

3. Drive for Business Sustainability

3.1 Policies and Goals for Sustainability Management

The company conducts its business with firm belief in ethics and morality. It takes into consideration the benefits of all stakeholders. Therefore, the company implemented the Sustainability Development Framework by analyzing the impact and balancing the creating value in all 3 dimensions namely Management of impacts on stakeholder in the value chain, sustainability in environmental aspects and Sustainability in social aspects. The company has therefore established a good corporate governance policy, internal control and internal audit policy, risk management policy, including business ethics as a guideline for the Board of Directors, all executives and employees. In addition, the company has a human resource management policy to support anti-corruption, which will increase confidence to all parties in line with the Sustainability Development Goals (SDGs) set by the United Nations (UN).

The company continues to focus on SDGs of UN which has set a total of 17 goals that aims to make the better world society by 2030. The company has considered such goals and has implemented a total of 8 goals, namely goal 3, 4, 5, 7, 8, 12, 16 and 17 which are detailed below;

	Good health and Well being	Strengthening the health of employees away from disease, annual health check-up and COVID-19 prevention measure
	Quality education	Provide ongoing training for employees, also an education support for students
	Achieve gender equality and empower	Wage increase is considered on performance, and promoting employees without discrimination on gender, age, and religion
	Affordable Clean energy	Create energy saving project, install solar cell system and inverter system for water pump to reduced energy consumption and CO2
	Employment and economic growth	Plan and match the organization structure with the ability of each person to optimize work efficiency for maximum benefit
	Sustainable consumption and production plan	Allocate valuable resources in all process from upstream to downstream to maximize the benefits of use
	Peaceful, fair and non-discriminating society	Run business on the commitment of Responsible Care both internal and external affairs cover on an environment awareness
	Cooperation for sustainable development	Collaborative working with both government and private sectors to expand business for sustainable growth



The company implemented the Sustainability Development Framework by analyzing the impact and balancing the creating value in all 3 dimensions namely Management of impacts on stakeholder in the value chain, Sustainability in environmental aspects and sustainability in social aspects.

3.2 Management of Impacts toward Stakeholders in Business Value Chain

3.2.1 Business Value Chain

Value chain management is a key strategy to deliver sustainable business success. The company attaches importance to every process of the business chain - including the supply chain and value chain. These help upgrading the quality of life and environment as well as fair business operation with accountability to all groups of stakeholders.

(1) Resource Management

The company orders raw materials for production of motorcycle coating, packaging coating and printing ink from suppliers that most of them are important raw materials whose formulas are trade secrets regarding the Know-How that the company uses in production. In addition, the company has developed raw materials for paint production together with raw material manufacturers. In order to obtain raw materials that meet the characteristics of use both domestically and abroad.

(2) Production Process

The company concerns on awareness of customers responsibility by focusing on producing quality products, safety and environment. The company has received certification for its quality management system such as ISO9001:2015, ISO14001:2015 and IATF16949:2016, and use it as a practice guideline in every steps of the production process from the incoming raw materials, production to the waste management.

(3) Distribution and Services

The company has a policy to lead business by adhering to honesty, integrity and not doing anything that which is a violation of the rights of customers. Together with developing product quality and services that respond customers quickly, also developing customer service both production and delivery emphasize punctuality as agreed with customers, Including maintain good relationships with the customers under the policy “Consistent quality, Delivered on time and Continuously develop” including maintaining customer confidentiality without using it for wrongful benefit.

(4) Marketing and Sales

The company focuses on expanding its own customer base without focusing on either selling only one product line. This will allow the company to diversify its income risk over industry cycles. As well as providing useful information, sufficient and timely for customers to receive products information and services without making exaggerated claims that cause misunderstandings.

(5) After Sales Product Management

The company has a policy of trading partners fairly, equally and respect each other's opinions according to agreements and trade conditions subject to accurate information. Together with an exchange knowledge and assistance on color using technical, as well as cooperation to develop products and services.

Fair Competition

The company has made Good Corporate Governance and Ethics Handbook for business operation, so as to comply with Principle of Good Corporate Governance for Registered Companies of Stock Exchange of Thailand. The Handbook has been distributed in order to implant good conscience and apply the principle by management and all level of employees, and also public on the company's website as follows;

1. Demonstrate strategy and capability in adding value in a long run
2. Set up the company's vision and strategic intent suitable with own capability in achieving value-adding activities, raising efficiency and ensuring operational effectiveness, as well as equally ensuring satisfaction among shareholders, clients and investors.
3. Demonstrate operational transparency. Able to answer inquiries and held accountable through mechanisms such as a clear decision-making process and transparent working procedures disclose through reports and analyses on operating results and plans to the shareholders, the clients, the investors and other stakeholders equally, adequately and promptly.
4. A public relations officer must be appointed to present information and able to facilitate communication. At the level of the board of directors, all committees must be balanced in their opinions and monitor the operation, be controlled in giving cautious advices to ensure smooth business and sustainability.
5. Focus on building business allies with trading partner for long term growth and joint development. Compete fairly, do not take advantage or claim benefit not included trading agreement. Adhere to satisfaction on both sides in business negotiation.
6. Respect fair competition rules. Do not destroy competitor fame, and not copy or use other intellectual property in business without permission.

3.2.2 Analysis of Stakeholders in Business Value Chain

The company believes that the commitments on the best corporate social responsibility shall serve as a significant threshold leading the organization towards sustainable developments as follows;

Stakeholders	Participation	Action	Result
Shareholders	<ul style="list-style-type: none"> • AGM • Investor Relation • website 	<ul style="list-style-type: none"> • Good Corporate Governance • Compliance with Good Corporate Governance 	<ul style="list-style-type: none"> • Good return on investment • Disclose information with transparency • Transparency management
Employees	<ul style="list-style-type: none"> • Information • Relation activities • Satisfaction survey 	<ul style="list-style-type: none"> • Review remuneration and benefits • Built up relation activities in organization 	<ul style="list-style-type: none"> • Proper remuneration and benefits • Progress and stability • Improve personal skills
Customers	<ul style="list-style-type: none"> • Satisfaction survey • Customers relation • email / Call center 	<ul style="list-style-type: none"> • Product development • Standard production for good quality • Quick response for complaint 	<ul style="list-style-type: none"> • Suitable price with quality • Clearly product's information • Safety in product usage • Complaint receiving
Business Partners	<ul style="list-style-type: none"> • Partners meeting • email / Telephone 	<ul style="list-style-type: none"> • Review purchasing procedure • Joint products development 	<ul style="list-style-type: none"> • Fair and transparent with partners • Sustainable business growth
Community	<ul style="list-style-type: none"> • Discuss with community • Relation activities 	<ul style="list-style-type: none"> • Basic fire fighting • Resuscitation Training 	<ul style="list-style-type: none"> • Health safety & Hygiene • Involve in community improvement
Social & Environment	<ul style="list-style-type: none"> • Survey and assess effect on environment 	<ul style="list-style-type: none"> • Energy saving tips • Apply ISO 14001 	<ul style="list-style-type: none"> • Efficiency use for resources • Continuous social activities

The company emphasizes on building good relationship and happy co-existence with related group from employees, partner, communities and society by human right of every person. This is the principle which the company adheres to while carrying out activities in business operation. The company has a clear, written business management and stakeholder treatment policies which directors, managers, and all employees strictly hold to. The company avoids situations that would cause conflicts of interest, respecting stakeholders' rights and maximizing mutual benefits.

1. Produce and distribute product which are safe. Determine product price according to cost of goods and stay competitive, keep promise and agreement in product distribution, take care of customer's demand and complaint, also customer satisfaction.
2. Respect the ownership right of stockholders, look after their interests, support and provide opportunities for all groups of shareholder fairly and equally such as access to information,

attend the meeting to determine business operation direction, and make decision on issues which affect the company significantly.



3. Manage work so that debtors feel confident about financial status and ability to pay debt. Strictly carry out as state in contract or other conditions.
4. Treat employees and respect their existence as basic human right in working. Promote equality in employment, opportunity in professional development. Encourage participation to determine direction of business operation and development of the company.
5. Determine respect human rights issue as social responsibility policy. This is communicated to management and every level of employees, including related persons.
6. Organize meetings to review, and improve procedure which may be against human rights. The Safety, Hygiene and Environment in Working Committee will propose to management to proceed in accordance to International Human Rights Principle
7. Give every employees equal opportunity in job employment, occupational development, sufficient and appropriate safety measures, environment and quality of working life.
8. Encourage employees to exercise their voting rights to select representatives on required occasions.
9. Employment opportunity after retirement for employees with knowledge, skills. Ability and good health, so that they can work with the company for another appropriate period of time.
10. Treat all level of employee equally when wrong doing is found. The discipline investigation committee is appointed to give fair trial to employee. Give employee the chance to explain, change and improve, so that they become good member of the organization. Nevertheless, the wrong doing in working regulation will lead to disciplinary measure and consider punishment according to rank.
11. The company emphasizes on happy working environment, stresses on building good understanding among employees – employees, and employees – the company which are the basic of good labor relation. The management will also create balance between working life and living.

12. Organize training for all level of employees to improve their skills and receive sufficient training to perform their job. Provide occupational development based on ability.

In 2023, The company has not received complaints or disputes on human rights violations were filed against the company.

3.3 Management of Sustainability in Environment Dimension

3.3.1 Environment Policy and Best Practices

Determine the Safety, Hygiene and Environment in Working Policy. The committee will be responsible to draw up training plan for every level of employees, prepare equipment to prevent danger in working and campaign to encourage employees to be aware on safe working environment. As employees are the organization's most valuable resources, therefore, the company has a commitment to ensuring safety, health and working environment as a part of goals and objectives are determined to controlling and preventing possible risks with review and improvement in a consistent manner. With the aim to prevent injury and sickness possibly resulted from working, the company also ensures its business direction is being practiced in compliance with relevant laws as well as rules and regulation in relation to health and safety as follows;

1. All employees shall maintain workplace safety.
2. The company shall improve safety and occupational health and workplace environment in order to exercise risk control and prevention.
3. The company shall promote activities in relation to safety and occupational health and working environment to reinforce awareness and increase participation of all employees.
4. The company shall sufficiently provide resources as deem suitable in support of achievement.
5. Commanders at all levels shall act as a good example conforming to rules and regulations in relation to safety, health and working environment.
6. All employees shall take their own safety and their colleagues including the company's assets into consideration during working hours.

3.3.2 Environment Operation Performance

The company has been certified for environmental management standards ISO 14001: 2015 which is aware of the environmental impacts and focus on management to reduce greenhouse effect that may occur from the paints production. Therefore, the company has proceeded the waste treatment system caused by the production process in accordance with the standards of Department of Industrial Works.



In 2023, the company has no environmental legal disputes, and received the Green Industry Entrepreneur Award Level 3 (Green System) with systematic environmental management. There is monitoring, evaluation and review for continuous development by the Ministry of Industry.

(1) Energy Management

Based on the company's firm recognition of critical value generated from its energy resources utilization, so as to create the energy saving project alongside its regular business operations such as turning off air conditioner earlier 15 minutes before lunch time and working end, installation the reflective lamp lantern, using energy saving lamp.

Water Electric Pump : Inverter

The company has installed the inverter system to reduce the electricity consumption of water pump which could be reduced from 9.45 Amp. to 6.88 Amp., and the result in breakeven point within period of one year.



(2) Water Management

The company does not use water in the production process.

(3) Waste Management

The company provided continuous monitoring and evaluation of environment at least once a year. The company recently operated on January 23 - 24, 2023 by Bang Kradi Industrial Park Co., Ltd., which the 2023, the company has an environment management budget of about 500,000 baht.

In 2023, the company operations to promote safety, health and working environment during the PM 2.5 dust situation. Perform air quality inspections and install air purifier in the office to reduce PM 2.5 dust in the air that does not affect the health of employees.

Chemical Concentration in Workplace Report

Parameter	Detected Report (ppm)			Standard (ppm)		Result
	Lab	Spray Booth	Production	Thai	ACGIH	
Toluene	18.4	<0.007	17.6	200	20	✓
Xylene	<0.005	<0.002	<0.005	100	100	✓
Methyl ethyl ketone (MEK)	74.91	<0.006	66.88	200	200	✓
Formaldehyde	0.06	<0.02	0.06	None	50	✓
n-Butanol	0.26	<0.02	0.29	1000	1000	✓
Ethyl acetate	<0.01	-	0.05	15	400	✓

Chemical Contamination in Air Report

Parameter	Detected Report				Result
	Vent 1	Vent 2	Vent 3	Vent 4	
Diameter (m)	0.30 x 0.50	0.30 x 0.50	0.30 x 0.50	0.45 x 0.80	✓
Temperature (°C)	29.7	27.9	26.4	28.0	✓
Wind Speed (m/s)	2.9	3.2	2.3	3.2	✓
Air Flow Rate (m ³ /s)	0.33	0.36	0.26	0.85	✓
Moisture	<0.50	<0.50	<0.50	<0.50	✓
O ₂ (%)	21.00	21.00	21.00	21.00	✓
Xylene (ppm)	0.75	0.29	0.08	0.22	✓
Volatile Organic Compound (mg/m ³)	42.65	18.25	13.28	5.67	✓



(4) Greenhouse Effect Management

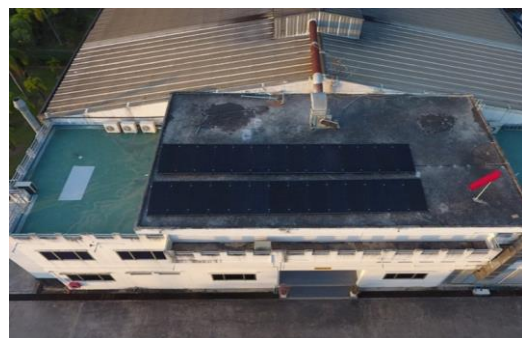
The company appointed the Energy Management Committee to laid down the company's energy resources conservation policy together with create awareness of energy saving to reduce the greenhouse effect, as well as setting guidelines for all level of employees in order to reduce the impact of the company's operations on the environment (Carbon Footprint).

Currently, the company has reduced greenhouse gas up to 230 ton carbon dioxide (tCO₂) and has set a goal to reduce 30% of greenhouse gas by the next 3 years.

Year	Energy Saving Project
2015 - 2016	Certified to be an efficient energy management organization, and received "Thailand Energy Award" 2015 by Department of Alternative Energy Development and Efficiency, and the best practice of energy management organization or "TEM Awards 2016" by Department of Industrial Promotion, Ministry of Industry.
2017 - 2019	Engaged the Energy Saving project with The Institute of Industrial Energy, with improving the efficiency of machinery and equipment for energy saving with installation 10kWh Solar system combined power plant of the factory
2020 - 2021	Engaged the Energy Saving project Phase 2, subsidized by Department of Alternative Energy Development and Efficiency, Ministry of Energy,
2022	Installed 175kWh Solar system combined power plant of the factory
2023	Installed 213kWh Solar system combined power plant of the factory

- **The 10 kWh Solar System**

The company has installed 10 kWh of Solar system to combined power plant of the factory. In 2019 – 2023, the energy consumption went to 72,746 units, or amount of 472,119 baht. The company decreased by 5% from the previous year, and reduced greenhouse gas by 40.7 Ton Carbon dioxide (tCO₂) in total.



- The 175 kWh Solar System

In 2022, the company has installed 175 kWh of Solar system to combined power plant of the factory. The installation was completed at the end of November 2022, as of December 31, 2023, the energy consumption went to 229,697 units, or amount of 1,490,734 baht, and is able to reduced greenhouse gas by 128.6 tCO₂.



- The 213 kWh Solar System

In 2023, the company has installed 213 kWh of Solar system to combined power plant of the factory. The installation was completed at the end of June 2023, as of December 31, 2023, the energy consumption went to 124,256 units, or amount of 806,421 baht, and is able to reduced greenhouse gas by 69.5 tCO₂. The company expects to reduce electricity costs by approximately not less than 1.6 million baht per year and expects to be able to reduce greenhouse gas by up to 140 tCO₂ per year.



3.4 Management of Sustainability in Social Dimension

3.4.1 Social Policy and Best Practice

The company believes that business growth will be sustainable when the operations of that business are accepted and trusted by communities and societies that are directly and indirectly. The company must involve in the development of communities and society to grow along with the operations of the company. In addition to conducting business with social responsibility by following the laws, rules and regulations and quality standards related to business, the company aims to bring its resources and expertise under the participation of employees in order to help develop community and society especially in areas where the company operates.

3.4.2 Social Operation Performance

(1) Human Resources Management

The company emphasizes on raising knowledge of employees. They will be developed on continual basis on knowledge for their duties, production and quality control, skill for purchasing, transportation, maintenance, accounting-financial, safety hygiene and environment by in-house and public training course in order to meet with the vision of organization.

Training of Employee in 2023

In 2023, a total of 166 employees took the training course equivalent to 88% of all employees, and average training hours of 6 hours per person.

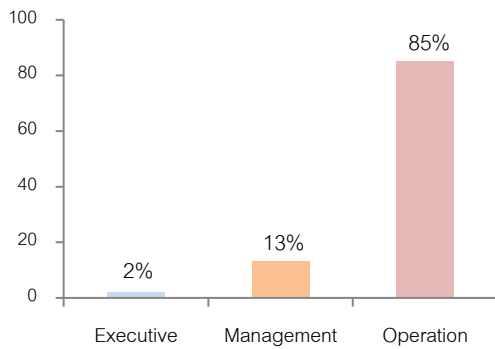


The company arranged training course follow the annual training plan, consists of courses in 4 fields as follows;

Training Course	%
Management skills	5
Production & Quality Control	36
Hygiene & Environment	25
Supporting Skills	34

Level	%
Executive	2
Management	13
Operation	85

Executive level	Management level	Operation level
Lay out vision and business operation strategy in order to meet with the Board of Director's policy	Develop knowledge and management skill as well as create good team work to achieve the target	To gain knowledge and expertise on functions. Be aware about customer's need and their own team



Training Course in 2023

Skills type	Training course
Management Skills	<ul style="list-style-type: none"> • Developing Yourself & Team Towards Organization Goals • Labor Laws for Executive
Production & Quality Control	<ul style="list-style-type: none"> • Using The Paint Shaker • Hydrometer Verification • Paint Film Thickness Measuring • Advance Product Quality Planning
Hygiene & Environment	<ul style="list-style-type: none"> • First Aid and Suscitation • Carbon Footprint for Entrepreneurs • Safety Forklift Using • Safety Chemical Using
Supporting Skills	<ul style="list-style-type: none"> • The Comprehensive Financial Statement • Thinking • IFRS S1 & IFRS S2 Standard • Windows Server Administrator

The company also looks after employee' health by preventive measures, treatment and health care, organize annual health check-up as well as dental care and medical care benefits in case of sickness, also arranged activity for campaign "Safety drive during a long holiday" in 2023.



In 2023, there is no employee who has suffered from work related to accident, and the company has participated in campaign “Zero Accident” with Thailand Institute of Occupational Safety and Health (Public Organization), which the company received a bronze level for 1st consecutive year certificate (1.59 million hours), and set a goal to the next level of safety in workplace.



The company employ employee legally, give remuneration and determine working day, holiday. Rights to take leave, health care, safety standard as required by law to create balance between working life and living. The company has operated based on the policies on wage management by setting the wage increase rate and bonus in accordance to the economic situation together with the performance of the company, and then the wage increase is considered based on the performance and working ability of employees including the consideration of increase in special occasion for promoting employees who have outstanding performance. The company provides equal welfares for employees without discrimination on gender, race, age, and religion with the focus on law compliance, taking care of employee to have good quality of life and sufficient for living such as;

Social Security Fund	Yearly vocational leave
Provident Fund	Married leave
Insurance fee for life and accident	Maternity leave
Insurance fee for sickness	Cremation leave
Scholarship for children	Ordination leave
Giving certification and souvenir for long serving 10, 15, 20, 25, 30, 35 years	Grant in case of employee or parents death

The company provided equal employment opportunity especially the handicapped. In 2023, the company employed the 2 handicapped as required by law (Law states that 1 handicapped person per 100 employees)

Number of employees

Year	Male		Female		Total
	Permanent	Handicapped	Permanent	Handicapped	
2023	113	1	78	1	193
2022	111	1	79	1	192
2021	113	1	81	1	196

Moreover, the company has encouraged employees to do exercises by providing spaces or areas for exercising and installing exercise machines for employees as well.



(2) Customers Management

The company produces products with quality, safety standard and concern about the environment, which are used as a guideline in all production processes. The company has been certified for quality management system as follows;

1. The company has been certified for quality management system ISO9001:2015 in all production processes from incoming raw material, quality insurance, packing and waste management.
2. The company has been certified for ISO14001:2015 which related to environmental management that exists to help organizations minimize how their operations negatively affect the environment, comply with applicable laws, regulations, and other environmentally oriented requirements.

- The company has been certified for IATF16949:2016, which are used as a guideline in all production processes, improving process and services that related to automotive industry.



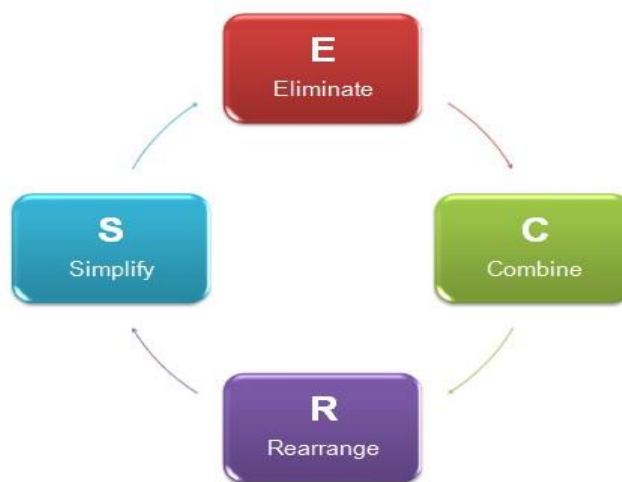
The company aware for importance of customers and partners with the guideline are as follow;

1. Provide correct, sufficient and up to date information to customers and partners, so that they know about the products and services without overstatement from reality, which may cause misunderstanding.
2. Contact customers and partners with good manners and trust. Provide channels for them to file in complaints about quality and safety or product.
3. Retain customers and partners' secret and do not use for personal or related person's interests wrongfully.
4. Give recommendations about usage methods for products and services efficiently and most beneficial for customers and partners.
5. The company has a duty to maintain good relations and to cooperate with customers in the long term, based on the principles of honesty, reliability and mutual trust.
6. The company is committed to presenting and delivering products and services of high standard which meet the needs of the customers.
7. Taking responsibility for interests of the customers as its priority
8. Strives to adhere to the various conditions as agreed upon with the customers to the best of its abilities.
9. Establish good relations with its creditors and to treat them based on the principles of honesty, reliability and mutual trust by providing information that are accurate, transparent, and accountable to creditors

10. Responsible for pay attention, and give importance to the various promises and conditions as agreed upon with its creditors to the best of its abilities in repaying debts, loans and interest. In the case that the company is unable to perform the obligations under the agreements, The company will inform creditors in advance to mutually find solutions to the problems.
11. The company will perform work based on the principles of ethics, and will not solicit, receive or pay dishonest benefits to the customers and creditors.



The company has upgraded its production line by ECRS best practice implementation for consistent and environmental friendly, in 2023 the company focused on increasing production efficiency by adding tools and quality testing equipments including researching on product development to faster and up to date with customer's need, together with maintaining the competitiveness production costs, quality and on time delivery. The company is able to reduce lead time in the amount of 25%.



(3) Communities and Societies Management

“Corporate Social Responsibility” (CSR) is being committed and treated as an integral part of the strategic sustainability business plan as a result, both internal and external affairs cover on an environment awareness, safety concern from the starting of the operational system, logistic process throughout the supply chain also communication with the community in order to enhance its confidence towards company.

In 2023, the company has performed an activities for communities and societies as follows;

- Organized blood donation activity to reserve for patients at Phanat Nikhom Hospital, Chonburi.



- The staffs of company joined in donating blood to Thai Red Cross Society, Chonburi



- Support office supplies to Wat Pong Ta Mook School, Chonburi.



- Support crash helmets to students at Wat Ban-gew School, Chonburi, on the project “Wear crash helmet & Traffic discipline”

