Driving Business for Sustainability

1. Driving Business for Sustainability Policy

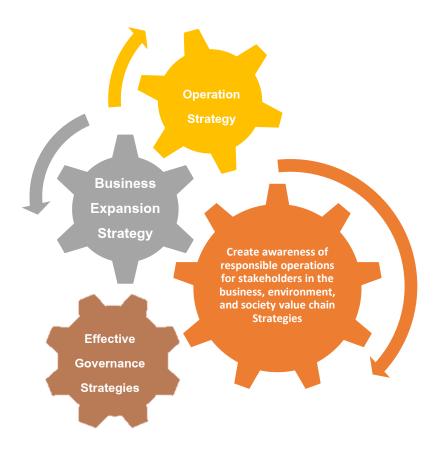
Saha-Union Public Company Limited has always realized that business cannot move forward and grow sustainably if it does not contribute to social care for the environment. It also includes creating shared values for all stakeholders to grow together with the intention and determination to operate in continuous sustainable development. As a result, Saha-Union Public Company Limited has been selected by Thaipat Institute as one of the 100 listed companies with outstanding performance in environment, society, and good governance (Environmental, Social and Governance: ESG) in 2015, and was awarded for 6 consecutive years from 2018-2023. Also, it received the corporate governance assessment from the Thai Institute of Directors Association in 2023 at the level of "Excellent".

Vision

Conduct business based on good corporate governance with the ultimate goal of the organization's sustainability, which creates shared economic, social, and environmental values in the Company's business chain.

Core values for success and sustainable growth together in the business chain Integrity - Ethics - Quality - Developing Innovation with Knowledge - Mutual Benefit

Conceptual framework and strategy for sustainable development



The Company has policies and goals for sustainability management announced throughout the organization as follows:

- Operate business based on good corporate governance by the organization's core values, which are integrity, quality, and service. The ultimate goal is the organization's sustainability that creates shared economic, social, and environmental values in the company's business chain.
- In sustainability management, the focus is on working and performing at all levels. It considers the impact on stakeholders in the business value chain by minimizing negative impacts. Also, it strives to create innovations in business operations through building partnerships with partners in all sectors.
- It shall provide comprehensive risk management according to global trends and trends by defining operational strategies to enable the organization to move through stably.
- Three sustainability management goals have been set: stakeholder impact management in the business value chain, sustainability management in the environmental dimension, and sustainability management in the social dimension.

2. Managing impact on stakeholders in the business value chain

2.1 Business Value Chain

The Company shall consider the business chain of each core business as discussed in Section Nature of Business.

2.2 Stakeholder analysis in the business value chain

Stakeholders of the Company are divided into

- 1) Stakeholders within the organization such as shareholders, employees;
- External stakeholders such as investors, joint ventures, customers, partners, creditors, competitors, local communities, relevant government agencies, intellectual property owners.

Responding to Stakeholder Expectations

Stakeholder	Expectations	Management Strategy	Participatory Communication Process
Shareholders Creditors Investors Invesment Institutions Business Partners Co-investors	Good return on operations and business growth Return on investment, business security information Equal Treatment Comply with the terms and conditions of the contract Conduting business with the environmental friendly	Develop and expand the business to grow continuously and sustainably Reduce and diversity the risk of getting a return on investment Follow up and check the performance of the invested business Operate business according to good governance principles Liquidity management	Annual General Meeting of Shareholders Company Website
Executives Employees Workers	Compensation, welfare Career path Work safety Corporate pride Participation Self-development and learning	Compensation management, welfare Improve the quality of life for stability Develop a workplace environment Promote and develop employees' potential Build a relationship with the organization	Publicity Board Organize training development plan for employees Anti-Corruption
Customers	Products, services are satisfactory and environmental friendly Good quality and service on time Comply with the terms and conditions of the contract Customer engagement	Delivery of goods and services that meet the requirements Fast, accurate and safe service Fair contract Fair price	Meeting and visiting customers Signing and executing contracts
Partners Debtors Contractors	Timely and complete payments Comply with the terms and conditions of the contract Customer engagement	Credit and confidence management Anti-Corruption Good relationship management with customers	Agreement/Purchase Contract
Community/Society Independent Organizations Non-profit organizations Educational Institutions	Eco-friendly business Supporting and contributing to social development	Involvement of the organization/employees with government agencies Supporting government agencies/institutions/organizations	56-1 One Report Company website
Competitors	Fair competition	Not infringing on competitor's rights	Company's Group Code of Conduct Guideline
Government Agency Regulators	Compliance with the law Payment of taxes and fees accurately and completely	Conduct business by good governance principles Respect rules	Conduct business by good governance principles

3. Sustainability Management in Environmental Dimensions

3.1 Environmental Policy and Practice

The Company has established policies and plans to conserve energy and the environment as part of its business operations. The "Energy Conservation Policy" has been set as follows:

- 1. The Company will operate and develop an appropriate energy management system by stipulating the energy conservation to be a part of the Company's operations to comply with the law and other related requirements.
- 2. The Company will continually improve the efficiency of energy resource usage to be appropriate for business, technology, and good practice.
- 3. The Company will set energy conservation plans and goals each year and communicate them to all employees to understand and act correctly.
- 4. The Company regards energy conservation as the responsibility of the owners, executives, and employees at all levels to cooperate in implementing the specified measures, monitoring, and reporting to the Energy Management Working Group.
- 5. The Company will provide the necessary support, including human resources, budget, working time, training, and participation in presenting ideas to improve energy work.
- 6. Energy management executives and working groups review and update energy policies, goals, and plans every year.

The main business of the Company is investment and product trading. The operations, therefore, do not use natural resources to have an impact on living things in their natural habitat. There are no things that cause pollution to wastewater to destroy the environment. As for the Company, there is a public relations campaign on energy and water efficiency.

The Company promotes environmental conservation awareness so that employees are aware of the value of various resources. Therefore, It encourages executives and employees to use electricity and water economically and be mindful of the value, such as turning it off when not in use and adjusting the air conditioner's temperature accordingly. There was also a paper reduction campaign by encouraging the use of one sheet of paper on both sides and changing the use of toilet paper of sufficient thickness to reduce the amount of use. In addition, there is a campaign to separate waste and waste materials for further recycling.

However, in terms of the invested companies, they are also aware of the use of resources and environmental protection, complying with relevant standards and laws. For example:

Strategies for Sustainable Use of Resources

The Company has invested in the combined cycle power generation business in the People's Republic of China in Zhejiang Province, using coal as fuel. In this regard, strategies for reducing coal consumption using modern technology have been studied and planned for operations. As a result, coal consumption can be reduced by using coal ash, a waste residue, as a fuel, thereby reducing the use of natural resources. It also improves operating results due to cost reduction.

Furthermore, during the year 2023, factories within the industrial sector in the Bang Pakong area have undertaken the Solar Energy Phase I and Solar Rooftop projects in the Bang Chan area, as well as commenced planning for the Solar Energy Phase II project in the future.

Preventing and reducing the impact of pollution

Every company that invests in manufacturing factories has a protection system and has investment expenses to reduce the impact of pollution on the environment. The management is under the standards and laws. For example, the rubber factory has a 2-stage wastewater treatment system

inside the factory until it is tested that the wastewater released outside the factory does not pollute the environment. After passing through a system to prevent and reduce the effects of pollution, wastewater can be discharged. Other investment firms also act similarly.

Environmental Pollution Reduction

Since 2019, the Company and its group companies have campaigned for its personnel to stop using plastic drinking glasses by using stainless steel mugs instead produced by the group companies. It aims to reduce plastic waste, help reduce global warming, and can be reused forever. Since it is an excellent quality product, it can maintain hot and cold temperatures. If the employee wishes to have it personally, they will be entitled to purchase at the cost price for the first piece. But if it is used in the company's canteen, there will be welfare support for this matter. When used, it must be returned to the place provided for the canteen to clean and use again. Incidentally, employees can cooperate very well.

In addition, the Group of Companies has seriously and continuously emphasized compliance with environmental standards. Some companies have been certified for various standards, such as two major companies in the plastics, rubber, and metal business sectors that have been certified for environmental management systems. ISO_{14001:2005}.

Additionally, during the year 2023, the Company increased its investment in businesses related to green energy (such as solar power), aligning with the ESG Trend and Green Business standards. Both types of businesses are gaining significant popularity among investors, leading to long-term revenue growth for the Company.

3.2 Environmental Performance

3.2.1 Energy Management

The Company efficiently manages energy, both in lighting systems and air conditioning, as detailed below:

Objective: Set energy conservation goals to reduce energy usage by 0.30% from the year 2022.

<u>Plan</u>: Establish energy conservation plans in various formats by applying relevant technologies and communicating through various channels to campaign for awareness among employees and management about the necessity of resource utilization, such as through informational posters, etc.

<u>Implementation</u>: Installation and maintenance of control equipment for related electrical systems. Transition from fluorescent tubes to energy-saving LED bulbs to reduce electricity costs.

<u>Performance</u>: In the year 2023, the company saw an increase in electricity usage by 3.03% compared to 2022 (below the designated target) due to the main reason being the reduction in the amount of work from home for employees as the COVID-19 situation eased. This allowed employees to return to work in the office as usual, ensuring smooth and efficient workflow in each team in response to the situation.

Further details are summarized as follows:

	2023	2022	2021	2020
Electricity consumption (kilowatt-hour)	1,020,000	990,000	928,000	1,032,000
Air conditioner	49.56%	47.16%	45.67%	49.76%
Light	17.47%	19.06%	19.51%	13.63%
Other	32.97%	33.78%	34.82%	36.61%
Electricity cost (million baht)	4.97	4.58	3.79	4.19

3.2.2 Water Management

As the Company serves as an office supporting the operations of subsidiaries and group companies, water usage is limited to the office building and office premises only, as detailed below:

<u>Objective</u>: Set water usage reduction goals, aiming to decrease water consumption by 5.00% from the year 2022.

<u>Plan</u>: Establish plans for water conservation in various formats by adopting modern technologies and communicating through various channels to promote awareness among employees and management about the importance of resource utilization, such as through informational posters, etc.

<u>Implementation</u>: Regular maintenance and inspection of the internal water distribution systems within the building. Selection of environmentally friendly products, along with efficient management of wastewater.

Performance: In 2023, the Company's total water consumption was 12,687 cubic meters, a reduction of 832 cubic meters or 6.15% compared to the previous year, achieving the set target.

Further details are summarized as follows:

Year	Water Consumption (Cubic Meters)
2023	12,687
2022	13,519
2021	9,336
2020	5,981

3.2.3 Paper Consumption

The Company has implemented management processes to reduce paper consumption, aiming to mitigate deforestation and global warming, as detailed below:

Objective: Set paper usage reduction goals, aiming to decrease paper consumption by 5.00% from the year 2022.

<u>Plan</u>: Establish plans to reduce paper usage through communication and campaigns promoting paper reduction in workplace in various formats.

<u>Implementation</u>: Promote awareness among managers and employees regarding paper usage reduction, including transitioning from paper-based data transmission to electronic or email-based methods. The Company continues to advocate for complete paper usage on both sides.

<u>Performance</u>: The Company's paper consumption has been steadily decreasing since 2021. In the year 2023, the Company used a total of 179,500 sheets of paper, a reduction of 10,000 sheets or 5.27% compared to the previous year, achieving the set target.

Further details are summarized as follows:

Year	Office Paper Consumption (sheets)		
2023	179,500		
2022	189,500		
2021	203,000		
2020	260,000		

3.2.4 Management to reduce greenhouse gas emissions

The Company emphasizes effective management to reduce greenhouse gas emissions, focusing on setting operational goals to produce environmentally friendly products and services within the group. It prioritizes efficient use of resources, minimizes waste generation, and promotes recycling or reuse of waste materials. The activities with the highest greenhouse gas emissions found in the Company are electricity usage from air conditioning units in offices and fuel consumption from organizational vehicles. Consequently, the Company implements continuous energy conservation plans, including regular maintenance of air conditioning units.

The Company has established policies regarding the use of fuel from organizational vehicles, as detailed below:

Objective: Set energy conservation goals to reduce fuel consumption from organizational vehicles by 5.00% from the year 2022.

<u>Plan</u>: Develop plans to reduce fuel consumption from organizational vehicles by promoting energysaving practices through various communication channels to raise awareness among employees and management about the importance of reducing fuel consumption.

<u>Implementation</u>: Implement various measures to enhance fuel efficiency, such as turning off engines when parked, promoting carpooling for employees traveling on the same route for work outside the office, and planning travel routes efficiently. Additionally, regular vehicle inspections and engine checks are conducted twice a year to ensure vehicles are in good condition.

Performance: In the year 2023, the Company's fuel consumption decreased by 1,581.99 liters, representing a reduction of 20.08% compared to the previous year, achieving the set target.

Further details are summarized as follows:

Year	Fuel Consumption (liters)
2023	6,295.90
2022	7,877.89
2021	7,087.73
2020	6,924.10

Furthermore, a significant main company within the group, operating in the plastics, rubber, and metals industries, has announced quality and environmental policies, as well as energy conservation policies, to ensure proper practices and uniform guidelines throughout the organization. Moreover, there is a steadfast commitment to developing production processes to become an environmentally friendly industry, reducing waste generation, controlling wastewater treatment systems, and monitoring and inspecting the quality of wastewater before discharge into public water sources. Efforts are made to reduce emissions of pollutants and greenhouse gases from various activities within the Company. In the year 2023, the said company conducted a Carbon Footprint for Organization (CFO) assessment for the year 2022 and received certification from a non-governmental organization to serve as a baseline for setting targets to reduce greenhouse gas emissions. The aim is for the Company to achieve carbon neutrality by the year 2030 as originally planned.

Power Consumption	Unit	Assessment Results in 2022
The amount of greenhouse gas	Tons of carbon dioxide	2,364
emissions: Scope 1	equivalent (tonCO2e)	
The amount of greenhouse gas	Tons of carbon dioxide	3,235
emissions: Scope 2	equivalent (tonCO₂e)	
The amount of greenhouse gas	Tons of carbon dioxide	5,599
emissions (Scope 1 and 2)	equivalent (tonCO2e)	
The amount of greenhouse gas	Tons of carbon dioxide	9,772
emissions: Scope 3	equivalent (tonCO2e)	

4. Sustainability Management in Social Dimensions

4.1 Human Rights

The Company promotes respect for fundamental human rights, freedom and liberty, and equality of expression. Also, it included the economic, social, and cultural rights that stakeholders are entitled to the highest possible standards. It adheres to the six basic principles or Core Values in human rights, namely Non-Discrimination, Actions by adhering to the principles of Justice, Equity, Freedom, Human Dignity, and Non-Violence.

The Company has established a human rights policy based on three main principles: Respect, Protect, and Remedy. This includes respecting and refraining from violating human rights, protecting others from human rights abuses, and remedying any impacts or violations arising from business operations. The Company adheres to and implements the principles of the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights (UNGPs). It emphasizes fair labor practices and respect for human rights without discrimination in areas such as hiring, compensation, promotions, training, and development, regardless of gender, age, education, ethnicity, or religion. Additionally, the company supports hiring opportunities for disadvantaged groups, such as the elderly, to create opportunities, livelihoods, and sustainable income as part of achieving the Sustainable Development Goals (SDGs) of the country and the world.

In the previous year, the company has not received any complaints or reports regarding human rights issues related to its activities, business operations, or throughout its supply chain.

4.2 Fair treatment of workers

Treatment of employees and workers concerning human rights includes fair employment and compensation, employee training and development, improvement of employee engagement and satisfaction, safety management, occupational health, and working environment, etc., to maintain competitiveness, attract potential employees, and improve employee engagement with the organization. In 2023, the Company had the following essential employee operations:

Employment

Detail	Number of employees (person)			
	Male	Female	Total	
Full-time employee	20	52	72	

Employee Training

In 2023, the Company organized twelve training courses for employees to increase their skills and potential to work for employees, with an average of 24.47 hours of training or knowledge development activities for employees per person per year. (Year 2022: 53.38 hours per person per year).

Employee Engagement

The Company has plans to develop employee engagement as follows: In 2023, employees voluntarily resigned (Turnover rate) 4.00% a decrease of 0.41% from the previous year. (2022: 4.41%)

4.3 Safety, Occupational Health and Work Environment

In 2023, the Company continuously developed and improved operational efficiency in safety. It aims to reduce the risk of illness, injury, or death and to ensure the quality of life of employees or employees appropriately. The important operations are as follows:

Adjusting the working environment to prevent the spread of COVID-19

The Company places great importance on the health and safety of employees, which is the foundation and key mechanism to drive the organization. Even though the COVID-19 situation is easing, the management and administration continue to implement the "COVID-19 Prevention and Control Measures" policy to maintain health and safety in the office consistently and ask for cooperation from all employees to wear a protective mask at all times inside the building and wash their hands frequently with soap or hand sanitizers provided at various spots within the building.

The company still maintains a policy of organizing and participating in meetings through online systems (as an option) to prevent the spread of diseases. In 2023, the Company distributed surgical face masks, ATK test kits and hand sanitizers to executives and employees to prevent contamination from secretions for safety and reduce the burden of expenses for employees.

In addition, the Company has also created a channel of communication within the organization between executives and employees. It creates a group in the LINE application for communication and public relations information within the organization, including messages of concern to build morale. It also shares useful information directly from management for everyone's safety and health.

4.4 Responsible product and service to customers.

The Company adheres to the quality of the product or service to a standard, is safe for consumers' health, and has a reasonable price according to the agreed quality.

Customer health and safety

The company prioritizes sourcing goods that meet high-quality standards and ensure human safety, such as stainless steel (non-corrosive metals), which are environmentally friendly and recyclable. The stainless steel used in manufacturing vacuum flasks must meet stringent quality criteria to guarantee product excellence and long-lasting durability. Through the production processes implemented by affiliated companies, our vacuum flask products are not only safe for health but also maintain exceptional quality. We ensure that the colors utilized in manufacturing these items adhere to food-grade standards, instilling confidence in consumers regarding the quality of our products. Similar attention to quality is observed in the international distribution of adhesive tape products under reputable trademarks such as UNI TAPE, PANFIX, FUJI, and NICHIBAN. Furthermore, the company is committed to upholding product quality standards and ensuring timely delivery, providing customers with fair and satisfactory service.

The Saha-Union Group has companies that manufacture elastic bands for fabric masks and face masks. It is accredited with the ISO₁₃₄₈₅ Quality Management System. It is a comprehensive quality management system from designing, developing, manufacturing, and selling, medical devices. It applies to user safety, with the medical device service provider having a high level of confidence, trust, and safety. In addition, the company mentioned above has been certified by both the Thai Food and Drug Administration (FDA) and the United States (FDA) and passed the OEKO-Tex Standard 100 audit and certification or passed the standard test of international products from the Swiss Textile Testing

Institute. It is a global institution that internationally believes and trusts that certified products do not contain harmful residues and are not detrimental to consumer health.

During the year 2023, the main companies within the plastic, rubber, and metal business group achieved a customer satisfaction rating of 90.49%, surpassing the set target of no less than 90%. Plans were made to further enhance customer satisfaction by focusing on every aspect of the product manufacturing process. This involves meticulous quality management, starting from the selection of high-quality raw materials to setting performance indicators for production control to ensure excellence. Every batch of produced goods is consistently of high quality and safe for consumers. Moreover, the aim is to continually improve various processes with quality development goals in mind, aiming to reduce complaints and increase customer satisfaction.

In the year 2023, both the Company and the main companies within each business group did not encounter any significant issues related to legal violations or regulatory non-compliance concerning the specifications and usage of products and services.

Product and service labeling

The Company considers consumers to receive good quality products. It must-have information on how to use them correctly to achieve the objective that customers feel the product's value and benefit from using the product. The Company has a standard product label with the product name, brand, package size, product code number, component. It will specify the international standard code (some products have it), features, instructions for use, warnings, date of manufacture. It is following international standards and applicable laws that all information is truthful.

Marketing Communications and Customer Business Secrets

Most of the Company's business is an investment and trading products with the partner who is not the last consumer. The Company, therefore, has no advertising marketing costs. Consumers do not have to bear the cost of this marketing expense. In addition, the Company is aware of the business ethics for sustainability. The Company does not disclose customer's confidential information and does not misuse the customer's information for its benefit or related parties.

4.5 Participation in community and social development

In2023, the Company is aware of the stakeholders who are the local community and the outside society, to have a better quality of life. In 2023, the Company has participated in community and social development as follows:

Participation in the community

The company provided 4 laptops to the Phra Khanong Police Station to support the duties of the police officers in the area.

Role in the market and job creation

The Company and the invested companies in the community contributed mainly to the community development by employing people in the neighborhood to work with the Company. It aims to give the local people a stronger livelihood foundation in the areas where the Company invests, for example, Bang Pakong, Bang Chan, and Hua Hin. Most of the Group's employees are local residents. It is an important labor market and can create jobs for the local community to increase their income continuously. As a result, communities and societies are developed.

4.6 Anti-Corruption

Anti-Corruption Policy

Since 2016, the Company has established an "anti-corruption policy" and "Whistleblowing and malpractice complaints policy" in writing for all Saha-Union Group companies. This policy has been communicated to serve as a guideline for our operations for the management to be effective, transparent, and verifiable. in addition, it can truly build trust and confidence among all stakeholders. (details can be downloaded from the Company's website at www.sahaunion.com).

The Company has communicated anti-corruption policies and guidelines to the management and employees. It prints the summary document, including the example of the guidelines for implementing the said policy so that the management and employees understand and follow it properly. Also, it publicizes such information to executives and employees in clearly visible areas as well.

In addition, the Company confirms and declares its intent and disseminates the anti-corruption policy. It has sent the message regarding "anti-corruption policy" and "Whistleblowing and malpractice complaints policy" on the performance of the Company's duties and companies in the group to the stakeholders for acknowledgment. Those stakeholders shall sign the acknowledgment of the policy in such matter by the responsible person concerned and send it back to the Company.

The Company has established a Code of Conduct manual through the resolution of the Board of Directors. It has a business policy following the Company's values and good governance and management to operate with honesty and without corruption. It is not only the business of the Company and its group in Thailand but also its businesses that have invested in foreign countries. It includes complete, correct, and accurate accounting records, tax calculations, and correct tax payments so that bribes are not paid to those involved. Therefore, the relevant authorities will receive correct information and accurate tax payments, and the state does not lose benefits. The Company's policy has always been adhered to as a practice which has made the Company reliable to the public and society.

Guidelines in agencies that comply with the policy

The Company has instilled values, integrity, quality, and service from executives to employees. It has a policy to comply with the law and related regulations by creating awareness among executives and employees. In addition, employees will receive a manual on work regulations. It is defined in Section as follows: Disciplinary and Disciplinary Penalties Articles 6.1 (f) and Article 6.2 (4) must act with integrity, and Article 6.3 on penalties for violations and termination of employment. For the operating system to follow the Company's policy, there is an effective and efficient internal control system, with audits, follow-up to avoid corruption, and the internal audit process of the internal audit unit.

The Company has established guidelines for the management and employees to comply with the anti-corruption policy in 8 areas as follows:

- Guidelines on conflicts of interest;
- Guidelines on Securities Trading Practices and use of inside information;
- Guidelines on Sourcing/Procurement;
- Guidelines for receiving or giving assets or any other benefits that might motivate one to make any decision;
 - Guidelines for charitable donations and grants;
 - Guidelines on Political Practices;
 - Guidelines for dealing with government agencies;
 - Guidelines on Tax Practice

Disclosure of operating results and progress in practice

Regarding key operational and progress disclosure in the past year, the Company has not encountered any of the following cases or events:

- Cases or incidents reported as complaints in various issues.
- Cases or complaints alleging human rights violations during business operations.
- Violations of the company's corporate corruption policy.
- Cases related to litigation, investigation, accusation, or litigation involving unfair competition practices.
- Cases related to unfair employment practices, unfair hiring, non-compliance with the law, and failure to report complaints of violations against stakeholders.

4.7 Personal Data Protection

Saha-Union Public Company Limited recognizes the importance of protecting personal data of shareholders, investors, partners, directors, Company's personnel and persons associated with the Company to ensure that such persons are fully protected under the Personal Data Protection Act B.E. 2562 (2019) and other relevant laws. The Board of Directors has approved the Personal Data Protection Policy as part of the Company's Good Corporate Governance Manual in order to serve as supervision measures and management of personal data from collection, usage, disclosure, and the preservation of personal data to ensure security. The Company has established a personal data protection policy which is divided into 4 areas as follows:

- 1. Personal Data Protection Governance:
- 2. Personal Data Processing;
- 3. Data Subject Rights; and
- 4. Personal Data Security.

Details in each aspect of the Personal Data Protection Policy and Personal Data Protection Policy Notification Form are as follows;

- For directors, executives and persons who may be directors, executives;
- For shareholders, proxies or delegates from shareholders;
- For partners and business relationships;
- For employees and job applicants;
- For third parties; and
- For CCTV use.

The Company has disclosed all on its website, https://www.sahaunion.com/personaldataprotectionpolicy/