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## **Corporate Social Responsibilities : CSR**

The Company intends to apply the principles and the framework for corporate social responsibility reporting, integrated and deployed in the administration and enterprise management. The Company recognizes the importance of social responsibility with the confidence that social responsibility is an approach that will lead to sustainable development in the future.

### **Policy and Overview**

The Board of Directors has a policy to keep the business of the Company and its subsidiaries are subject with responsibility to society, environmental and group of stakeholders in accordance with the 8 core practices in the business process in order to contribute to the sustainability of the business.

1. The operation with fairness.
2. Anti-corruption
3. Respect for human rights.
4. Treating employee fairly.
5. Responsibilities to consumers.
6. Environmental care
7. The development of a community or society.
8. The innovation and dissemination of innovations derived from operations with responsibility to society, environment and stakeholders

In addition to conducting business in an ethical manner which is the important principal of The Company, Good governance which the Company keep instilling employees the clear corporate culture. The company also has commitment for the social responsibility by undertaking various public utilities on the continuous basis. That is the aim to raise awareness for being the supporters to society by giving the opportunities to all employees to participate in various public utilities and social activities. Each social activity has working group to responsible the activity in order to ensure the objective meet following the policy to return value to sustain community and society.

### **The operations to ensure compliance with the policy**

Company policy in overall is not only writing but strict compliance

#### **1. The operation with fairness**

Ethics in business operations of the Company cover the law respectful, no conflicts of interests, confidentiality and use of data, to treat customers and consumers, dealing with Competitors, procurement and practicing to business partners, responsibility to the community and society as a whole, to treat employees, the control and internal audit, to get or to give the asset and any other benefit, safety in health and environment and intellectual property and computer systems. The Company also ensures to give employee the orientation, training and also developing the suitable courses for existing employees. This is in order to ensure that all employees aware and understand. It also covers the process of measuring the effectiveness of the system to improve even further. The company has also provided a continuing awareness throughout the organization through communication media and events to ensure that employees can be ethical in their business applications to work effectively.

#### **2. Anti-corruption policies**

Anti-Corruption the Company has policy to operate legally and for social benefit, encourage employees to work with integrity as good citizenship of the country and encourage the partners of the company and its subsidiary operates with accurate and transparent as well. So as society as a whole has continued in peace, the Company has determined that the anti-corruption and bribery policy is another important part of company policy.

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However, on March 20, 2015, the Company announced its intentions to join the anti-corruption practices in the private sector Thailand (Collective Action Coalition) and received on April 3, 2015 in attendance. The Alliance will cooperate with the government, public sector, media and international organizations to make the clean business and participating companies will operate under the framework and procedures, which are based on international principles, including no.10<sup>th</sup> principle on the fight against corruption, according to The Ten Principles of the United Nations Global Compact (Business Principles for Countering Bribery), defined by Transparency International. The principles published by the World Bank and the Center for International Private Enterprise (CIPE) and other international organizations.

The Company has established an anti-corruption and bribery to be treated practically by define duties and responsibilities of the board, the Audit Committee and the Managing Director in order to ensure that policies against corruption and bribery practices have been followed and implemented correctly.

On April 22, 2016, the Company has been approved as a member of the Alliance to Thailand private sector in fighting against corruption

In the year 2019, the company has continued to renew the certificate of membership of the Private Sector Collective Action Coalition Against Corruption. The company still strictly follows the policy.

### **3. Respect for human rights**

The Company has policy to comply with all laws and regulations pertaining to employees and principles of basic human rights following international criteria without distinction of origin, race, sex, age, color, religion, disability, personal status, education or else that is not directly related to operations, including also respect for the individuality and dignity of the human person. The past, the Company never had any complaints about violations of human rights.

### **4. To treat employee fairly**

The Company has always recognized that. All employees are the company's most valuable resource as the success factor in achieving the goals of the Company. The Company treat employee fairly in terms of remuneration, opportunities, promotions, rotation, proper facilities as following.

- Remuneration and benefits Management, taking into account the remuneration as the source of employee motivation to work in their full capability and fairness to them following the requirements of the law and practice on the same standard. There are evaluation and analyze job value to have updated status and remain suitable to the duty and responsibility that in line with business and also ensure the level of competitive or comparable remuneration of other companies in the same business.

- To develop employees potential by giving important to develop knowledge, capability and management skill through training, seminar and keep developing personnel to increase the ability of all employee level and on the continuing basis.

- In term of employment, business operation, career move, the company has set clear guidelines as standard which based on the principle of non-discrimination and compliance with various relevant laws. By giving the opportunity to everyone equally, regarding to proportion of women, men, ethnic, origin, religion, age, disability, social status or education background.

- Safety and hygiene at work, the company has concerns in life and health of all employees so that the management of safety and work environment has to follow the standard as defined by relevant law. In addition, the Company also supports and encourages the ongoing security activities as well.

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## 5. Responsibility to consumers

The company has focused on providing service to the customers and have been surveying of customer satisfaction every year. This is for the evaluation and improve the better work efficiency.

## 6. Environmental care in business

The Company has embarked on a campaign to save energy and natural together with raising awareness of employees.

- The campaign for employees transitioning to the transportation of company, arranging for the convenience, the savings in travel costs for employees, the environment care and to reduce air pollution.

- A campaign to turn off power and off computer screen during the lunch break between 12.00 - 13.00 hours in order to save energy and train employee to apply in everyday life, including publishing ways to save energy in their own society.

- Eliminating waste or toxic waste from the production to meet the standards and laws in relevant to various industries.

## 7. Developing community or social

The company has developed a community or a social under the linkages of urban life and the forests and social current wetlands providing important habitat for animals. Currently, habitat areas are overrun by social and human and that affect populations of aquatic animals. The Company recognizes the importance to preserve and maintain populations of aquatic animals and mangroves, which is consistent with the policies of the Company. Details of the project can be viewed on this topic.

Scope	Projects	The Beneficially	Outcome/Impact
<b>Education</b>	Donate scholarship to King Mongkut's University of Technology Thonburi	College Student	To give a good career opportunity
	Donate money, food and lunch	Training Centers for pre-school child at Chomnimit Temple	Creating opportunities in education And activities to enhance learning skills
<b>Environment</b>	Project in planting trees in mangrove forest	Aquatic Animal	To create more space and increase the number of mangrove aquatic
<b>Social and population</b>	Donations (HL - 3) to the Department of Corrections	Department of Corrections, Society and Company	To train occupation to the inmates for knowledge to pursue a career and also reduce the cost of integrated the waste
	Donation to Red Cross for The National Cancer Center of Chulalongkorn Hospital	People	People get better treatment and better health

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## **8. The innovation and dissemination of innovations derived from operations with social responsibility, environment and stakeholders**

The Company study and plan for new innovative ideas to operate the company and to be effective under good control.

### **Implementing a solar panel installation project for energy saving**

The Company has been studying and implementing a solar panel installation project for energy saving and use renewable energy in order to reduce the impact on the environment. The project was also promoted by the BOI on promoting investment to improve production efficiency. The company has proposed an investment plan to save energy with the use of renewable energy in the business or reduce the impact on the environment. The rights and benefits of the project are as follows.

1. Exemption of import duty on machinery
2. Exemption of corporate income tax for a period of 3 years, representing 50% of investment, excluding land and working capital for project improvement, shall be exempted from corporate income tax on the proceeds of the existing business.
3. Exemption period for corporate income tax start from the date of receipt of the investment promotion certificate.

The Company has filed a request for investment promotion. The project was granted on April 17, 2018, and the installation of a solar panel system is ready to commence.

The company has been obtained a license from the government agency, ERC and the Provincial Electricity Authority has been already paralleled the generator with the electricity system. Currently, the company has operated electricity to be used in the business successfully in 2019.

### **Innovation in Manufacturing Process for Sustainability**

Company supports total organization to be innovative in year 2019. We cooperate with partners and projects about Innovation to enhance innovation level especially in "Process" innovation that focused on manufacturing process and production unit in factory. The result level up competitive competencies by the right cost and maintain the competitive ability that lead to the business sustainability in long term.

Projects and The Cooperation to develop the innovation that happened in Year 2019-2020 as below,

1. PDS (Production Daikin System) project in collaboration with Daikin, the world's largest air conditioner manufacturer with a production base in Thailand. Company joined this project because Daikin require the suppliers to improve the process for the purpose of cost reduction for both parties. Company has participated in the contest and won continuously for 2 consecutive years (in 2018 and 2019) and also participated in this project continuously for 3 years.



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2. Smart Machine Project, was installed with the main machine last year. This data can be converted to be production report which is more convenient to monitor the status of machine analysis included preventive operations and improvements machine performance. Year 2020, the company expanded this project to the second main machine by learned from the first main machine to improve the measurement of its standardized.

3. Innovation Diplomacy which company is participating in the assessment of innovation organization with the National Innovation Agency to source the company ability to be an innovation organization by comparison to other organizations to find a gap and get recommendations for further improvement. In this regard, company continues to cooperate and develop the organization to be more innovative until we can raise the standards to be comparable to international organizations. In the year 2019, company has improved the organization of innovation such as the participation in the improvement by the employees' idea, a model for concrete innovation.

4. OPL (One Point Lesson), one of the important tools from TPM, to teach and exchange knowledge among employees by sharing production knowledge between the experienced team and the new workers for maintain working standard at a good level which creates sustainability in the standard of work within the organization In the past year, there were 238 OPLs.



Developing delivery satisfaction evaluation by attaching a QR Code to a link to the delivery satisfaction assessment form. Customers can assess their satisfaction and give comments in order to improve the customer insight that company has never been received before.

### **The Control of the use of internal information**

The Company has set the strict procedure to control the use of internal information especially the financial information which has to be audited by the certified auditor and approved by the audit committee before being proposed to the board of directors and disclosed to the Stock Exchange of Thailand and to public.

The Company's policy to control the use of internal information is as follows:

(1) The directors, management and their spouses or minor child are prohibited to use the internal information to trade or transfer the Company's securities before the public disclosure of such information especially 30 days before the disclosure of the Company's financial statement. In addition, after the disclosure of any information, those specified persons are also prohibited to trade the Company's securities until the public has sufficient period of time to analyst such information (within 7 days after the disclosure).

(2) The directors and management who are responsible to report the shareholding of them together with their spouses and minor child are educated with the shareholding report procedure in case that any of the directors, management, their spouses or their minor child have purchased, sold, transferred or received the Company's securities as per the regulation of the SEC office, Sor. Jor. 14/2540, Re, The preparation and disclosure of securities holding report and the penalty as per the Securities and Exchange Act B.E. 1992.

In case of violation, the appropriate penalties shall be enforced such as written warning, salary reduction, suspension or employment termination.