



SPI...

and Sustainable Development

2017





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Message from the President

2017 saw Thailand enter a period of economic recovery under the new government, whose plans to improve and elevate national developments began to take shape. Exports grew, and the tourism industry continued to benefit from the governments consistent stimulus measures. As for the industrial developments, the establishment of the special economic zones and the Eastern Economic Corridor (EEC) have attracted large amounts of capital investment which in return also contributed to stimulating household spending. The aforementioned economic stimulants, along with supporting the Pracharat projects, have led to higher sales growth for Saha Group.

The Company have also contributed to the government's Pracharat projects efforts. We have increased our investment in agriculture cultivation and established learning and development centers where local communities and students could partake in the sufficiency economy projects. We have also distributed products and seeds to farmers to help generate income and strengthen local communities.

As for the development of the Saha Group's Industrial Park, we have formed a working group with the Department of Industrial Works to develop an eco-industrial town under a framework that takes into account managerial, physical, social, economic and environmental development. Based on an assessment under this framework, the Company received an above-average score. All activities have received positive feedback and support from stakeholders. These stakeholders have also taken part in our activities to develop an eco-industrial town, where industries and communities may happily and sustainably co-exist.

Moreover, the Company has made improvements to environmental management of the Saha Group's Industrial Park, garnering the ISO14001:2015 certification. We have assessed risks, reduced energy consumption, ensured compliance with laws and regulations and minimized our activities' impact on the surrounding communities and the environment.

These aforementioned endeavors are but a few examples of our commitment to ensure a happy and sustainable co-existence of the Company and communities. The Company will continue to elevate our standards above the requirements because we believe that our business can only grow when communities are strong, and the environment is thriving above standard requirements. This leads to a sustainable development under the management policy of "Good People. Good Products. Good Society."

Mr. Vichai Kulsomphob

President



Business Philosophy

SPI believes that...



Dr. Thiam Chokwatana
Founder

“To conduct a good business,
you must disregard self-interest and
adhere to ethical practices.”

A GOOD BUSINESS

- Seeking benefits or profits is not amoral, but it must be done reasonably while consumers also benefit from good products and services.

CONSIDER OTHERS

- You must also think of the benefits to others, not just your own.

OPERATE ETHICALLY

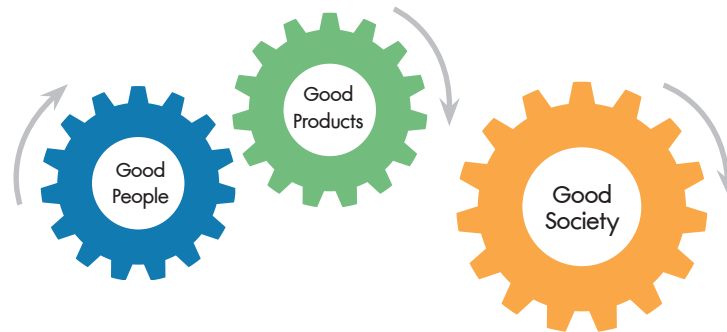
- You cannot let profitability blind you from morals and ethics.



Principles

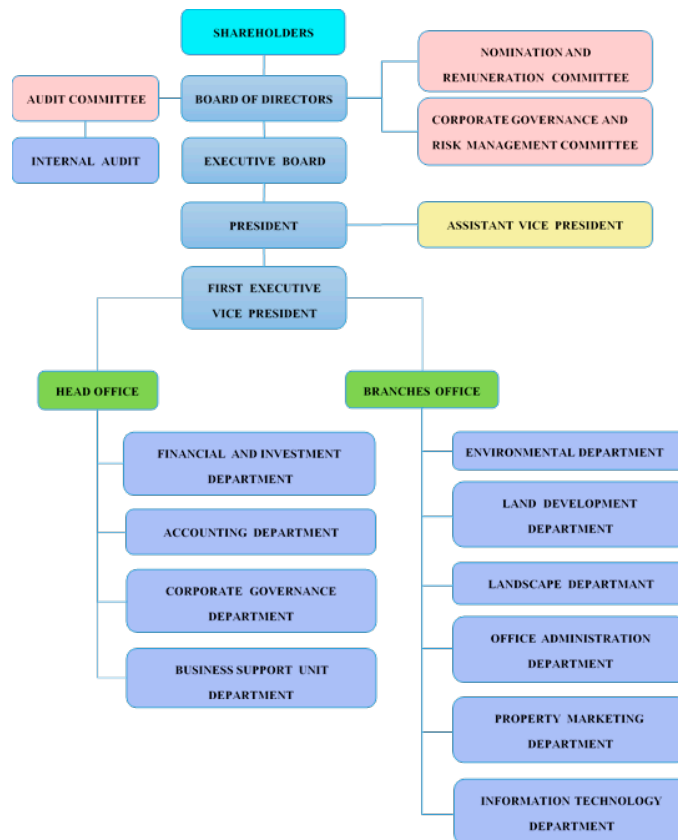
Good People ❤️ Good Products ❤️ Good Society

We serve with swiftness, politeness, honesty, transparency, and equality.	Our products are of good quality, sufficient in number, and developed per established goals.	We provide good occupational health, safety, and environment for our employees, as well as the surrounding communities.
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General Information

Organization chart



December 31, 2017

Disclosed on company website: www.spi.co.th

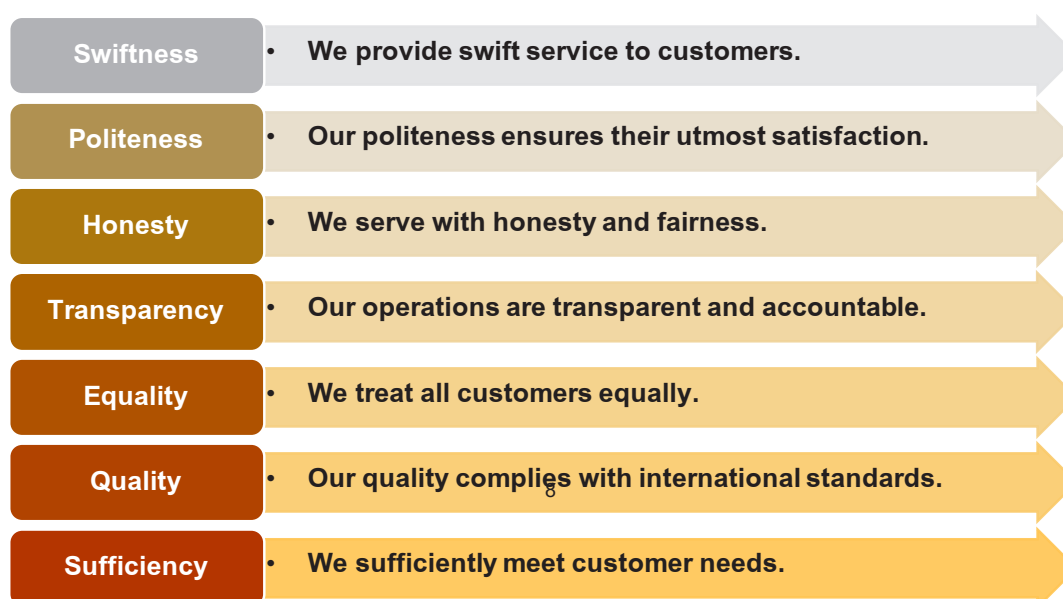


Vision, Mission, Target and Values

By realizing the importance of the business operation, the Board of Directors has established the Company's Vision, Mission, Target and Values to guide the Company's directors, executives and employees to the same path of success by reviewing it annually.



The 7 Values





Significant Development

2017

- On February 9, 2017, the Company issued and began offering two sets of debentures worth 2 billion baht. The first set of debentures, which will mature by 2020, is worth 1 billion baht and has a fixed interest rate of 2.39% per annum. Meanwhile, the second set, which will mature by 2024, is also worth 1 billion baht and has a fixed interest rate of 2.44% per annum.
- Entire business transfer of President Holdings Co., Ltd. and a mandatory tender offer to purchase the entire securities of President Rice Product Public Company Limited and President Bakery Public Company Limited. Due to the aforementioned the company was internationally awarded with the “BEST THAILAND DEAL Saha Pathana Inter-Holding Public Company’s \$2.902 billion restructuring of four listed entities into one.” from Finance Asia Awards 2017
- Issue of convertible debenture No. 1/2017 which will reach the convertible period in the year 2024 with the condition to convertible value of 3,505 million baht (0.7% per annum). As a result, the company was awarded “Best Bond Awards 2017 — Most Innovative Deal” from The Thai Bond Market Association.
- The Company began its work to transform the Saha Group’s Industrial Park in Sriracha into an eco-industrial park in 2009. The Department of Industrial Works has led the effort to develop areas and districts heavily populated by industrial plants into eco-industrial towns. The pilot areas include Rayong, Samut Prakan, Samut Sakhon, Prachinburi, Chachoengsao, and Chonburi. The Saha Group’s Industrial Park was chosen to take part in the endeavor. We have devised plans, organized activities, and executed projects to establish ourselves as an eco-industrial park.

2016

- The Company garnered the Outstanding Award for its 2016 Industrial Environmental Management from the Engineering Institute of Thailand under the His Majesty the King’s Patronage.
- The Saha Group’s Industrial Park Si Racha received a CSR-DIW Continuous Award 2016 plaque from the Ministry of Industry.
- The Saha Group’s Industrial Park Si Racha was selected as a pilot industrial area for Chonburi to be developed into an eco-industrial town as part of the feasibility study of the master plan to develop eco-industrial towns in collaboration with the Chonburi Industrial Office and the Department of Industrial Works of the Ministry of Industry.
- The water treatment plant of the Saha Group’s Industrial Park Si Racha registered its water-supply production for a carbon footprint label from the Greenhouse Gas Management Organization (TGO) based on an assessment of CO2 emissions from the production process.
- The Company became a certified member of Thailand’s Private Sector Collective Action Coalition against Corruption (CAC).

2015

- Saha Group Industrial Park Sriracha was certified as a “Green Industry - Level 3” by the Ministry of Industry due to the focus on development together with continuous improvement and entrepreneurship with social responsibility both within and outside the industrial park throughout the supply chain to create sustainability.
- Saha Group Industrial Park Sriracha in cooperation with Kasetsart University and the Certification Institute conducted a study of the qualified waste management system in accordance with academic findings and the law in order to develop the potential for the use of sludge as a fertilizer which could be produced according to the standard required by the Department of Agriculture.
- Saha Group Industrial Park Kabinburi participated in the master plan development towards an ECO industrial town in Prachinburi. Saha Group Industrial Park Lamphun won the “CSR-DIW Continuous Award 2015” organized by the Ministry of Industry in which the award is towards company that exhibit sustainable development.



Awards and achievements

2017

- The Company achieved a full score of 100 along with the “Excellent” status for quality assessment of its 2016 Shareholders Annual General Meeting for the ninth consecutive year.
- Corporate governance assessment for listed companies the company received an “Excellence” rating.



- Award an Internationally recognized achievement “BEST THAILAND DEAL” from Finance Asia 2017 on \$2.902 billion restructuring and consolidation of four listed entities
- Awarded the Best Bond Awards 2017 in the category of Most Innovative Deal from The Thai Bond Market Association.
- Awarded the Pracharat Ruam Jai Honorary Plaques through Saha Group's Pracharat Ruam Jai projects. The Company has taken part in the project through its program to elevate occupational standards, as well as the Dr. Thiam Chokwatana's Sufficiency Agriculture Project and the Road Safety Awareness campaign.

2016

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- The Company garnered the Outstanding Award for its 2016 Industrial Environmental Management from the Engineering Institute of Thailand under the His Majesty the King's Patronage.

2015

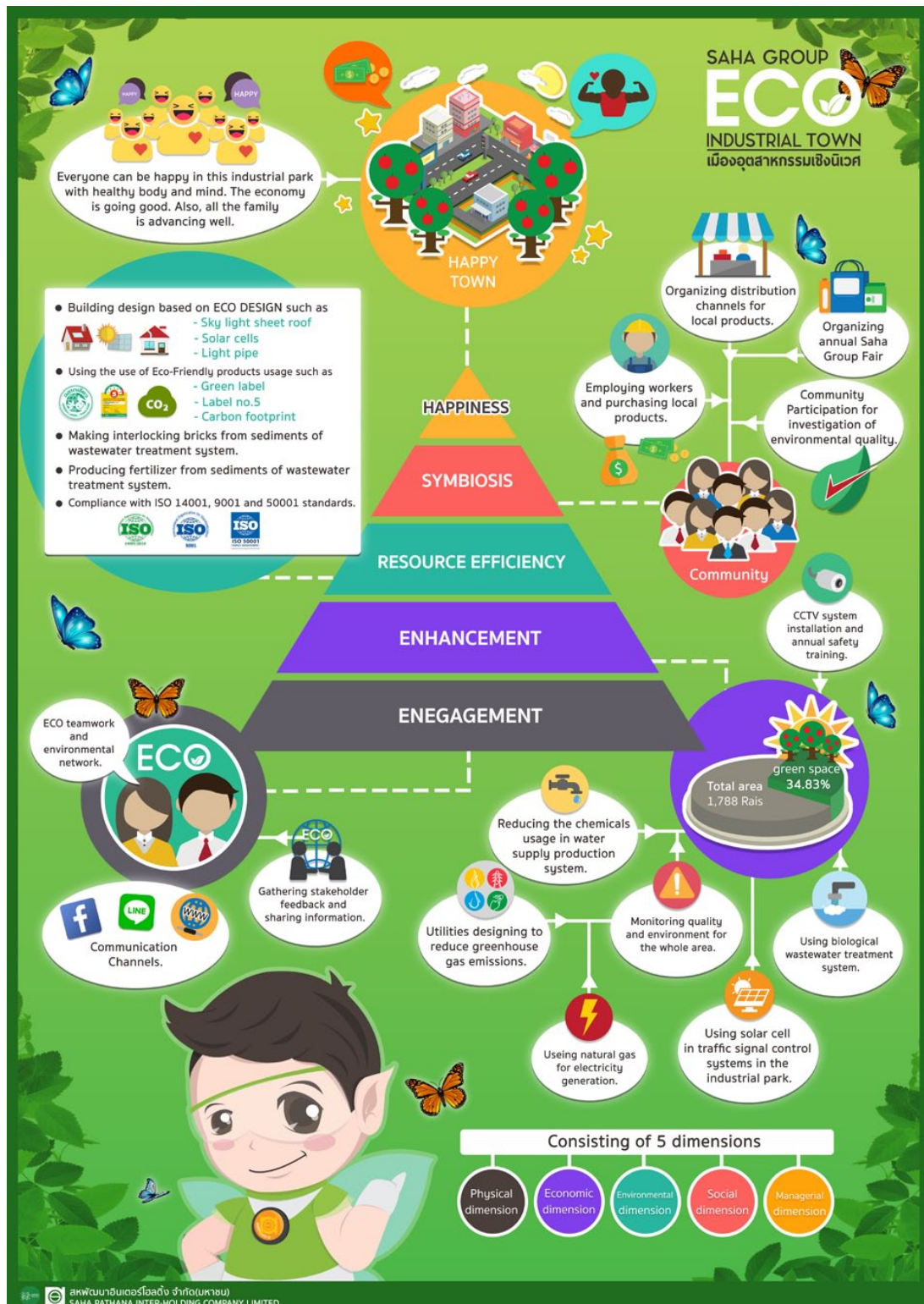
- Received a certificate for the leading industrial operator in accordance with the Principles of Good Environmental Governance which is in line with the principle of good corporate governance. Additionally, the community are able to take part on issues and voice complaints in order to work towards building a community network between operators and local government as to reflect a greater tie between the local community and industrial park operators to coexist happily and sustainably.
- Received a certified “Green Industry - Level 3” by the Ministry of Industry for the environmental management system that was assessed and praised for the continued development and sustainability.

Sustainable Development

Major Sustainable Development Strategies

It is the Company's vision to be a leader in investment with a strong focus on service and a commitment to social development by adhering to the code of conduct and ethics. The Company operates with honesty, transparency and equality towards all stakeholders and towards society as a whole—aiming for a future of sustainability through:

Eco Industrial Town



Corporate Social Responsibility and Sustainable Development Policy

As an investment leader of the Saha Group, the Company focuses on putting its money into businesses with growth potential for optimal returns. In the meantime, the Company continues to grow its real-estate business to support increase investments while enhancing its rental and service capabilities to bring about the utmost benefits to the tenants of Saha Group's Industrial Park. This enhancement is achieved by transforming the park into an eco-industrial town with an excellent management system that boasts transparency, honesty, and accountability under the principles of good governance.

The purpose of this transformation and the alignment of our Pracharat project (Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun) with the government's development scheme and supporting projects—such as the development of the Eastern Economic Corridor (EEC) and the establishment of special economic zones, whose goal is to help local communities generate income—is to improve the quality of life in the surrounding communities, to create a good environment for them, and to generate continuous income growth. In terms of sustainable growth and development of human resources and locales, the Company has aligned its corporate social responsibility management with the Global Reporting Initiative (GRI) Standards 2018 under the policy of “Good People. Good Products. Good Society.” The Company has prepared a sustainable development report in which the Board of Directors has assigned the Good Governance and Risk Management Committee to oversee matters of sustainable development management with an emphasis on an organizational culture of balancing business with environmental conservation and sustainable co-existence with communities.

“Good People”

- We provide swift service to customers.
- Our politeness ensures their utmost satisfaction.
- We serve with honesty and fairness.
- Our operations are transparent and accountable.
- We treat all customers equally.

“Good Products”

- Our quality complies with international standards.
- We sufficiently meet customer needs.
- We develop products per established goals.

“Good Society”

- We promote better hygiene and safety.
- We provide a good work environment.
- We take care of the surrounding communities.

Our stakeholders

The Company identifies and prioritizes stakeholders based on its three main business areas: equity investment, rentals and services, and industrial parks. Assessment criteria that respond to stakeholders' objectives are used. Furthermore, stakeholders' demands and interests, as well as direct and indirect impacts of the Company's policies and operations, are taken into account in conjunction with the benefit shared between businesses and stakeholders. In summary, stakeholders involved in the business processes consist of shareholders, customers, business partners and employees, along with communities and societies, the media and the public sector.





Stakeholders Involved in Business Operations

Stakeholder	Expectations	Processes Used	Practices	Results
<ul style="list-style-type: none"> Shareholder 	<ul style="list-style-type: none"> A reasonable return on investment Good corporate governance Social and environmental responsibility 	<ul style="list-style-type: none"> Annual general shareholders meeting Annual report Company website SET news system Company visit Analyst/Investors meeting with Saha Group 	<ul style="list-style-type: none"> Organize the annual general shareholders meeting Sustainability Report Organize company visits Organize meetings between Saha Group and Analyst/Investors 	<ul style="list-style-type: none"> Created an environment of asking questions and discussion Built trust in good corporate governance Fostered understanding of the Company's business operations Dividends
<ul style="list-style-type: none"> Customer 	<ul style="list-style-type: none"> Customers' satisfaction Operate business in an environmentally friendly manner 	<ul style="list-style-type: none"> Exchange of ideas and knowledge Provide new and innovative services Customer satisfaction survey Establish CSR projects Company website E-mail Reduce impact on the environment 	<ul style="list-style-type: none"> Develop services to meet the needs of customers Create a business network which is friendly to the environment Evaluate customer satisfaction once a year Share knowledge related to factories' operations within the industrial parks Announce wastewater treatment fee rate with clarity and fairness Disclose results of wastewater analysis and measurement once a month 	<ul style="list-style-type: none"> Obtained ISO 9001:2008 and ISO 14001:2004 certifications Received Rising Star Award Obtained knowledge and understanding related to the factories operations within the industrial parks Able to use recycled water within the industrial parks
<ul style="list-style-type: none"> Trade Partners / Contractors / Suppliers 	<ul style="list-style-type: none"> Fairness and transparency in business transactions Consult and exchange of knowledge and ideas 	<ul style="list-style-type: none"> Set up meetings to share and exchange knowledge and ideas Jointly learn and development together Analysis of trade partners / contractors / supplier within the supply chain Telephone Public relations E-mail 	<ul style="list-style-type: none"> Establish relationship policy to form business alliances Fair trade in business transactions Develop business partners able to add synergistic value to the group. Select trade partners / contractors / suppliers in the supply chain Organize trainings on relevant business knowledge Provide consultation and analysis on investments 	<ul style="list-style-type: none"> Obtained ISO 9001:2008 certification Strengthened business networks Increased potential Created higher standards in many areas
<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Remuneration and welfare Work security and progress Good quality of life Knowledge and skills development 	<ul style="list-style-type: none"> Employee survey Meetings between Company executives and employees Performance appraisals Public relations Company website E-mail Whistleblower 	<ul style="list-style-type: none"> Adopt principles of human rights and employees treatment Continuously develop knowledge/skills for employees Establish working groups to develop employees remuneration Build career path and establish succession planning for employees Protect whistleblower 	<ul style="list-style-type: none"> Obtained Thai Labor Standard Certification (TLS 8001) Received appropriate, unprejudiced and fair remuneration and welfare Received information and understanding about career paths Received fair treatment
<ul style="list-style-type: none"> Communities and Society 	<ul style="list-style-type: none"> Create occupations and income Develop and care for the surrounding community Support for community activities Develop children and future youth community schools 	<ul style="list-style-type: none"> Surveying and listening to community residents' points of view Organizing meetings: communities / schools meet the Company Co-organizing events with communities Open House Call Center Company website 	<ul style="list-style-type: none"> Support activities relating to developing quality of life, and community's customs and traditions Organize annual local product fair Support educational funds and scholarship Participate in Thailand State and Environmental Governance Employ local workforce 	<ul style="list-style-type: none"> Gained better quality of life for the community's residents Created educational opportunities Fostered good relationship between Company and community Used reasonably priced goods Created income for communities
<ul style="list-style-type: none"> Mass Communications Sector 	<ul style="list-style-type: none"> Communication between Company and relevant stakeholders Provide public relations channel to publicize Company news, information and activities 	<ul style="list-style-type: none"> Giving interviews Telephone Community radio Open House Company website 	<ul style="list-style-type: none"> Publicize Company's information, news, and activities via various channels: newspaper, community radio, TV, SET, and Company website 	<ul style="list-style-type: none"> Fostered good relationships between the Company and community/mass communications sector Developed ability to communicate quickly and accurately
<ul style="list-style-type: none"> Public Sector 	<ul style="list-style-type: none"> Cooperation between Company and the public sector Follow laws and regulations from public sector 	<ul style="list-style-type: none"> Open House Circular letters Monthly report Points of view discussion meetings Environment quality measure 	<ul style="list-style-type: none"> Distribute knowledge and build understanding in laws, regulations and practice guidelines Organize meetings to exchange knowledge and ideas Report environmental quality measurement results to the public sector 	<ul style="list-style-type: none"> Fostered good cooperation between Company and public sector Correctly operated in accordance with laws and regulations of public sector Obtained ISO 14001 : 2004 certification

About the Report

Reporting Scope

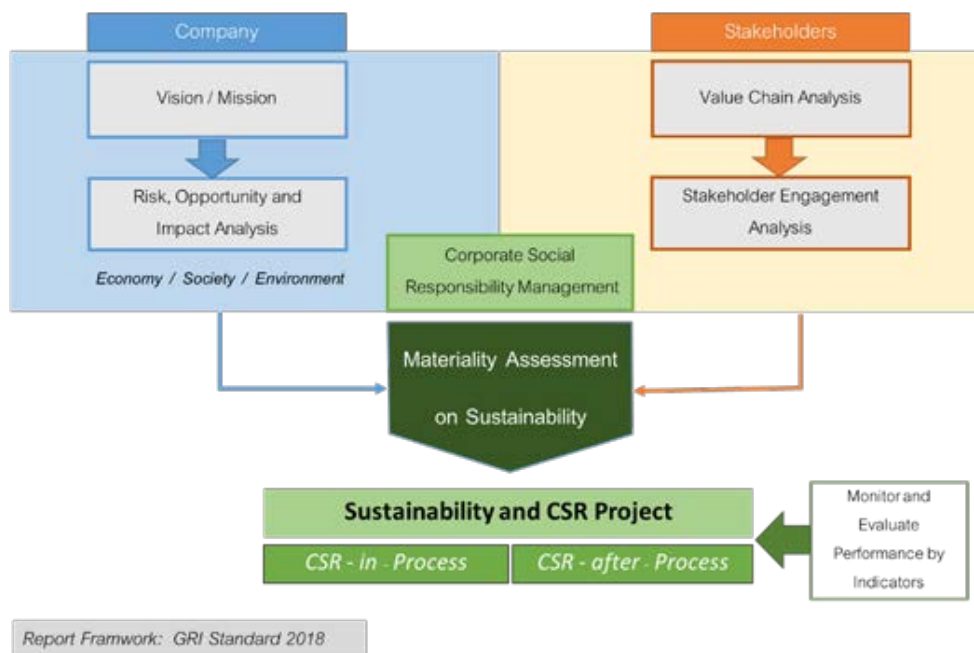
This sustainable development report has been prepared to demonstrate the Company's sustainable development performance, including its connections to economic, social, and environmental issues. The Company's guidelines for sustainable development under the corporate social responsibility policy includes the following three aspects: good people, good products, and good society. The preparation followed the GRI Standards 2018. The 2017 Sustainable Development Report focuses on the Company's operations, which are based on its business direction, vision, corporate strategies, good governance, and concrete guidelines of work ethics. It also focuses on employees' welfare, the development of employees into good people, the creation of value-added to the business, and the creation of opportunities for society and communities in the long run. These contexts are linked with international issues of sustainability, namely the economy, society, and the environment. The 2017 Sustainable Development Report covers all operations of the headquarters and branches, which are divided into the following three business groups:



Office	Type of Business	Location
Saha Pathana Inter-Holding Public Company Limited Head Office	Investment / Rental and Service	Bangkok
Saha Pathana Inter-Holding Public Company Limited Branch 1	Rental and Service / Industrial Park	Chonburi
Saha Pathana Inter-Holding Public Company Limited Branch 2	Rental and Service / Industrial Park	Prachinburi
Saha Pathana Inter-Holding Public Company Limited Branch 3	Rental and Service / Industrial Park	Lamphun
Saha Pathana Inter-Holding Public Company Limited Branch 4	Rental and Service (KBSC Golf Course)	Prachinburi
Saha Pathana Inter-Holding Public Company Limited Branch 5	Rental and Service / Industrial Park	Tak
Saha Pathana Inter-Holding Public Company Limited Branch 6	Rental and Service (J-Park)	Chonburi

Materiality Assessment of Corporate Social Responsibility of the Company

The Company conducted materiality assessment on sustainability (Materiality Assessment) by evaluating from the impact and the viewpoint of the Company and the stakeholders of the Company. Materiality assessment process as follows.



Significant Issues

The report is comprised of three dimensions and nine aspects. Based on the corporate social responsibility assessment, the Company has four significant issues pertinent to stakeholders.

1. The development of goods and services for the benefit of society and the environment
2. Job creation and human-resource development
3. Community participation
4. Pollution prevention



Economy	Society	Environment
<ol style="list-style-type: none"> 1. Governance 2. Anti-corruption efforts 3. Ethical business practices 4. Innovation and dissemination 5. Responsibility towards consumers <ul style="list-style-type: none"> • Development of goods and services for the benefit of society and the environment. 	<ol style="list-style-type: none"> 1. Respect for human rights 2. Labor 3. Development of society and communities <ul style="list-style-type: none"> • Job creation and human-resource development • Community participation 	<ol style="list-style-type: none"> 1. Environmental management <ul style="list-style-type: none"> • Pollution prevention

Corporate Social Responsibility Policy for Sustainable Success

The Good Governance and Risk Management Committee has overseen the responses to and the execution of the corporate social responsibility policy under the GRI Standards 2018, as well as the scope of reporting scope. The summary of which is shown below.



(1) Development of Good People

Understanding that people are what drives an organization towards success, the Company underlines the importance of developing and promoting good people while also honing their skills to create good and skilled people who are loyal to the organization. The Company encourages its employees to further develop their knowledge and skills, as well as to develop a specific mindset and behaviors as part of its organizational culture that contributes to its long-term growth. To this end, the Company requires every employee to record at least 10 good deeds per year in the good deed journal to measure them individually. The information obtained from their journals is used to organize group activities with a common denominator.



● Good People for the Public

The Company encourages its employees to perform good deeds that benefit others, promoting a profound understanding of selflessness, giving, sharing, and seeing value in fellow human beings. This allows us to discover kind-hearted individuals with good interpersonal relations

- Training and seminars on subjects pertinent to businesses of the Saha Group



Good Governance Update for 2017

by Thanakrit Phoemphunsantisuk

on September 20 and October 18, 2017



- Phra Dabos's Fabric Bags

The Company and its employees purchased fabric bags from the Phra Dabos Foundation printed with "The King Shall Remain in Every Thai Heart Forever." In addition to combatting climate change, the purchase of these fabric bags also contributed to the creation of jobs and the generation of income for individuals from various communities with occupational training from the foundation. The Company donated the bags to temples nearby.

(2) Development of Skills

The Company committedly assists its employees in their endeavor to further develop their skills and knowledge to ensure career stability and career advancement based on their potential. Having skilled human resources contributes to the Company's competitiveness. The Company requires every employee to undergo at least one training program per year related to their job function and at least two general programs per year. These training programs could be conducted internally or externally, such as by the Stock Exchange of Thailand, the Securities and Exchange Commission, the Thai Institute of Directors, the Thai Listed Companies Association, and the Federation of Accounting Professions under the Royal Patronage of His Majesty the King.

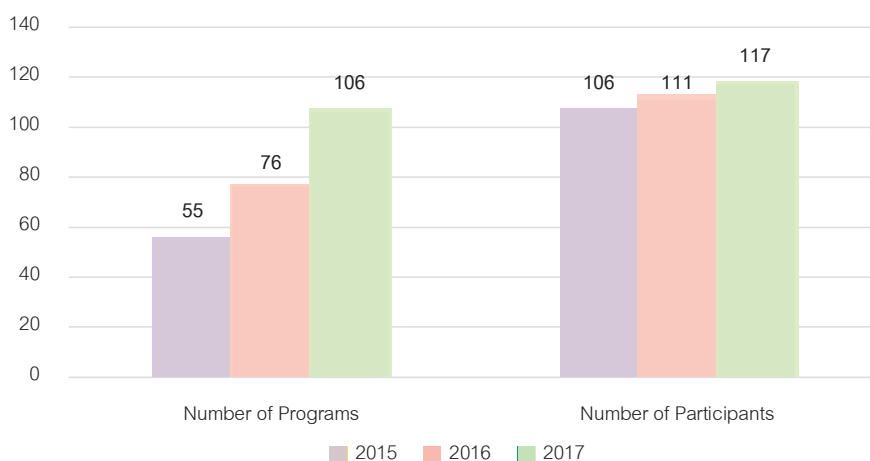


Annual 2017 income tax update Training Course

by Mrs. Punnee Worawuthichongsthit

on September 7, 2017

Human Resource Development Training 2015—2017



In addition to training, skilled individuals are also able to pass on their skills and knowledge to other employees, as well as communities and society.



- Disseminating wastewater treatment knowledge to students at schools near the Company's establishments

(3) Encouraging Employees' Participation and Creation of Value to Society

The Company encourages its employees to volunteer for the benefit of society and local communities, promoting an understanding of selflessness, collaboration, unity, and a common goal of improving local communities. This also fosters good relations between the Company and local communities. Employees who regularly partake in community-oriented activities are benevolent, kind-hearted, and good at interpersonal relations. These individuals are important human resources. Below are some of the activities.

- **Installing Automated External Defibrillator**

The Company installed a Powerheart G3 automated external defibrillator (AED) in front of its office to provide access to employees and the general public. Basic life support training, including the use of the AED, has also been provided to help employees cope with cases of an emergency. So far, 10% of all employees have undergone the training and become certified. The training was conducted by SECOM. The Company hopes to have 15% of its employees undergo the training and become certified by 2019 as it would promote a better quality of living in a sustainable manner.



- **Volunteer**

To promote an understanding of selflessness, collaboration, and unity among employees, the Company encourages them to volunteer as a group for the benefit of society. Employees who volunteer regularly are benevolent, kind-hearted, and capable of good interpersonal relations; they are the Company's crucial human resources. In addition to group efforts for the benefit of the public, the Company hosts a number of internal activities to unit its employees, including religious ceremonies and anniversaries of the Company's major events. In 2017 the Company organized the following activities:



The Company co-hosted one of the prayer ceremonies for His Late Majesty on April 7, 2017.



The Company activities participation

“Not Just Building a Dam But Giving Back to Society”

- The Company helped build a check dam in celebration of the 25th anniversary of Eastern Water Resources Development and Management PCL in collaboration with the Network of Forested Communities in 5 Eastern Provinces at Ban Nong Muang, Rayong, to better water-resource stability for the community on November 24, 2017.





Good Products (Business)

The Company adheres to the principle that it has a responsibility towards consumers and society. To this end, it strives to develop quality products and services that meet consumer demand without impacting society and the environment or infringing intellectual property in any way. The Company also ensures that its products and services are provided to consumers sufficiently and that they are developed according to established goals.

(1) Governance

In 2017 the Securities and Exchange Commission (SEC) issued The Corporate Governance Code (CG Code) 2017 for listed companies, which replaced The Principles of Good Corporate Governance for Listed Companies 2012 by the Stock Exchange of Thailand. The CG Code purposes include the following:

1. To elevate the standard of corporate governance from simple compliance to suitable application, which will lead to the creation of long-term value to organizations.
2. To assist the Board of Directors, as leaders of any given organization, to apply the eight principles to their organization's own corporate governance principles, covering all aspects of operations.

The Board of Directors understands its role as leaders of the organization. Through the Good Governance and Risk Management Committee, the board studied and attended in the CG Code seminar to familiarize itself with the code's benefits, guidelines, and promises of long-term benefits to the Company's day-to-day operations. After assessing the Company's compliance with each principle of the CG Code to determine existing compliance points and suitable development plans for non-existing points, the board approved an adaptation of the CG Code to the Company's business context, which is disclosed in the annual report (Form 56-2) and the annual registration statement (Form 56-1).



- The Company tested its employees' understanding of good corporate governance for the first time. Test takers must have a score of at least 80% to pass. All 100% of test takers passed the good corporate governance test.
- During the last Annual General Meeting of Shareholders, the Company communicated principles of good corporate governance to shareholders in the form of a video animation.

(2) Anti-Corruption Efforts

The Company is committed to conducting its business with fairness, transparency, honesty and social responsibility. As the Board of Directors recognizes the importance of transparent, fair, and accountable operations, the anti-corruption policy has been disseminated throughout the Saha Group, fostering internal collaboration that will usher in a new dawn of transparency and sustainability.

Following the announcement of the anti-corruption policy in 2015, the Company has continued to fight against all forms of corruption by formulating guidelines in support of this policy. These guidelines were announced and came into effect on March 15, 2017. Furthermore, the Company became a certified member of the Thailand's Private Sector Collective Action Coalition Against Corruption on October 14, 2017. The Company has expanded its anti-corruption network over the past two years to the following 12 companies:

In 2016 the Group's network consists of 11 companies as listed below:

- | | |
|------------------------------------------------------------|------------------------------------------------|
| 1. President Bakery Public Company Limited | 2. Thai President Foods Public Company Limited |
| 3. President Rice Product Public Company Limited | 4. Saha Pathanapibul Public Company Limited |
| 5. I.C.C. International Public Company Limited | 6. Thai Wacoal Public Company Limited |
| 7. Thanulux Public Company Limited | 8. Sahacogen (Chonburi) Public Company Limited |
| 9. Textile Prestige Public Company Limited | 10. People's Garment Public Company Limited |
| 11. S & J International Enterprises Public Company Limited | |

The year 2017, OCC Public Company Limited was awarded the Anti-Corruption member certification.



- Anti-Corruption Day 2017
- The Company provides a complaint submission channel. No complaints were made in 2017.
- The Company encourages and supports continuous training to instill an anti-corruption awareness among people within the organization. Employees were tested and would only pass with a score of 80%. All 100% of test takers passed.



September 6, 2017

(3) Fair Business Practices

Conducting business fairly will bring about trust and confidence among stakeholders, yielding long-term benefits. Every business should adhere to ethical practices to ensure fairness instead of taking advantage of unethical conduct. To standardize its fair business practices, the Company has issued the following guidelines:

1. The Company shall avoid transactions that may lead to a conflict of interest. In the event that a conflict of interest has arisen, the Company must deal with it prudently and reasonably.
2. The Company shall operate within the framework of fair competition with regard to the code of conduct and business competition laws of the country in which the Company invests.
3. The Company shall refrain from supporting any activity that may infringe upon intellectual property or copyright.
4. The Company shall provide an efficient and effective system of internal control and checks and balances to prevent corruption or participation in corruption.
5. The Company shall instill an awareness, value and attitude of honesty and compliance to laws and regulations among directors, executive officers and employees.

The internal audit department has evaluated the internal audit system within the company on an annual basis in accordance to the internal audit certified by the committee of the Stock Exchange of Thailand based on The Committee of Sponsoring Organizations of the Treadway Commission (COSO). The audit committee is responsible for the evaluation of the company internal audit procedures having concluded that the company internal audit is in compliance and free from any material errors, procedures or legal matters. In conclusion, the company's management view the internal audit system as sufficient and appropriate to support current business operations.

(4) Human Rights and Treatment of Employees

The Company is dedicated to responsible operation without limitations on freedom, differences of opinions, gender, race, religion, and civil or political rights. The Company respects the human rights of all stakeholders, including the fundamental rights at work of all employees based on labor laws, human rights principles and equality to standardize its practices of human rights and treatment of employees. The Company has disclosed the policy and guideline in the Business Ethics Code of Conduct under the Human Rights section.

1. There shall be no activities or support of activities which violate human rights.
2. Employees are provided with the knowledge and understanding of human rights which are applied to their work operations.
3. There are no limitations to independence or differences in ideology, gender, race, religion, politics or other matters. The expression of opinions which could cause conflicts will be avoided.
4. Channels shall be provided for Employees who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with the Company. Such complaints shall be given attention and processed in a fair manner.

The Company has recorded no Human Rights violation.

(5) Fair treatment of the Workforce

The Board of Directors regard Employees as a valuable resource and a key factor in the Company's success. The following policies and guidelines have been prescribed in this regard.

1. Human dignity and the fundamental rights of Employees are respected at work. Employee data or confidential information is not disclosed or transmitted to third parties or unrelated persons.
2. Employees are treated in accordance with the provisions of law, regulations and articles governing the Company's operations.



3. Employment equality is promoted. There is no discrimination on the grounds of gender, skin color, race, religion, age, disability or another status that is not directly related to the works.
4. Training and knowledge exchange are sponsored and promoted to encourage learning and skill development throughout employment; The Company seeks to strengthen career security and offer opportunities for advancements pursuant to each person's potential.
5. Employee participation in the determination of the Company's direction and development are promoted.
6. Fair compensation is offered depending upon knowledge, skill, duties, responsibilities and performance.
7. Appropriate welfare and benefits are given to Employees, e.g. medical expenses, provident fund, a cooperative and influenza vaccination



Fire drill and evacuation in 2017



Labour Relation Activities

(6) Responsibility Towards Consumers

The Company conducts its business and follows through with its contractual obligations in a fair and transparent manner. It safeguards its consumers' information and assures their utmost satisfaction, as well as accurately discloses information. Moreover, the Company is dedicated to developing its investments, products, and services under international standards to meet consumer demand in a sustainable manner.

The Company and Saha Group's of companies has organized the annual Saha Group Fair for the past 21 years to give back to society. At the fair, products are sold directly to consumers at special prices. These fairs have also been extended to the Company's industrial estate park.



The Saha Group's goal is to promote the use of products made in Thailand by Thai people for Thai people, in which the logo appears on products of Saha Group.





One of the Company's main strategies is to transform its industrial park into an eco-industrial town that ensures the mutual growth of its business, the industrial sector, the environment, and society in a sustainable manner. To this end, the concept of industrial ecology, with a focus on eco-friendliness, has been applied to its sustainable industrial development. Components of the new industrial system mimics the symbiosis relationship that exists in a natural ecosystem, ensuring sustainability. This endeavor assures that future generations will still have access to abundant natural and energy resources. The strategy is comprised of five development dimensions, which are further divided into 20 interrelated and balanced aspects that support one another. Each dimension may be linked to create a network of activities that support any of these five dimensions—namely physical, economic, environmental, social, and managerial. The strategy falls under the eco-industrial town development provisions of the Department of Industrial works. Data has been gathered since 2017 to be used for continuous development.

The Company is committed to developing the Saha Group's Industrial Park in Si Racha into an eco-industrial town for the following economic, social, and environmental benefits:



Economic Dimension

Local Economies

Indicators	Results	Images
4.1.1 Promotion of and support for activities in surrounding communities	The results of promoting and supporting activities in local communities are at the intermediate level. 3 points	  <p>Sponsoring Songkran Activities For Nearby Communities</p> <p>Donating to People with Disabilities and Opening a Store</p>
4.1.2 Percentage of manufacturing plants in which local laborers make up at least 25% of the entire labor force	At least 20% of the manufacturing plants in the eco-industrial town have a labor force that is made up of at least 25% locally hired laborers. 5 points	 <p>Locally Hired Labor Force</p>
4.1.3 Percentage of manufacturing plants that procure products or services locally; or support activities or occupational groups of local communities; or provide support for market sustainability or development of career or skill training programs	Over 20% of manufacturing plants procure products or services locally; or support activities or occupational groups of local communities; or provide support for market sustainability or development of career or skill training programs 5 points	  <p>Local food vendors at Central Cafeteria</p> <p>Local stalls at the Saha Group Fair</p>

Transportation and Logistics

Indicators	Results	Images
6.1.1 Percentage of manufacturing plants with activities or measures for safety, cost reduction, or improvement of their transportation and logistics systems	The Saha Group's Industrial Park in Sriracha encourages plants to carry out activities or measures for safety, cost reduction, or improvement of their transportation and logistics systems. 1 point	  <p>Seino Saha Logistic Co., Ltd.</p> <p>Si Racha Transport Co., Ltd.</p>  <p>Saha Pathanapibul PCL.</p>

Social Dimension

Employees' Quality of Life and Social Environment

Aspect	Indicators	Results
Employees' quality of life and social environment	16.1.1 Percentage of manufacturing plants with a happy workplace policy	At least 50% of the manufacturing plants execute some forms of a happy workplace policy based on the eight happiness principles. 5 points

The Happy Workplace Policy ensures a good quality of life among employees and in the local communities. It is comprised of eight happiness principles: happy body, happy heart, happy relaxation, happy brain, happy soul, happy money, happy family, and happy society. There are 53 out of 59 establishments with happy workplace activities, an equivalent of 89.83%



In addition, the Company organizes activities to foster good relations, mutual understanding with nearby communities in hopes of happy coexistence based on assessment results of community satisfaction towards these activities and increased participation.




Quality of Life and Social Environment of Nearby Communities

Indicators	Results	Images
17.1.2 Community satisfaction	<p>The Saha Group's Industrial Park in Sriracha surveyed the satisfaction of nearby communities towards its CSR activities and involvement in local communities and founded an increase in the level of satisfaction.</p> <p>4 points</p>	 <p>Participating in an activity of an environmental network</p>  <p>CSR Satisfaction Survey</p>

Involvement in Area Management

Indicators	Results	Images
18.1.1 Plans and performance of the Eco-Industrial Town Working Group and/or the Eco-Industry Network	<p>The Saha Group's Industrial Park in Sriracha execute and establish plans to provide a summary of its performance at least four times a year.</p> <p>5 points</p>	 <p>Attending a seminar of the Environmental and Safety Network</p>  <p>Meetings of the Eco Industrial Town Working Team</p>

Development and Maintenance of International-Standard Management System

Indicators	Results	Images
19.1.1 Percentage of manufacturing plants certified with ISO 14001 / ISO 50001 / TIS/OHSAS 18001/ at least level 3 of the Green Industry (GI) / an Eco Factory system or other equivalent management system	In terms of the development and maintenance of international-standard management system, at least 40% of the plants in the Eco-Industrial Town are certified with ISO 14001 / ISO 50001 / TIS/OHSAS 18001 / at least level 3 of the Green Industry (GI) / an Eco Factory system or other equivalent management system. 5 points	

Information and Disclosure

Indicators	Results	Images
20.1.1 Eco-Industrial Town's effective formats, channels, and frequencies of communication and information disclosure	The Saha Group's Sriracha Industrial Estate has continuous communication and information disclosure regarding its Eco-Industrial Town endeavor to the public. 5 points	

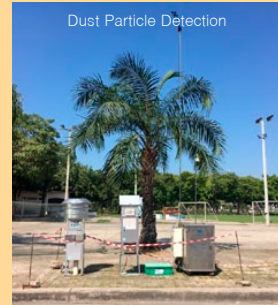

Eco-Industrial Town's Communication and Information Disclosure

Environment Dimension


Indicators	Results	Images
7.2.1 Reduction in water use	The Saha Group's Industrial Park in Sriracha collects data on water use reduction or water use maximization activities from at least 40% (baseline) of the establishments on its premises. 5 points	
7.2.2 Reduction in wastewater	The Saha Group's Industrial Park in Sriracha collects data on wastewater reduction or wastewater maximization activities from at least 40% (baseline) of the establishments on its premises. 5 points	

The volume of reused treated wastewater continues to increase.

Air Quality Management

Indicators	Results	Images
8.1.1 Air quality around industrial estate, industrial zone, industrial park, and communities are within standard range	The Saha Group's Industrial Park in Sriracha assesses air quality twice a year, the results of which have always fallen within the standard range (100%) and continue to exceed standard requirements (within a 3-year period) from 4 parameters onwards. 5 points	
8.1.2 Percentage of manufacturing plants whose activities to reduce air pollution emissions significantly exceed standard requirements	At least 20% of the manufacturing plants perform activities to reduce air pollution emissions in a way that significantly exceed standard requirements. 5 points	

Management of Waste and Excess

Indicators	Results	Images
9.1.1 Percentage of industrial wastewater sludge reused	The Saha Group's Industrial Park in Sriracha collects data (baseline) on the number of establishments with industrial wastewater sludge and excess materials. Insufficient information to obtain points between 1—5.	



Energy Management

Indicators	Results	Images
10.1.1 Percentage of alternative energy used	The Saha Group's Industrial Park in Sriracha encourages establishments within its premises to resort to alternative forms of energy through the dissemination of information about transforming the industrial park into an eco-industrial town. Insufficient information to obtain points between 1—5.	
10.2.1 Percentage of manufacturing plants with activities or measures to reduce or maximize energy consumption	At least 20% of the establishments have activities or measures to reduce or maximize energy consumption. 5 points	

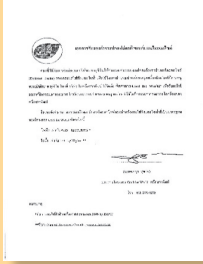

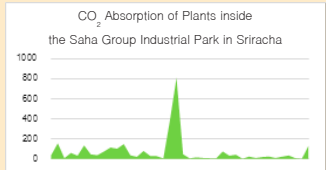
Distress or Annoyance Complaint Management

Indicators	Results	Images
11.1.1 Response to complaints about distress or annoyances	The Saha Group's Industrial Park in Sriracha manages complaints concretely with mitigation measures. No complaints were filed about distress or annoyances. 5 points	

Manufacturing Process



Indicators	Results	Images
12.1.1 Percentage of manufacturing plants with an eco-process or Eco Factory certification	At least 30% of the establishments have an eco-process or an Eco Factory certification or a level 3 or higher GI certification. 5 points	 Certification Ceremony for Establishments inside the Saha Group's Industrial Park in Si Racha That Participated in the Green Factory Event.
12.2.1 Percentage of manufacturing plants with activities or measures to enhance the efficiency of feedstock usage	At least 16% of the establishments have activities or measures to enhance the efficiency of their feedstock usage. 5 points	

Eco-Efficiency

Indicators	Results	Images
13.1.1 Percentage of manufacturing plants with four aspects of Eco Efficiency analysis - Water - Energy - Wastewater - Industrial waste and excess	At least 25% of the establishments inside the Eco-Industrial Town analyze at least two Eco Efficiency aspects. 5 points	 Establishments in the project uses clean energy to reduce CO ₂ emissions.
13.2.1 Percentage of manufacturing plants with activities or measures to reduce greenhouse gas emissions	At least 10% of the establishments have activities or measures to reduce greenhouse gas emissions and whose performance goal is achieved through a carbon footprint certification. 4 points	 All Trees inside the Saha Group Industrial Park in Sriracha can absorb 2,959.04 ton/year of CO ₂ in one year 

Indicators	Results	Images
13.3.1 Percentage of manufacturing plants with assessment of their impact on biodiversity and mitigation plans	At least 5% of the establishments in the Eco-Industrial Town have plans to prevent further impact on biodiversity. 3 points	 <p>The Saha Group's Industrial Park in Sri Racha Taken in August of 2017</p>

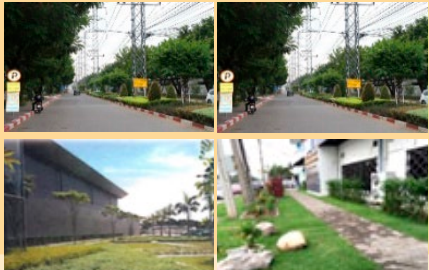
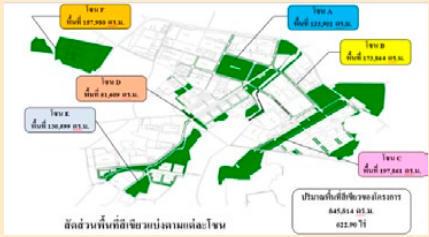
Safety and Health Management

Indicators	Results	Images
14.1.1 Percentage of severe accidents and acute illnesses	The percentage of severe accidents or dangers that would affect nearby communities or acute illnesses has gone down by at least 90% (no accidents inside the park). 5 points	
14.1.2 Chemicals and hazardous substances' leakage and accidents that affect employees, communities, or the outside environment	The percentage of chemicals or hazardous substances' leakage has gone down by at least 90% (no leaks inside the park). 5 points	 <p>Fire Drill and Map of Fire Stations</p>

Environmental Quality Monitoring

Indicators	Results	Images
15.1.1 Engaging environmental quality monitoring or environmental impact assessment (EIA) or equivalent programs	The Saha Group's Industrial Park in Sri Racha organizes activities that allow local communities to participate in environmental monitoring. These activities are organized at least four times a year. The outcome of each is also reported. Complaints have gone down as a result. 5 points	

Zoning

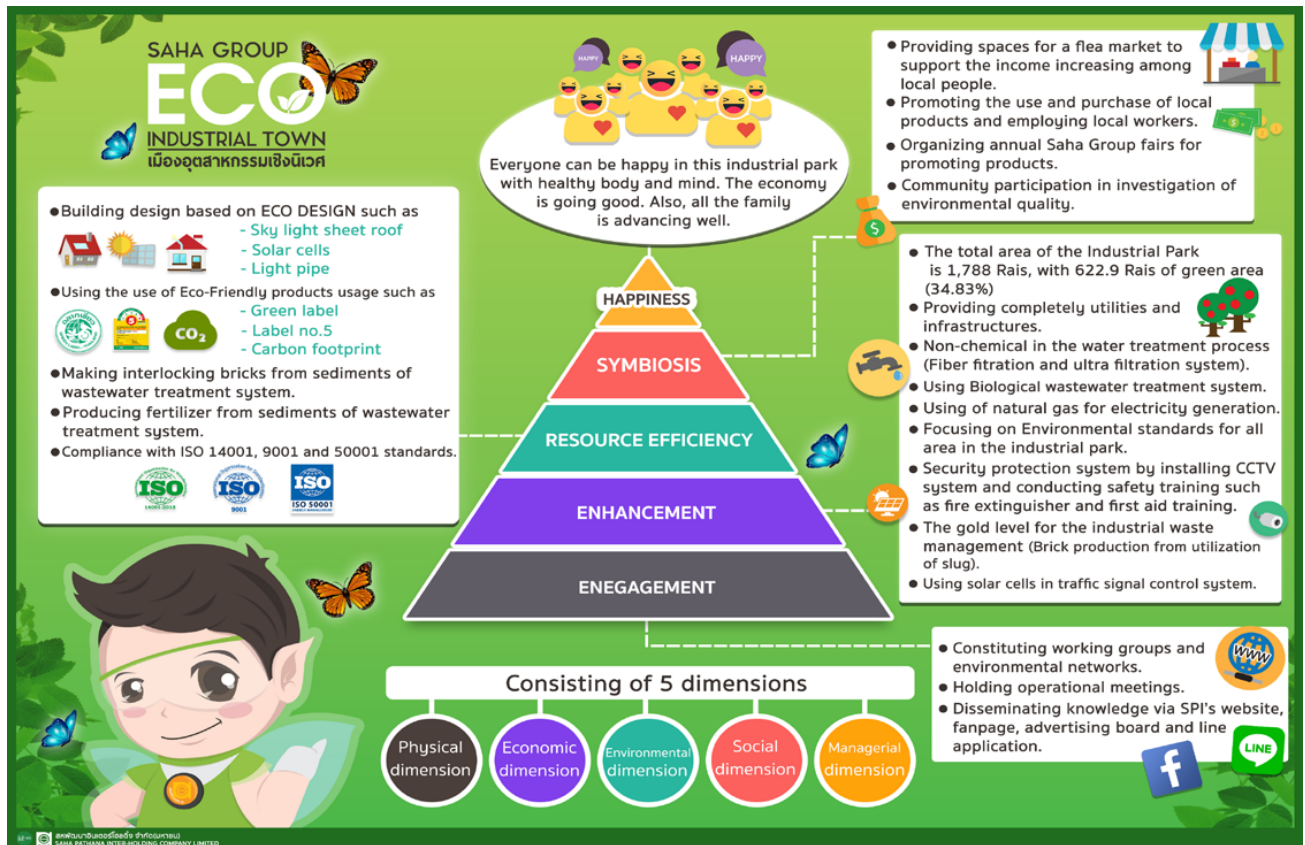
Indicators	Results	Images
1.1.1 Public facilities in the Eco-Industrial Town are developed or improved based on an eco-design (including infrastructure, e.g. roads)	The Saha Group's Industrial Park in Sriracha has developed its public utilities based on an eco-design, whose concept has been applied to at least six aspects. 5 points	
1.2.1 The ratio of green areas to the entire land area of the Eco-Industrial Town, including protection strips and eco buffer zones (without EIA/EHIA specifications, green areas may be added outside the establishments)	Green areas at the Saha Group's Industrial Park in Sriracha account for at least 30% of the entire land area of the Eco-Industrial Town, including protection strips and eco buffer zones. 5 points	 Total Green Area: 845,814 m2 (622.90 Rai) or 34.89%

Architecture and Landscaping

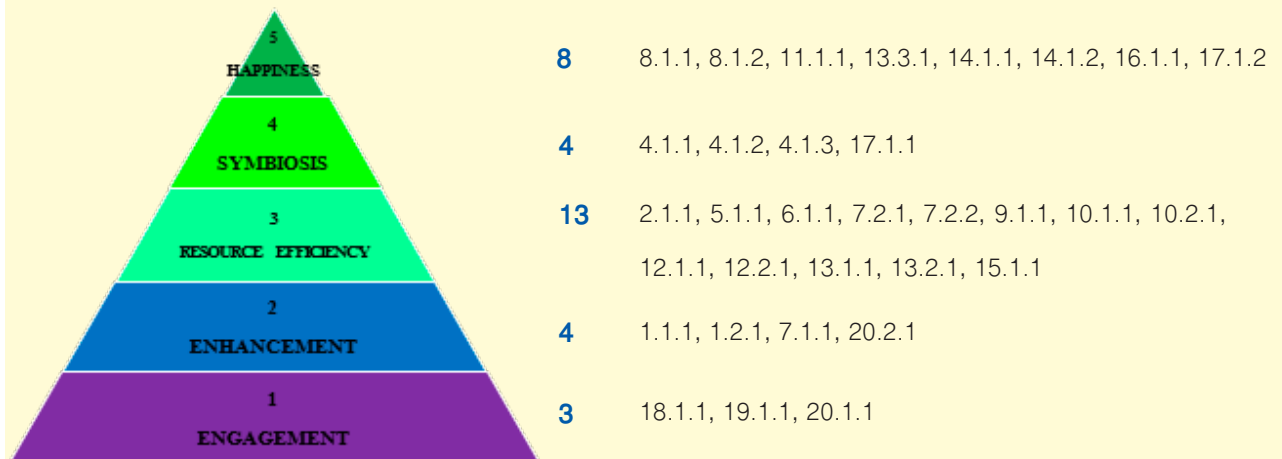
Indicators	Results	Images
2.1.1 Number of manufacturing plants whose architecture and/or internal systems are eco-friendly and/or energy-efficient	The Saha Group's Industrial Park in Sri Racha encourages at least 10% of the establishments within its premises to use eco-friendly or energy efficient architecture. 5 points	



Summary of Saha Group ECO Industrial Town community linkage



32 Eco-Industrial Town Indicators for Industrial Park



In summary, the Company's execution of its Eco-Industrial Town transformation has achieved a higher score than the required standard as detailed below:

Eco-Industrial Park (EIP) Indicators and Assessment (Minimum of 80% Required)

Eco-Industrial Park Levels	Industrial Park Indicators	Points	Accumulated Points		Min Score Required (Based on Accumulated Points)	
			Standard	Company	Standard	Company
1 ENGAGEMENT	18.1.1, 19.1.1, 20.1.1 (3 indicators)	15	15	15	(50%) 7.5	100.00%
2 ENHANCEMENT	1.1.1, 1.2.1, 7.1.1, 20.2.1 (4 indicators)	20	35 (15+20)	34 (15+19)	(60%) 21	97.14%
3 RESOURCE EFFICIENCY	2.1.1, 5.1.1, 6.1.1, 7.2.1, 7.2.2, 9.1.1, 10.1.1, 10.2.1, 12.1.1, 12.2.1, 13.1.1, 13.2.1, 15.1.1 (13 indicators)	65	100 (35+65)	84 (34+50)	(70%) 70	84.00%
4 SYMBIOSIS	4.1.1, 4.1.2, 4.1.3, 17.1.1 (4 indicators)	20	120 (100+20)	102 (84+18)	(80%) 96	85.00%
5 HAPPINESS	8.1.1, 8.1.2, 11.1.1, 13.3.1, 14.1.1, 14.1.2, 16.1.1, 17.1.2 (8 indicators)	40	160 (120+40)	139 (102+37)	(>80%) >112	86.87%



Good Society (Local Communities)

The Company encourages its employees to express their sense of responsibility towards society and the environment in all manners. It supports activities that ensure efficient use of natural resources and environmental protection, as well as undertakings that contribute to income generation of the underprivileged and community modernization. Furthermore, the Company supports the development of occupational health, the environment, safety and well-being of its employees and people in nearby communities through corporate social responsibility activities. By taking stakeholders into account, the Company hopes to lay a solid foundation for a strong society.

(1) Creating Educational Opportunities for Children



- Awarding Scholarships (Annual Ceremony to Pay Respects to Brahma, Sriracha) Saha Group's Pracharat Project, Collaboration among Local Communities, the Government, and the Saha Group



- Science Room Opening Ceremony, Thai Kasikorn Songkro School

(2) Development of Local Partners



- Sufficiency Shop (more information under Dr. Thiam Chokwattana's Sufficiency Agriculture Project)



- Helping local communities create jobs and generate income to improve local economies around the Saha Group's Industrial Park, Sriacha



- Samitivej Sriracha Co., Ltd. (Samitivej Hospital Sriracha) launched Samitivej Clinic to provide healthcare services to nearby communities.



- Thai SECOM Security Pitakkit Co., Ltd. provides total security solutions to nearby communities.

(3) Quality of Life and Environmental Development

Dr. Thiam Chokwatana's Sufficiency Agriculture Project in Lamphun

Dr. Thiam Chokwatana's Sufficiency Agriculture Project, Lamphun, began its land development in 2012. The project was launched on August 19, 2012 as an agricultural learning center. It demonstrates that industries, the environment, and local communities can coexist. The project has adapted the Sufficiency Economy Philosophy to simultaneous industrial and environmental development in a sustainable manner.

In 2017 the project expanded into the cultivation of kimchu guava, nam hom coconut, and Japanese melon. These are high-quality, organic fruits that are safe for consumers. From 2015 to 2017, the project has been visited by 5,349 people and 65 groups, including students, public and private officials, and the general public.

Description	2017	2016	2015
Number of Groups	21	21	23
Number of People	2,390	1,419	1,540

The accumulated sales of produce at the Sufficiency Store and from its booths at events, such as Lamphun's Longan, Northern Agriculture Fair at Chiang Mai University, the Saha Group's Pracharat Ruam JChai Fair, and the Saha Group Fair, from 2015 to 2017 is 425,087 baht.

Description	2017	2016	2015
Sales (baht)	132,374	108,601	184,112

The project is divided into the following six zones:



Rice Paddies



Fruit Farm



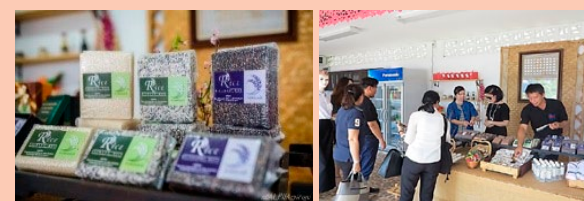
Livestock and Fisheries



Nursery



Rotary Crops



Sufficiency Store

In addition to its usual operations, the project has taken part in the Saha Group's Pracharat Ruam Jai Project by organizing the following activities with the local communities:



- The project provides 5 Rai of its land for students of Wat Nong Chiu to learn about oyster mushroom and riceberry rice farming.



- The project has supported activities of the Safe Rice Group of Pa Sak, including donating 105 jasmine rice seeds and pest control biological products.



- At the Saha Group's Pracharat Ruam Jai Event, there were exhibits from the public and private sectors, community booths selling local goods and food, and activities such as breast cancer checks, oral health promotion and prevention, and an anti-global warming bag sewing workshop by the Phra Dabos Foundation.

Dr. Thiam Chokwatana's Sufficiency Agriculture Project is dedicatedly a center of learning for sufficiency agriculture that demonstrates the possibility of a sustainable coexistence of industries, the environment, and local communities. As a result, the project was awarded a Pracharat Ruam Jai Plaque of Honor for its contribution to the elevation of occupational standards and to the agricultural sector.



San Palang Pracharat Project

The Company has joined the E3 Working Team of the Pracharat Project to develop grass-root economy and civil state with other institutes, foundations, organizations, and private companies. The team's task is to drive three segments of Thailand's grass-root economy forward—namely the agricultural segment, the processing segment, and the local tourism segment. Having learned much information, the Company was able to formulate tangible action plans. His Majesty's concept of "understanding, accessing, and developing" was incorporated to foster a multilateral collaboration among the public sector, the private sector, civil society, the academia, and the general public. Every party has taken advantage of its own strength to bolster the country at its foundation. As a result, local communities have been able to generate enough income to sustain themselves, as well as understand the meaning of selflessness and social contribution. The Company has also invested in Pracharat Rak Samakkeei (Thailand) Co., Ltd., who is tasked with educating grass-root people, building a domestic market network, and supporting the development of packaging, branding, and standardization.

Throughout 2017 the Company focused on disseminating information about its San Phalang Pracharat project among companies within the Saha Group in order to obtain their help in pushing the project towards success, as well as its adoption under the management policy of "good people, good products, and good society" through a number of activities.

- The Company supported the "Khao Sot Sang Suk" event by Pracharat Rak Samakkeeki Social Enterprise (Thailand) Co., Ltd. in collaboration with the Thai Rice Foundation, farmers groups and commercial centers in Ratchadamri and Ratchaprasong. The event's goal was to increase farmers' income in a sustainable manner through the promotion of an awareness about the diversity of Thai rice species among the new generation of consumers, including organic rice, the farmers' ability to derive many products from, and household size rice miller.
- The Road Safety Awareness Campaign, the Saha Group signed a memorandum of understanding (MOU) on road safety collaboration with the Pracharat Working Team on Road Safety. During the annual Songkran festivities, the Saha Group President expressed his concerns for employees travelling back to their hometowns for the occasion and asked them to strictly adhere to traffic laws, exercise caution, and refrain from wild activities. There was also a campaign encouraging employees to drive their motorbikes with their headlights on, wear helmets, put on seatbelts, refrain from driving when they experienced fatigue, from drunk driving, and from using their phones while driving, as well as take their vehicles in for a checkup prior to their trip.



The Company partook in the communications aspect of the campaign through the "Road Safety Awareness," which garnered it a Pracharat Ruam JChai Plaque of Honor.

(4) Improving the Quality of Life of the Underprivileged

The Company supported the Pracharat Project by partnering with the Social Innovation Foundation and its network to provide concessions for people living with disabilities or their caretakers per Article 35 of the Persons with Disabilities Empowerment Act B.E. 2550 in the form of a community store, which helps them generate income for themselves and their families.

(5) Preservation of Local Customs and Traditions

The Company operates while taking into account its responsibility towards local communities and society, as well as the preservation of local cultures, customs, and traditions through the following activities:



- The Company sponsored Pha Pa Samakki ceremonies for education at Wat Rattanachomphu (Nong Khro) School and at Wat Mai Phrom Suwan School in Wang Tan, Kabin Buri, on August 10, 2017.



- Activities for Children's Day 2017 of Pa Sak Municipality at Wat San Pa Sak School, Lamphun, on January 14, 2017.



- The Company provided food and drink for the ordination of 24 monks to honor His Majesty the Late King on October 19, 2017.



- Loi Krathong festivities at Phrom Sathan Park of the Saha Group in Kabin Buri with a Krathong parade and a child beauty pageant on November 3, 2017.




- Songkran blessing ceremony on April 21, 2017.

(6) Networking with Other Agencies

- Queen Savang Vadhana Memorial Hospital Sriracha, Cervical Cancer Tests / Blood Drive





For inquiries or suggestions, please contact
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