safeguarding the quality of our products. There are four types of operation training available, as illustrated in the table below. All front-line staff have to undergo extensive training and pass the final tests before they are permitted to work.

<b>New Training</b>	<ul style="list-style-type: none"> <li>• Newly hired operators</li> </ul>
<b>Cross Training</b>	<ul style="list-style-type: none"> <li>• Existing operators who are training for another function</li> </ul>
<b>Re-training</b>	<ul style="list-style-type: none"> <li>• Operators who have been certified but have unsatisfactory performance (eg. high defect rate)</li> </ul>
<b>Re-certifying</b>	<ul style="list-style-type: none"> <li>• Operators who have been certified but have just returned from prolonged leave (eg. maternity leave)</li> </ul>

We also carry out spontaneous skill tests among our employees to encourage continuous learning and improvement, as illustrated by the example below.



*Broadway quality control operators are randomly selected to go through blind tests. During the test, they are expected to differentiate the defeat ones from the rest.*

**Defect sample**

To further support the professional growth of our employees, annual performance reviews are conducted to communicate employees' performance and career goals. In 2017, 100% of employees have received feedback on their performance as well as suggestions for improvement from their supervisors.



## Health and Safety

In the process of electronic manufacturing, our employees are exposed to a certain degree of health and safety risks. As a responsible employer, we are committed to ensuring that these risks are addressed and mitigated, wherever possible.

### Occupational Health and Safety

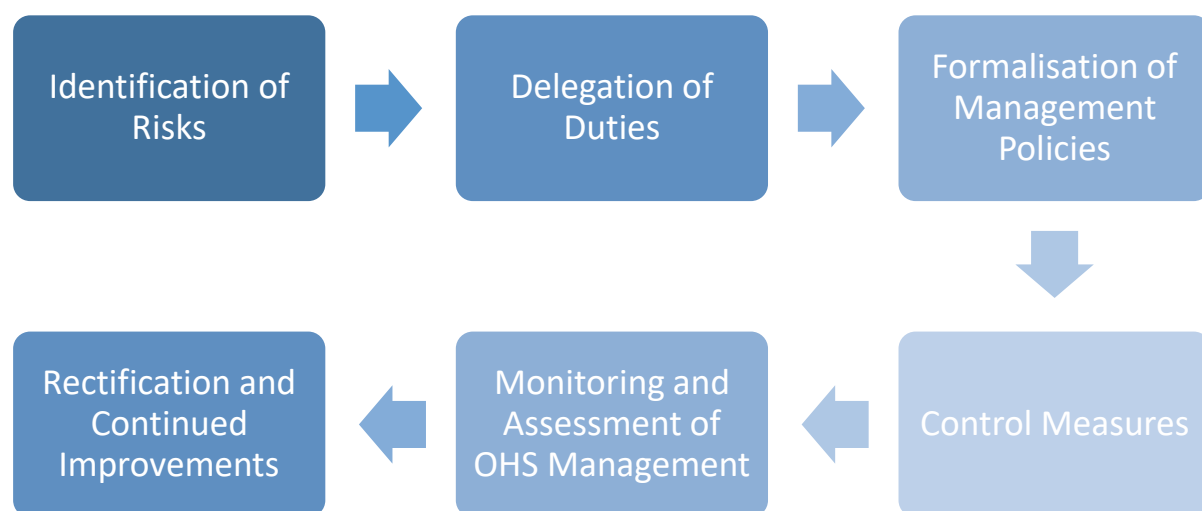
#### 2017 Highlights

Indicator	Performance for 2017	Target for 2018
Number of Workplace Fatalities	Refer to the table below	<ul style="list-style-type: none"> <li>Zero workplace injuries leading to a fatality or permanent injury</li> </ul>
Accident Frequency Rate (AFR)		
Accident Severity Rate (ASR)		
Absentee Rate		

Broadway has established an Occupation Health and Safety Manual, following ISO14001:2015, OHSAS 18001 as well as national safety standards according to the location of operation. The flow chart below outlines our management process regarding occupational health and safety. While occupational health and safety (“OHS”) responsibilities are shared among all departments, the manual specifies the responsibilities of each department as either taking the lead or supporting role in specific OHS issues, thus improving accountability. Moreover, Broadway targets to inculcate a culture of ownership for health and safety among employees through safety education and training. OHS are integrated as one essential part in employee on-boarding programmes.

**What is OSHAS 18001?**

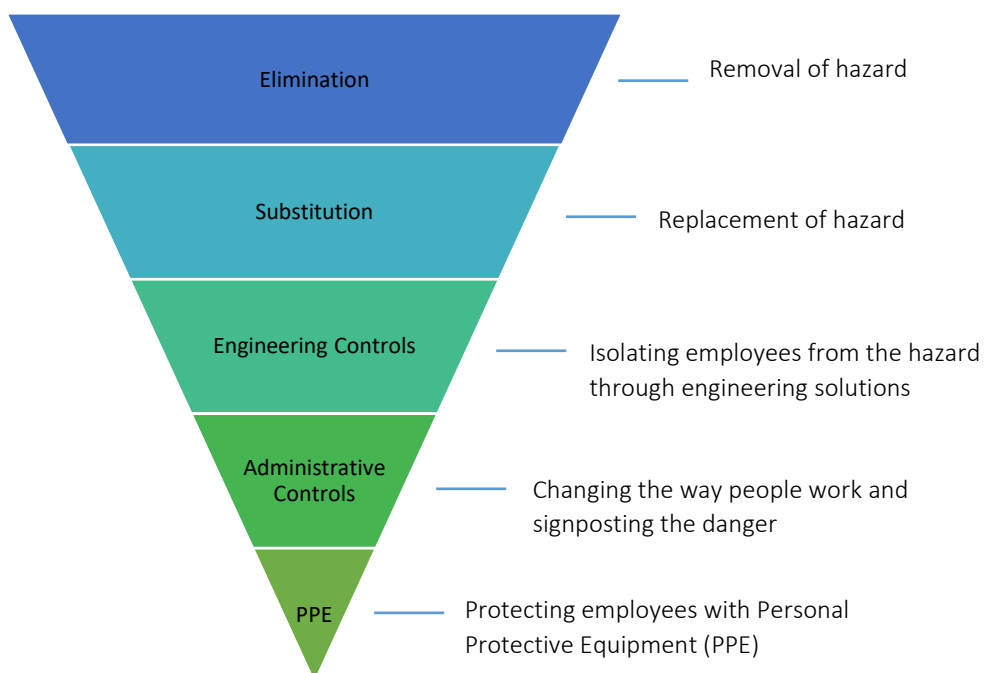
OHSAS 18001 is a worldwide accepted British Standard which outlines Good Practice requirements for the development and management of an organisation’s Occupational Health and Safety Management System (OHSAS).



One particular step worth highlighting is the identification of risks. Based on experience and site visits, we have categorised occupational hazards into five different risk levels based on a matrix of:

- i) Possibility of occurrence;
- ii) Frequency of exposure for employees and;
- iii) Severity of consequences

All risks graded “Highly Dangerous” and above will need to be registered and approved by the management. Targeted actions plans are also tailored to mitigate those risks, as illustrated in the Hierarchy of Controls below.



For key risk areas, Broadway strengthens its preparedness by conducting regular checks and arranging contingency plans. For example, for all chemicals, Broadway obtains Material Safety Data Sheet from suppliers, which documents the potential hazards (health, fire, reactivity and environmental) of the chemical product and how to work safely with it. Broadway ensures that all chemicals are clearly labelled and its dangers are adequately signposted. All employees handling the chemicals are trained about the standard safety procedures in chemical storage, transportation and utilisation. In BTH, we also perform monthly safety patrols in the factories. All practices that raise concerns will be recorded, and follow-up remediation are monitored and tracked.

## Hazardous Material Classification of Isopropyl Alcohol at Broadway

### Isopropyl Alcohol



Number 1: Can cause significant irritation

Number 3: Can be ignited under almost all ambient

Number 0: Stable

Number -: Not applicable

In 2017, there were no workplace fatalities. The accident frequency rate (AFR) was 4.32 and the accident severity rate (ASR) was 70.52. The absentee rate was 5.55 days per employee per year.

	2016	2017
<b>Number of Workplace Fatalities</b> <i>Number of workplace deaths</i>	0	0
<b>Accident Frequency (AFR) Rate<sup>3</sup></b> <i>Number of lost-time injuries per million man hours worked</i>	1.59	1.06
<b>Accident Severity Rate<sup>4</sup></b> <i>Number of lost days per million man-hours worked</i>	36.46	62.61
<b>Absentee Rate<sup>5</sup></b> <i>Number of absentee days per employee per year</i>	1.68	2.29

<sup>3</sup> Accident Frequency Rate (as per Ministry of Manpower of Singapore) =  $\frac{\text{Number of Lost-time Injuries}}{\text{Number of Man-hours Worked}} \times 1,000,000$ . A lost-time injury is a workplace injury that results in at least one day medical leave.

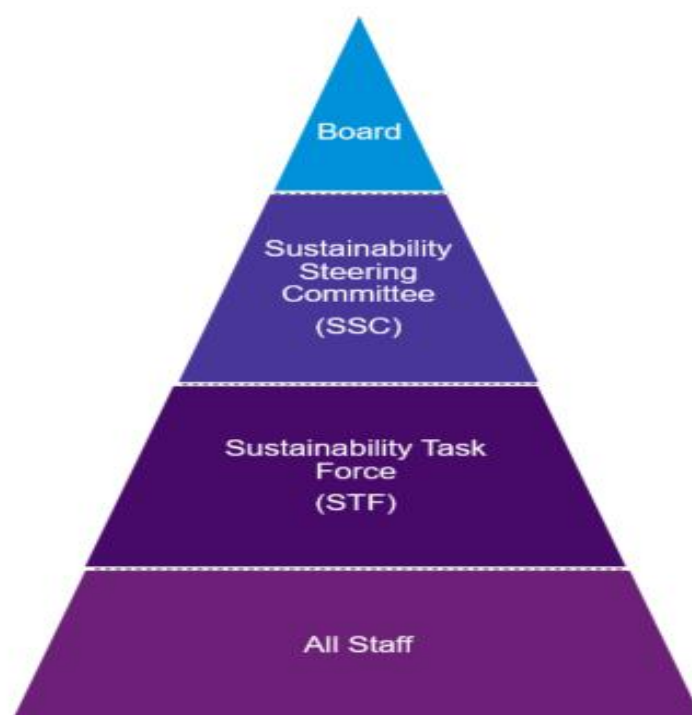
<sup>4</sup> Accident Severity Rate (as per Ministry of Manpower of Singapore) =  $\frac{\text{Number of Lost Days}}{\text{Number of Man-hours Worked}} \times 1,000,000$ . A lost day is a day of medical leave as a result of a lost-time injury.

<sup>5</sup> Absentee Rate =  $\frac{\text{Number of Absentee Days}}{\text{Employee Headcount (as of 31 December 2017)}}$

An absentee day is a day of medical leave because of incapacity of any kind, not just as the result of work-related injury or disease, excluding permitted leave absences such as holidays, study, maternity or paternity leave, and compassionate leave.

## Sustainability Governance

Broadway has established a formal sustainability governance structure to manage sustainability related issues effectively.



At the top of the structure is the Board, who oversees the management of sustainability issues. The Sustainability Steering Committee, formed by senior management, develops sustainability strategy, manages overall sustainability performance and reports periodically to the Board. At the working group level, there is the Sustainability Working Committee (“SWC”), which consists of representatives from the various business units. SWC supports the SSC to implement sustainability practices in the daily operations of our business.

## Regulatory Compliance

### 2017 Highlights

Indicator	Performance for 2017	Target for 2018
Confirmed incidents of corruption	Zero incidence of confirmed corruption	Zero incidents of confirmed corruption
Critical non-compliance with environmental and socio-economic laws and regulations	Zero incidents of non-compliance	Maintain zero incidents of non-compliance

Broadway is committed to upholding a high level of business ethics and integrity. We take a firm stance against corruption. We also ensure environmental and socio-economic compliance by operating through a framework of prudent controls.



We believe that the prevention of corruption is vital to safeguard the interests of our stakeholders and our reputation. We set up anti-corruption policies, covering topics such as the employment of relatives, receiving of gifts and entertainment, as well as conflict of interest. These policies were introduced during employee orientation and included as part of the Employee Handbook. In addition, Broadway has in place a Whistleblowing Policy for our employees to report any improprieties in good faith. In 2017, there was zero incidence of confirmed corruption and we aim to maintain the same level of performance for 2018.

Regulatory compliance is the baseline to meet stakeholders' expectations and maintain the license to operate. At Broadway, we actively identify and manage our regulatory risks. We adhere to relevant environmental and socio-economic laws, which governs a range of issues like effluent discharge, labour practices, health and safety, as well as intellectual property and privacy. Having a robust ESG management system, as demonstrated by the effective governance of the key sustainability pillars in the sections above, helps Broadway to reinforce ESG policies and monitor compliance. In 2017, there was no incidence of non-compliance with environmental and socio-economic laws and regulations which resulted in significant fines or sanctions. For more information, please refer to Corporate Governance Report in Broadway's Annual Report 2017.

### Supplier Environmental and Social Assessment

#### 2017 Highlights

Indicator	Performance for 2017	Target for 2018
Percentage of new suppliers that were screened using environmental and social criteria	100%	100% of new suppliers to comply with the RBA Code of Conduct

Broadway considers its sustainability practices and impacts in a broader socio-economic context. We recognise that our environmental and social impacts extend beyond the boundaries of our company to the value chain. With higher expectations placed on corporate responsibility by consumers, almost all our key clients have joined the RBA's network to push the sustainability agenda within the electronics industry. As a Tier 1 supplier of electronic parts, Broadway is expected to be held accountable to the common code of conduct of RBA. In turn, Broadway has exercised similar due diligence processes on our suppliers.

Supplier assessment is integral to our risk management. Broadway has established procedures to support all suppliers to implement the RBA Code of Conduct. We provide training programmes for suppliers to communicate the code requirements. The key topics are illustrated in the table below.

Labour Standards	Health and Safety	Environmental Standards	Ethics	Management Systems
<ul style="list-style-type: none"> <li>• Freely Chosen Employment</li> <li>• Young Workers</li> <li>• Working Hours</li> <li>• Wages and Benefits</li> <li>• Humane Treatment</li> <li>• Non-discrimination</li> <li>• Freedom of Association</li> </ul>	<ul style="list-style-type: none"> <li>• Occupational Safety</li> <li>• Emergency Preparedness</li> <li>• Occupational Injury and Illness</li> <li>• Industrial Hygiene</li> <li>• Physically Demanding Work</li> <li>• Machine Safeguarding</li> <li>• Sanitation, Food, and Housing</li> <li>• Health and Safety Communication</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental Permits and Reporting</li> <li>• Pollution Prevention and Resource Reduction</li> <li>• Hazardous Substances</li> <li>• Wastewater and Solid Waste</li> <li>• Air Emissions</li> <li>• Materials Restrictions</li> <li>• Water Management</li> <li>• Energy Consumption and Greenhouse Gas Emissions</li> </ul>	<ul style="list-style-type: none"> <li>• Business Integrity</li> <li>• No Improper Advantage</li> <li>• Disclosure of Information</li> <li>• Intellectual Property</li> <li>• Fair Business, Advertising and Competition</li> <li>• Protection of Identity and Non-Retaliation</li> <li>• Responsible Sourcing of Minerals</li> <li>• Privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Company Commitment</li> <li>• Management Accountability and Responsibility</li> <li>• Legal and Customer Requirements</li> <li>• Risk Assessment and Risk Management</li> <li>• Improvement Objectives</li> <li>• Training</li> <li>• Communication</li> <li>• Worker Feedback, Participation and Grievance</li> <li>• Audits and Assessments</li> <li>• Corrective Action Process</li> <li>• Documentation and Records</li> <li>• Supplier Responsibility</li> </ul>

Prior to formal engagements, we will socialise RBA-related expectations with suppliers. A RBA Code of Conduct Checklist will have to be completed, or a Letter of Commitment will have to be signed. For assurance purposes, Broadway also conducts random onsite visits and audits for the shortlisted suppliers for RBA compliance. Moreover, we strengthen monitoring on key suppliers by mandating RBA Validated Assessment Process (VAP)<sup>6</sup>, which is completed by third-party independent auditors. In 2017, we have screened 100% of new suppliers using environmental and social criteria.

<sup>6</sup> Our suppliers will need either to have conducted VAP or indicate the intention to conduct VAP.

### We use conflict-free minerals

Due to the nature of our electronics business, we inevitably use various minerals, including tantalum, tin, tungsten and gold (commonly referred to as “3TG”), which originate in mines around the world. The 3TG metals have become known as “conflict minerals” because much of it is sourced from the Democratic Republic of the Congo and adjoining countries where a decades-long civil war is being waged. This conflict has been exacerbated by various groups fighting to control mines and transit routes used in the trade of these minerals.

Broadway has exercised extra prudence on the due diligence of the source and chain of custody of these minerals. We avoid directly or indirectly financing or benefitting those armed groups by using conflict-free minerals.

## Corporate Social Responsibility

Broadway aspires to bring about positive social and environmental impacts to the local community. In 2017, Broadway has launched several Corporate Social Responsibility (CSR) activities to give back to the society.

### Cleaning a local temple

Broadway is committed to building a harmonious relationship with the local community. In September 2017, 50 Broadway employees volunteered to clean a local temple in WatSheprakaw SingBuri Province. In the short span of one day, Broadway employees helped to clean a big area and created a more enjoyable environment for all users of the temple. Their service was well appreciated by the monks and the local community.



*Broadway employees cleaning a local temple.*

### Helping students in need

Broadway recognises the importance of education to the long-term development of a community. In 2017, BTH has provided scholarships to 20 students from Pompeth School and Watsukantharam School in Ayutthaya Province, valuing over 20,000 THB in total. The scholarships were given to students from humble family backgrounds, who have demonstrated good academic performance and exemplary conduct. In this way, Broadway sought to promote equal opportunities for education and increase social mobility in the local community.



*A student receiving scholarship sponsored by Broadway.*

### Conserving the mangroves

Mangroves are important ecosystems as they act as nursing grounds for many marine species while protecting the coastal community against floods and tsunamis. However, big areas of mangroves are now cleared for commercial shrimp and salt farms at an unsustainable rate. In 2017, 50 Broadway employees participated in the Mangrove Forest Planting Project to champion the conservation of mangroves. Through this project, Broadway aspired to raise awareness on the value of mangroves among the local community, so to prevent further mangrove deforestation. Furthermore, this project also helped to demonstrate approaches to successful mangrove restoration and develop alternative livelihoods for local people.



*Broadway employees participating in the Mangrove Forest Planting Project.*

Awards and Certifications

